

BILL NO. 2019-09
ORDINANCE NO. 726

An Ordinance Amending City Code Title 3, Chapter 3 Rental Businesses, changing the 0.5% room tax from being dedicated for use for “outdoor activities” to being placed in the City’s General Fund for the sole purpose of additional funding dedicated to the City of Ely Parks and Recreation Department and/or the Cemetery, increasing the 0.5% to 1% of gross room tax revenue beginning July 1, 2020, dedicating 2.5% of gross room tax revenue to be used specifically for the City of Ely Road Department effective July 1, 2020.

WHEREAS, N.R.S. 266.105 empowers the Ely City Council to pass ordinances necessary for the municipal government and the management of the affairs of the City, for execution of all powers vested in the City, and for making effective the provisions of Chapter 266 of the Nevada Revised Statutes; and

WHEREAS, N.R.S. 268.095 (1)(d) provides in pertinent part:

1. Except as otherwise provided in subsection 4 and NRS 268.0951, 268.0977 and 268.0979, the city council or other governing body of each incorporated city in this State, whether organized under general law or special charter, may:

(d) Use the proceeds of any tax imposed pursuant to this section on the revenues from the rental of transient lodging:

(1) To pay the principal, interest or any other indebtedness on any general or special obligations issued by the city pursuant to the laws of this State;

(2) For the expense of operating or maintaining, or both, any facilities of the city; and

(3) For any other purpose for which other money of the city may be used.

which authorizes the City Council to determine how to disburse the funds received from transit lodging taxes; and

WHEREAS, NRS 268.001 authorizes the City Council to determine how to address matters of local concern; and

WHEREAS, the City Parks and Recreation Department and Street Departments are funded from the General Fund, are used not only by residents of the City of Ely and White Pine County, but also used by those tourists who visit our great City; and

WHEREAS, the City Council finds that using proceeds from transient lodging, without increasing what is being charged to the consumer, is in the City’s best interests, to maintain and improve City Parks, the Cemetery and City Roads.

NOW, THEREFORE, the City Council of the City of Ely DOES AMEND ELY CITY CODE TITLE 3, CHAPTER 3, AS FOLLOWS:

Section 1: Ordinance Enactment

Section 3-3-5 shall be amended as follows:

D. Disposition Of Tax Revenue:

1. The recreation board is authorized and empowered to collect the proceeds of the license tax provided for in this chapter and to receive, control, invest and order the lawful expenditure of funds pertaining thereto and to enforce by all appropriate and lawful means the provisions of this chapter. Two percent (2%) of the total ~~eleven and one half percent (11.5%)~~ **thirteen and one half percent (13.5%)** of the room tax set forth in subsection A of this section shall be specially allocated and dedicated to the White Pine Historical Railroad Foundation. One percent (1%) of the total ~~eleven and one half percent (11.5%)~~ **thirteen and one half percent (13.5%)** of the room tax set forth in subsection A of this section shall be specially allocated and dedicated for use by the board for recreational and tourism purposes and for matching funds for grants relating thereto.

2. Effective July 1, ~~2016~~ **2020**, the one-half percent (0.5%) increase **previously instituted on July 1, 2016 herein**, shall be specially allocated and dedicated for use ~~for "outdoor activities" such as the golf course, for improving, extending and bettering recreational facilities as authorized by Nevada Revised Statutes 244A.597 to 244A.655, inclusive per Nevada Revised Statutes 268.095(1)(b)(5) solely by the City of Ely's Park and Recreation Department and/or Cemetery. For fiscal year 2016-2017 and annually thereafter, the recreation board shall budget the one half percent (0.5%) based on the previous year's actual income for distribution. Meaning, for fiscal year 2016-2017, the recreation board will use fiscal year 2015-2016 to set its budget. For fiscal year 2016-2017 only, one hundred percent (100%) of the one half percent (0.5%) increase will be dedicated for use solely by the White Pine County Golf Course. Annually thereafter, any outdoor activity within White Pine County meeting the requirements of this section may submit an application to the recreation board for these funds to improve, extend or better their outdoor recreational facility. (Ord. 699, 5-12-2016).~~ **Starting July 1, 2020, the White Pine County Tour and Recreation Board shall increase the distribution from 0.5% of the thirteen and one half percent (13.5%) gross transient room tax revenue fixed in subsection A of this section to 1.0% of the thirteen and one half percent (13.5%) to be disbursed to the City of Ely to be placed in the General Fund on a Quarterly basis for the sole benefit of the City's Park and Recreation and/or Cemetery Departments. This section does not and is not intended to increase the overall room tax, but redistributes how the room tax is allocated and used by the City of Ely.**

