

Legislation Details (With Text)

File #:	18-7724	Name:	transient lodging	
Туре:	Ordinance	Status:	Agenda Ready	
File created:	5/7/2018	In control:	City Council Legislative Meetin	g
On agenda:	5/12/2018	Final action:		
Title:	Public Hearing, Second Reading and Final Passage of an Ordinance to Amend and Reordain Section 3-2-142 (LEVY AND RATE) of Article K (TRANSIENT LODGING TAX) of Chapter 2 (TAXATION) of Title 3 (FINANCE, TAXATION AND PROCUREMENT) of the Code of the City of Alexandria, Virginia, 1981, as amended. [ROLL-CALL VOTE]			
Sponsors:				
Indexes:				
Code sections:				
Attachments:	1. 18-7724_Cover, 2. 18-7724_ Ordinance, 3. 18-7724_After Items			
Allachments.				

City of Alexandria, Virginia

MEMORANDUM

DATE:MAY 7, 2018TO:THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCILFROM:MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Public Hearing, Second Reading and Final Passage of an Ordinance to Amend and Reordain Section 3-2-142 (LEVY AND RATE) of Article K (TRANSIENT LODGING TAX) of Chapter 2 (TAXATION) of Title 3 (FINANCE, TAXATION AND PROCUREMENT) of the Code of the City of Alexandria, Virginia, 1981, as amended. [ROLL-CALL VOTE]

ISSUE: Consideration of an ordinance to amend and reordain City Code Section 3-2-142 to increase the Transient Lodging Tax of \$1 per day of room rental to \$1.25. The base rate of 6.5% of the total amount paid for

File #: 18-7724, Version: 1

room rental remains unchanged.

<u>RECOMMENDATION</u>: That City Council hold a public hearing and pass yjr proposed ordinance (Attachment 2) on second reading and final passage on Saturday, May 12, 2018.

<u>DISCUSSION</u>: The existing Transient Lodging rate structure of 6.5% plus \$1 per each day of rental has been in place since FY 2009. In addition to this General Fund revenue, Northern Virginia localities also collect a 2% rental charge on behalf of the Northern Virginia Transportation Authority (NVTA).

As part of its deliberation on the FY 2019 Proposed Budget, City Council supported a

twenty-five cent increase to the daily rental charge, increasing it from \$1 to \$1.25 per day of room rental. This rate change will increase non-departmental contingent funding to help address public safety recruitment and retention issues.

FISCAL IMPACT: Staff estimates that raising the room rental charge by \$0.25 will generate approximately \$286,000 per year.

ATTACHMENTS:

Attachment 1 - Proposed Ordinance Cover

Attachment 2 - Proposed Ordinance Amendment

STAFF:

Laura B. Triggs, Deputy City Manager

Kendel Taylor, Director of Finance

Kevin C. Greenlief, Assistant Director, Revenue Division, Finance

Sarah McElveen, Assistant City Attorney