

W. G. A. I.

AGENDA COVER MEMO

AGENDA DATE: August 10, 2005
Memorandum Date: August 3, 2005

TO: LANE COUNTY BOARD OF COMMISSIONERS
DEPARTMENT: LANE COUNTY OFFICE OF LEGAL COUNSEL
PRESENTED BY: Teresa J. Wilson, County Counsel
AGENDA ITEM TITLE: In the Matter of Approving a Settlement with the Heceta Lighthouse Bed & Breakfast



I. **MOTION** I move to approve the Order on the settlement with Heceta Lighthouse B&B.

II. **AGENDA ITEM SUMMARY**

The purpose of this item is to have the Board delegate authority to the County Administrator to approve the settlement on room taxes with Heceta Lighthouse B&B.

III. **BACKGROUND/IMPLICATIONS OF ACTION**

A. **Board Action and Other History**

The Board was previously advised regarding the Heceta Lighthouse B&B's dispute over the transient room taxes in executive session.

B. **Policy Issues/Board Goals** - N/A.

C. **Financial and/or Resource Considerations**

The settlement of the dispute provides for payment of \$17,563.64, i.e., one-half of the disputed taxes, over a period not to exceed five years. If payment is made timely, the County will forgo collection of potential penalties of \$8,782 and interest.

D. **Analysis**

The settlement provides for collection of a portion of the disputed amount, and avoids the costs and resource use that would be involved in litigation. Since learning of the obligations under the County Code for the room taxes, the owner of the Heceta Lighthouse B&B has been paying both currently due taxes and making payments on past due taxes. Settlement and avoiding litigation is prudent for both the business and the County.

F. **Alternatives/Options**

The alternative is to reject the settlement and take further steps to initiate litigation to collect the full amount of taxes, interest and penalties.

IV. **RECOMMENDATION**

I recommend approval.

IN THE BOARD OF COUNTY COMMISSIONERS
OF LANE COUNTY, OREGON

ORDER NO. 05-8-10-

) IN THE MATTER OF APPROVING A
) SETTLEMENT WITH THE HECETA
) LIGHTHOUSE BED & BREAKFAST

WHEREAS, WR Trillium Inc, dba Heceta Lightstation, (hereinafter Heceta Lighthouse B&B) has had a permit from the United States Forest Service to manage the Heceta Lighthouse Keeper's house as a bed and breakfast since 2003, and

WHEREAS Heceta Lighthouse B&B disputes the room taxes owed to Lane County for the period since it assumed operation through January, 2005,

WHEREAS, the parties have negotiated a settlement of the dispute,

NOW, THEREFORE IT IS HEREBY ORDERED that the Lane County Administrator is authorized to enter into a settlement agreement with Heceta Lighthouse B&B to permit payment of \$17,563.64 in Lane County transient room tax over a period of time not to exceed five years.

DATED this 10th day of August, 2005.

Chair, Lane County Board of
Commissioners

APPROVED AS TO FORM
Date 8/3/05 lane county
Jeresa [Signature]
OFFICE OF LEGAL COUNSEL