



# City of Norman, OK

Municipal Building Council  
Chambers  
201 West Gray Street  
Norman, OK 73069

## Text File

File Number: O-1213-28

**Agenda Date:** 1/22/2013

**Version:** 1

**Status:** Non-Consent Items

**In Control:** City Council

**File Type:** Ordinance

### Title

CONSIDERATION OF ORDINANCE NO. O-1213-28 UPON SECOND AND FINAL READING: AN ORDINANCE OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, AMENDING SECTION 8-503 OF THE CODE OF THE CITY OF NORMAN CONTINGENT ON VOTER APPROVAL OF ORDINANCE NO. O-1213-29 TO INCREASE THE EXCISE TAX UPON THE GROSS PROCEEDS OR GROSS RECEIPTS DERIVED FROM RENTS RECEIVED FROM OCCUPANCY OF HOTEL ROOMS; PROVIDING FOR AN EFFECTIVE DATE FOR SAID INCREASE SUBJECT TO VOTER APPROVAL; AND PROVIDING FOR THE SEVERABILITY THEREOF.

### Body

**BACKGROUND:** The Norman Transient Guest Room Tax was first approved by the voters in 1980 and is codified in Article 5 of Chapter 8 of the Code of the City of Norman. The original rate of the tax was four percent (4%) and it remains so today. The taxes collected pursuant to Article 5 are to "be used exclusively for the purpose of encouraging, promoting and fostering the convention and tourism development of the City of Norman. Uses in parks development and in promotion of Arts and Humanities are thus contemplated". Norman Code, §8-521. Currently, the City contracts with the Norman Convention and Visitors Bureau (NCVB) and with the Norman Arts Council for the use of a portion of these revenues. The City retains 3% as reimbursement for administering the tax and the contracts. Of the remaining, 97%, 50% is paid to NCVB, 25% is paid to the Norman Arts Council, and 25% is used for parks development by the City Parks and Recreation Department.

The Finance Committee held initial discussions on the topic of raising the transient guest room tax in October, and then held additional meetings in November and December and invited input from the beneficiaries of these funds. The issue was discussed at the City Council Conference on December 11, 2013 as well.

**DISCUSSION:** Ordinance No. O-1213-28 reflects the discussions by Council members and the input from the beneficiaries of the room tax funds and proposes raising the room tax rate from 4% to 5%. This will require approval by the voters; Ordinance No. O-1213-29 authorizes the calling and holding of the election on April 2, 2013, which is also the date of the City Council municipal election. The Proclamation formally gives notice of the election. If approved by the voters, the increase will be effective on May 1, 2013. The disbursement of these funds will continue as provided in the City's contracts with the NCVB and the Norman Arts Council.

**STAFF RECOMMENDATION:** Staff recommends approval of Ordinance No. O-1213-28.