

AGENDA

SEASIDE CITY COUNCIL SPECIAL MEETING – ELECTRONIC COMMUNICATION

989 BROADWAY-CITY HALL

APRIL 6, 2020

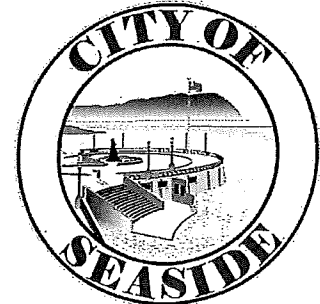
5:00 PM

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. MAYOR - READ OPENING STATEMENT
5. 2020 TOURISM RELIEF PROGRAM FOR HOTELS AND LODGING PARTNERS
 - COMMENTS
 - MOTION TO APPROVE - ROLL CALL VOTE
6. 2020 TOURISM RELIEF PROGRAM FOR NON-LODGING PARTNERS
 - COMMENTS
 - MOTION TO APPROVE – ROLL CALL VOTE
7. APRIL 2020 WATER BILLING CUSTOMER’S REDUCTION
 - COMMENTS
 - MOTION TO APPROVE – ROLL CALL VOTE
8. ADJOURNMENT

All meetings other than executive sessions are open to the public. When appropriate, any public member desiring to address the City Council may be recognized by the presiding officer. Remarks are limited to the question under discussion except during public comment. This meeting is handicapped accessible. Please let us know at 503-738-5511 if you will need any special accommodation to participate in this meeting.

2020 TOURISM RELIEF PROGRAM FOR HOTELS AND LODGING PARTNERS

In light of dramatic local, county, and state restrictions necessitated by the COVID-19 pandemic, the **City of Seaside is considering an option from city staff to waive Transient Room Tax (TRT) due from the quarter ending March 31, 2020** for all short-term lodging entities in the city limits.



This one-time relief from the City's TRT is intended to help ensure the long-term health and sustainability of the area's diverse lodging community, which has been at the heart of the Seaside experience for generations. In the same quarter in 2019, Seaside short-term lodging properties (hotels, motels and vacation rental dwellings) collected more than \$1 million in TRT for the City of Seaside.

The TRT is a 10% city tax collected in addition to the room rate charged by lodging operators for short-stay guests (30 days or less) in Seaside. The **TRT is not a tax on lodging operators** and, in fact, every operator may always withhold 5% of net TRT collected to cover collection and remittance expenses. By statute, the funds collected for the City are due on the 15th day following the preceding three months of the quarter. In this case, TRT collected for January, February, and March 2020 would be due April 15.

THE PROPOSAL FOR HOW TO RECEIVE CITY TRT RELIEF

While all lodging, hotels, short-term rentals, homestay lodges, and campgrounds in the City of Seaside are eligible to be relieved of the City's TRT tax for Q1 2020, each entity must still complete and submit the usual Room Tax form (minus the collected funds) by April 30, 2020. Forms may be delivered to Seaside City Hall in person or by mail (so long as it's postmarked or received by the deadline).

The City's TRT will not be relieved for lodging entities who do not submit completed forms by the deadline nor for those who have outstanding TRT collected from previous quarters unless released to the City in full by the current deadline.

IMPORTANT MESSAGE REGARDING CLATSOP COUNTY AND STATE TRT

This TRT relief is limited to the City of Seaside. Operators must still pay the State of Oregon's 1.8% and Clatsop County's 1% lodging tax collection.

Frequently Asked Questions for Members of the Lodging Community

Q: What if I already paid my lodging tax prior to hearing of this announcement.

A: If the city received your payment and proper paperwork, the city will be processing a refund and you should expect to receive that in the next 7-14 days.

Q: What will you do with lodging tax for the April - June, 2020 quarter (Q2)?

A: This is a one-time relief from transient lodging tax. Any TRT collected between April 1 through June 30, 2020 shall be due by July 15, 2020.

Q: How can the city afford to relinquish this type of income?

A: Tourism is vital to our community and has been since the late 1800s. While this limits disbursement in funds to the Convention Center, Visitors Bureau, Public Safety, and Public Works funds for this quarter, it's done so with the future in mind. We do hold financial reserves for situations like this and will rely on those in this time.

Q: Do you have recommendations for proper collection?

A: The City of Seaside has long advocated for its lodging partners to set aside the lodging tax received once a guest of yours checks out. This could be as simple as setting up a special bank account for these funds alone. By City of Seaside Ordinance, our lodging partners are collecting this on behalf of the City of Seaside and all collection partners may hold 5% of the total collections as an administrative fee. The remainder of the collections (\$95 of every \$100 collected) must be remitted to the City of Seaside by the deadlines mentioned above.

2020 TOURISM RELIEF PROGRAM FOR NON-LODGING PARTNERS

The City of Seaside is providing emergency grant funding for eligible small businesses and nonprofits in the tourism economy who have suffered economic harm due to the dramatic local, county, and state restrictions necessitated by the COVID-19 pandemic.

Up to \$250,000 in emergency grant funds are anticipated to be available through this program, with individual grant amounts up to \$4,000 each. These grants are intended to provide economic support to help our tourism-dependent businesses overcome the temporary loss of revenue associated with COVID-19 travel restrictions. Grants must be used to keep employees on payroll, pay for sick leave, or pay business obligations, including debts, rent and mortgage payments. Grants may also be used to develop modern websites and add online shopping and updated point-of-sale capabilities, if applicable.



The Director of Tourism Marketing for the City of Seaside Visitors Bureau will be the fiscal administrator of these funds on behalf of the City.

WHO MAY APPLY?

Small businesses and nonprofits that comprise and support the thriving tourism industry in Seaside, especially as it relates to making Seaside a popular year-round overnight destination. Eligible applicants include (but are not limited to) restaurants, shops, galleries, cafes, and entertainment establishments who have been operating for at least one full year as of 4/1/2020.

In order to qualify for the emergency funds, applicants must clearly show:

- Business or organization is operating under mandatory change-in-service or closure order by federal, state, or local government.
- Business or organization has suffered an economic loss due to COVID-19 restrictions.
- Business or organization has pursued reasonable relief efforts including:
 - Seeking commercial rent/mortgage forgiveness, discounts, or payment delays.
 - Working with vendors to extend or improve payment terms.
 - Leaning on lending partners to access additional capital or extend payment terms.
 - Partnering with utility service providers to extend payment plans.
- Business or organization has no more than 15 FTE staff, including owner(s)
- Business or organization has been operating for at least one full year as of April 1, 2020.
- Business or organization is registered with the City of Seaside and the State of Oregon.

Hotels and other short-term lodging properties are not eligible. In addition to the emergency grant outlined here, the City of Seaside is waiving its Transient Room Tax collection for the first quarter of 2020 (January, February, and March) for lodging entities in Seaside.

HOW TO APPLY

In order to be considered for these emergency grants, a complete application must be delivered via email to the Director of Tourism Marketing by **Friday, May 8**. Applications should be sent to jheineman@cityofseaside.us. *Note: Applications will be made available following proper and final approval of any program or abbreviated program.*

If you have multiple businesses, you will have to submit additional individual applications for each venture you'd like considered. A funded grant for one business does not guarantee nor preclude a grant for another venture by the same applicant.

GRANT DETERMINATIONS

Applications received by deadline will be reviewed by an advisory committee from Clatsop Economic Development Resources (CEDR), with recommendations on funding approvals submitted to the Director of Tourism Marketing by Friday, May 15, 2020. Organizations will be notified of the status of their grant request by Friday, May 22, 2020.

RECORD KEEPING AND REPORTING REQUIREMENTS

All grantees must maintain records for the minimum required amount of time set forth by the IRS, including receipts, and make those records available to the City of Seaside upon request for audit purposes.

Applicants awarded grant funding will need to submit a status report by July 1, 2020, describing how the emergency grant funds were used and the impact on business for the mid- to long-term. Failure to submit proper reports could result in forfeiture of funds received.



CITY of SEASIDE

OREGON'S
FAMOUS
ALL-YEAR
RESORT

989 BROADWAY
SEASIDE, OREGON 97138
(503) 738-5511

April 6, 2020

Mayor and City Council:

RE: APRIL 2020 WATER BILLING CUSTOMER'S REDUCTION

The President, Governor, and County Commissioners declared a state of emergency in response to the spread of COVID-19. On March 21, 2020, the City Council passed Resolution #3954 to declare a COVID-19 Pandemic Emergency and restricted access to all public buildings, to city parks, streams, and beach areas which became effective on March 23, 2020.

Furthermore, on March 23, 2020, Governor Brown ordered people to 'Stay Home, Stay Safe' which undeniably impacted Oregonians' daily lives. This expanded the list of businesses forced to shut down as the COVID-19 pandemic is trying to be contained. This in turn put many people and businesses out of work and is having a sweeping impact on thousands of people who are now out of work due to closures statewide.

The City of Seaside is considering a one-time reduction of \$50.00, for both residential and Commercial customers for the April 2020 billing cycle. This would be for approximately 3,500 water customers.