

Date: November 28, 2022
Amount: N/A
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EXPLANATION TO COUNCIL BILL

ORIGINATING DEPARTMENT: Planning & Community Development

PURPOSE: To amend Sections 2-771 "Created" and 2-772 "Powers" of Chapter 2 of the Code of Ordinances for the purpose of clarifying matters related to the creation, powers, and duties of the Tourism Commission as it relates to determining how the Transient Guest (Hotel-Motel) Sales Tax revenue set out in Chapter 27, Article IV of the St. Joseph Code of Ordinances will be used.

REMARKS: In 2011, voters of the City of St. Joseph approved a Transient Guest (Hotel-Motel) Sales Tax pursuant to Section 67.1361 of the Missouri Revised Statutes. Although the ballot language states that funds generated by the tax would be expended for the purpose of funding "the promotion of tourism and convention facilities, including capital expenditures therefor," the Explanation to Council Bill that was attached to Special Ordinance 8176 explained that the funds would be used for the purpose of funding "initiatives such as a Downtown Event Center and related downtown development projects and Riverfront Development Projects." This language is reiterated in the explanation to Special Ordinance No. 8176, as well as General Ordinance No. 2826.

In 2017, a statutorily required "Tourism Commission" was created. The Tourism Commission was limited to exercising the powers, functions, and duties established in RSMo. Section 67.1364, as amended. RSMo. Section 67.1364 states that "The commission shall administer the moneys within the limits of the budget approved by the city or county governing body." In practice, the Commission's authority has been presented in the form of a recommendation to the City Council, as opposed to the final decision on how funds may be used. However, because the statute fails to define what is meant by "administer," a level of ambiguity currently exists. The proposed ordinance includes language that provides the City Council with the final decision on how funds may be used – interpreting the Tourism Commission's charge to "administer the moneys" as being in the form of a recommendation. This is consistent with the manner in which other cities have interpreted the function of "administer," as well as the practice currently in place.