

**PETERSBURG BOROUGH
ORDINANCE #2015-07**

**AN ORDINANCE AMENDING SECTION 4.33 OF THE PETERSBURG BOROUGH CODE TO
ESTABLISH A TRANSIENT ROOM TAX FUND AND RESCIND RESOLUTION #2004, WHICH
HAD ESTABLISHED GUIDELINES FOR APPROPRIATION OF FUNDS GENERATED BY
THE TRANSIENT ROOM TAX**

WHEREAS, Petersburg Borough Municipal Code, Chapter 4.33 provides for the levy and collection of a transient room tax from the hotels, motels and bed & breakfast establishments within the Petersburg Borough; and

WHEREAS, under PMC 4.33.060, proceeds from the transient room tax are to be used to provide funding for visitor-related services in the Borough; and

WHEREAS, on March 5, 2012, by Resolution #2004, the Petersburg City Council approved guidelines for transient room tax appropriations and approved the structure of a Transient Room Tax Committee; and

WHEREAS, the Petersburg Borough Assembly wishes to now create a dedicated Petersburg Borough Transient Room Tax Fund, into which the transient room tax revenue will be deposited and expenditures from which shall be approved through the budgetary process by the Borough Assembly; and,

WHEREAS, the Assembly further wishes to rescind the guidelines established under Resolution #2004; and

WHEREAS, under the Borough Charter, subsection 19.08C, an advisory committee not specifically provided for in the Charter and not continued by ordinance within one year after dissolution of the City are to be dissolved, and the Transient Room Tax Committee is not established by the Charter and the Assembly does not intend to continue the committee by ordinance.

THEREFORE THE PETERSBURG BOROUGH ORDAINS, existing Chapter 4.33, Transient Room Tax, is hereby amended as follows:

Section 1. Classification: This ordinance is of a permanent nature and shall be codified in the Petersburg Borough Code.

Section 2. Purpose: The purpose of this ordinance is to create a Petersburg Borough Transient Room Tax Fund, and to rescind Transient Room Tax Resolution #2004.

Section 3. Substantive Provisions: The Petersburg Borough Code, Section 4.33, shall be amended to add new section 4.33.055 – Creation of a Transient Room Tax Fund, amend existing section 4.33.060 – Use of Proceeds, and add new section 4.33.070 – Restrictions of Fund. The sections are to read as follows:

4.33.055 - Creation of a Transient Room Tax Fund

There is created a Petersburg Borough Transient Room Tax Fund, into which all funds generated by the transient room tax shall be deposited.

4.33.060 - Use of proceeds.

The proceeds of this tax, **less administrative and enforcement related expenses, are dedicated to, and** shall be used to provide funding for, visitor-related services in the borough. Uses include, but are not limited to, payment of membership fees to tourist-related organizations, advertising, and maintenance and operation of ~~a visitor information center~~ **the Chamber of Commerce**. ~~Any funds not required for visitor-related services may be used for promotion of the general economic development of the borough.~~

4.33.070 – Expenditures from Fund

Expenditure of funds from the Transient Room Tax Fund shall be made through the budgetary process, under the control and approval of the Borough Assembly.

Section 4. Repealer: Transient Room Tax Resolution #2004 is hereby repealed, thus eliminating the prior guidelines established for the appropriation of funds generated by the Transient Room Tax, and confirming the dissolution of the Transient Room Tax Committee.

Section 5. Severability: If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected.

Section 6. Effective Date: This Ordinance shall become effective immediately upon final passage.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this _____ day of _____, 2015.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Clerk

Adopted:
Published:
Effective: