

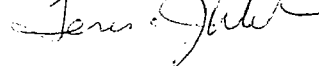
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## AGENDA COVER MEMO

AGENDA DATE: June 16, 2004

TO: LANE COUNTY BOARD OF COMMISSIONERS

DEPT.: LANE COUNTY OFFICE OF LEGAL COUNSEL

PRESENTED BY: Teresa J. Wilson, County Counsel 

AGENDA ITEM TITLE: In the Matter of Approving the Use of Transient Room Tax Funds for Operational Purposes for the Florence Events Center

I. MOTION: I MOVE TO APPROVE THE ORDER AUTHORIZING THE USE OF TRT FUNDS FOR OPERATIONS OF THE FLORENCE EVENTS CENTER.

II. ISSUE OR PROBLEM: Under LC 4.175(5), any use of the capital side of the room tax needs for non-capital purposes needs to be approved by the Board through the annual budget process.

III. DISCUSSION:

A. Background. The Board approved an amendment to the intergovernmental agreement with Florence about the funding of the debt service for the Events Center in March, 2004. (Board Order 04-3-10-29). Florence is refinancing the debt, and requested the County consider reducing the total payment for \$200,000/yr to \$190,000, and that it permit the City to use up to \$40,000 of those funds for operations. The Board agreed. However, under LC 4.175(5), the operational use must be approved as part of the annual budget process.

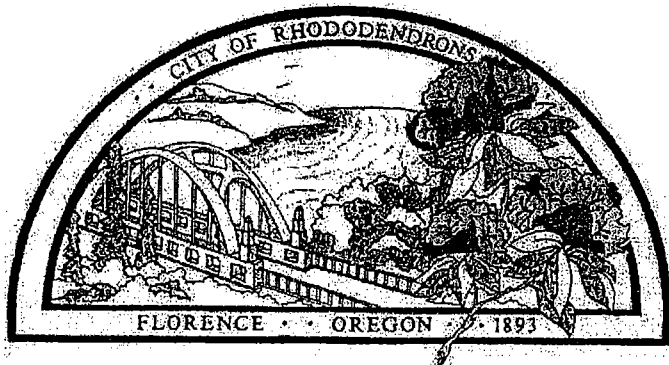
B. Analysis. The City of Florence has sent in its request, and the proposed budget for the Events Center. Those documents are attached. The request is consistent with the Order approved by the Board in March.

C. Alternatives/Options. The Board could chose not to approve the request; however, because of the commitment in the intergovernmental agreement amendment, it would still need to make the \$190,000 payment. Presumably, Florence would then use the sum as required by the intergovernmental agreement for debt service.

D. Recommendations. I recommend approval.

IV. ATTACHMENTS:

May 3, 2004 Request to use excess Lane County room tax contributions  
Florence Events Center/Room Tax Funds budget



# *City of Florence*

Mayor and Council

250 Highway 101  
Florence, OR 97439-7628

Voice/TDD: (541) 997-3437  
FAX: (541) 997-6814

May 3, 2004

Lane County Board of Commissioners  
Lane County Budget Committee  
Bill Van Vactor, Lane County Administrator  
125 East 8th Avenue  
Eugene, OR 97401

RE: Request to use excess Lane County room tax contributions

VIA EMAIL and US Postal Service

Ladies and Gentlemen:

The Mayor and City Council of the City of Florence respectfully request from the Lane County Board of Commissioners and the Lane County Budget Committee the opportunity to expend excess Lane County room tax monies contributed to the City of Florence through the intergovernmental agreement for debt service payments for the Florence Events Center.

In fiscal year 2004-05 it is anticipated that the debt service payments for the Florence Events Center (FEC) construction will be approximately \$150,000 because of an anticipated refinancing that will be complete in July, 2004. Under the intergovernmental agreement between Lane County and the City of Florence, the County contributes \$190,000 annually toward the FEC debt service. The City requests that approval be given to expend the excess \$40,000 of that annual contribution for operational use at the Florence Events Center in FY2004-05.

A proposed budget for the Florence Events Center and other City tourism activities is attached. You will note that the Florence Events Center operating expenditures far exceed its operating revenue. It needs supplementation, not only from the excess County debt service contributions, but from the City's room tax as well. In order to fund other tourism activities with City room tax monies, it is imperative that the FEC be allowed the use of the excess County funds.



Lane County Commissioners

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May 3, 2004

The City appreciates the hard work and kind consideration that the County Administrator and the Board of Commissioners have accorded the City in its efforts to build and operate our Events Center. We hope you will consider this request in the same spirit. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Alan Burns".

Alan Burns, Mayor

CC: City Council  
Rodger Bennett, City Manager  
Janice Riessbeck, Finance Director

**CITY OF FLORENCE  
PROPOSED BUDGET FY2004-05**

**FLORENCE EVENTS CENTER/ROOM TAX FUNDS**

<b>REVENUE</b>	
CARRYOVER	603,417
INTEREST	5,300
CITY ROOM TAX	112,000
GRANTS/CONTRIBUTIONS	60,500
FEC OPERATING REVENUE	149,000
LANE COUNTY DEBT CONTRIBUTION - FEC	190,000
MISCELLANEOUS	5,500
<b>TOTAL REVENUE</b>	<b>1,125,717</b>
<b>EXPENDITURES</b>	
FEC OPERATING	299,673
TOURISM MARKETING	67,000
CHAMBER OF COMMERCE	28,000
CAPITAL OUTLAY/MAINTENANCE - FEC	61,195
DEBT SERVICE	608,242
RESERVE FOR CAPITAL MAINTENANCE	54,110
CONTINGENCY/ENDING BALANCES	7,497
<b>TOTAL EXPENDITURES</b>	<b>1,125,717</b>
Revenue Over (Under) Expenditure	0

Carryover includes \$452,402 of debt service reserve. Grant/Contribution revenue includes a projected RTMP grant of \$55,000 to be spent on tourism marketing. The Chamber of Commerce expenditure is an apportionment of 25% of the City's projected room tax revenue.

IN THE BOARD OF COUNTY COMMISSIONERS  
OF LANE COUNTY, OREGON

ORDER NO. 04-6-

) IN THE MATTER OF APPROVING THE  
) USE OF TRANSIENT ROOM TAX  
) FUNDS FOR OPERATIONAL  
) PURPOSES FOR THE FLORENCE  
) EVENTS CENTER

WHEREAS, in March, 2004 (Order No. 04-3-10-29), the Board of County Commissioners agreed to amend the Florence Intergovernmental Agreement regarding financing of the Florence Events Center to reduce the annual payment from \$200,000 to \$190,000, and to permit up to \$40,000 of the \$190,000 per year could become available for operational purposes of the Events Center if that expenditure was approved annually through the budget process per LC 4.175(5), and

WHEREAS, the City of Florence has submitted a request to use the \$40,000 for operations of the Florence Events Center in FY 2004-05, and has provided a copy of the proposed budget for the Events Center

WHEREAS, the Board has duly considered this expenditure as part of the annual budget, and

WHEREAS, these uses are consistent with ORS 320.350 in that the Events Center is a tourism-related facility,

NOW, THEREFORE IT IS HEREBY ORDERED that the Board of County Commissioners approves the use of \$40,000 of the FY 04-05 \$190,000 payment of transient room taxes to Florence for operations of the Events Center.

DATED this 16th day of June, 2004.

\_\_\_\_\_  
Bobby Green, Sr., Chair,  
Lane County Board of Commissioners

**APPROVED AS TO FORM**

Date 5-25-04 lane county  
*James J. [Signature]*  
OFFICE OF LEGAL COUNSEL