3. ~~Effective July 1, 2016, one half of one percent (0.5%) of the total eleven and one half percent (11.5%) of the room tax set forth in subsection A of this section shall be specially allocated and dedicated to the city of Ely pursuant to Nevada Revised Statutes 268.095(1)(d) to be used to pay the principal, interest or other indebtedness on any general or special obligations for infrastructure repair, maintenance or replacement, or for the expense of operating or maintaining or both of any facilities of the city, including, but not limited to, water distribution systems,~~

sewerage systems, or streets, roads and alleyways, or for any other purpose for which other money of the city may be used from the general fund.

~~4. — Effective July 1, 2017, one and one-half percent (1.5%) of the total eleven and one-half percent (11.5%) of the room tax set forth in subsection A of this section shall be specially allocated and dedicated to the city of Ely pursuant to Nevada Revised Statutes 268.095(1)(d) to be used to pay the principal, interest or other indebtedness on any general or special obligations for infrastructure repair, maintenance or replacement, or for the expense of operating or maintaining or both of any facilities of the city, including, but not limited to, water distribution systems, sewerage systems, or streets, roads and alleyways, or for any other purpose for which other money of the city may be used from the general fund.~~

53. Effective July 1, 2018, and annually thereafter, two and one-half percent (2.5%) of the total ~~eleven and one-half percent (11.5%)~~ **thirteen and one half percent (13.5%) gross revenue from** of the room tax set forth in subsection A of this section shall be specially allocated and dedicated to the city of Ely pursuant to Nevada Revised Statutes 268.095(1)(d) to be used to pay the principal, interest or other indebtedness on any general or special obligations for infrastructure repair, maintenance or replacement, or for the expense of operating or maintaining or both of any facilities of the city, including, but not limited to, water distribution systems, sewerage systems, ~~or streets, roads and alleyways,~~ or for any other purpose for which other money of the city may be used from the general fund. (~~Ord. 698, 5-12-2016~~).

4. Effective July 1, 2020 and annually thereafter, two and one-half percent (2.5%) of the gross revenue from the **thirteen and one half percent (13.5%)** of the room tax set forth in subsection A of this section shall be specially allocated and dedicated to the city of Ely pursuant to Nevada Revised Statutes 268.095(1)(d) to be used specifically for the Road Department for road repairs, maintenance and replacement or for the expense of operating or maintaining or both any of the streets, roads and alleyways or for any other legal purpose for which other general fund money of the City may be used from the general fund for the Road Department.

5. Effective July 1, 2020 and thereafter, Section 3-3-5 provides a total of six percent (6%) of the gross revenues from transient room taxes will be disbursed to the City of Ely to assist in operating and maintaining those facilities used by residents of the City of Ely, White Pine County and tourists.

All other provisions of Section 3-3-5 not specifically amended herein shall remain unchanged.

Section 2. Effective Date. This ordinance shall become effective twenty (20) days after its passage, approval and publication according to law.

Section 3. Proposing Parties. The foregoing ordinance was proposed by Councilmember Ernie Flangas, at the regularly scheduled meeting of the Ely City Council on August 8, 2019, read by title and referred to the City Council of the City of Ely, as a committee of the whole.

Section 4. Notice. publication as required by law.

Notice of filing of such ordinance was duly given by

Section 5. Reading. and adopted by the following vote:

It was read in full at the regular meeting on _____

VOTE:

AYES: _____

NAYES: _____

ABSENT: _____

Approved this _____ day of _____, 2019

NATHAN ROBERTSON, MAYOR

ATTEST:

JENNIFER LEE, CITY CLERK