

Ballot Measure 6-230:

Coos Bay Charter Amendment

OFFICIAL TITLE

Amends Charter: Lodging Taxes, Municipal Court, Administrative Updates

REFERRAL

This measure is an amendment to the City of Coos Bay's Charter, referred to voters by the City Council by a vote of 6 in favor and 1 absent.

FINANCIAL IMPACT

This measure would not increase taxes. It would (1) preserve the current allocation of transient lodging taxes (TLTs) and (2) allow the City to continue not allocating funds for a municipal court and municipal judge.

PROBABLE RESULTS OF A "YES" VOTE

If this measure passes, the proposed changes to the City Charter would become part of the Charter, including (1) setting the allocation of TLTs at a maximum of 70% to promote tourism and 30% to the general fund; (2) making the funding and creation of a municipal court optional; and (3) updating and correcting some language and style in the charter to render it more compliant with current laws and standards.

PROBABLE RESULTS OF A "NO" VOTE

The Charter of the City of Coos Bay would remain unchanged.

BACKGROUND

The City of Coos Bay's Charter was last amended in 2018. It contains some out-of-date and ungrammatical language, and it requires the existence of a municipal court. According to the City Manager, however, the main reason to amend the charter now was the passage of a new law in the state legislature, HB 4148, which gave cities more flexibility in how they allocate the revenue from transient lodging taxes (TLTs).

TLTs. In the past, TLTs could be spent by cities according to a 70/30 formula: up to 70% could be allocated to fund tourism promotion, tourism-related facilities, or resiliency grants for small businesses in the restaurant and lodging industry, and up to 30% could be allocated to fund city services. HB 4148 allows

cities to change that allocation to up to a 50/50 split, dividing the revenue from TLTs equally between tourism and city services.

Municipal Court. The City of Coos Bay has not had a municipal court for at least 25 years; as a small city, Coos Bay has little call for adjudication of violations of city ordinances. However, the charter's wording continues to presume the existence of such a court.

Since the closure of the court, disputes over violations have been managed by city staff and the City Council, with occasional referral to the Oregon Circuit Court for Coos County. One duty of a municipal court judge—determining the eligibility of candidates for municipal office—would be transferred to the City Council under the proposed amendments.

Other changes. The updates to the wording of the charter include (1) a change from Roman to Arabic numerals; (2) corrections of grammatical errors; and (3) the addition of currently preferred legal language such as a severability clause, specifying that municipal elections happen in even-numbered years, as well as more precise language regarding where the powers of the city are vested.

PROPOSAL

Measure 6-230 would amend the charter of the City of Coos Bay to

- (1) require that revenues from the transient lodging tax be allocated according to a maximum 70/30 percentage to tourism/general fund, in contrast to new state law, which allows a 50/50 allocation;
- (2) make the creation and funding of a municipal court optional; and
- (3) update the wording of the Charter.

None of these changes affects tax rates, but some of the changes alter the powers assigned to the City Council.

SUPPORTERS SAY:

- The City Charter is overdue for updating.
- The city has managed for years without a municipal court but has the option of re-creating one if it becomes necessary. Disputes over violations are handled by staff, and there is an appeals process; in some cases disputes can be referred to the Oregon Circuit Court for the Coos County.
- Tourism is vital to the Coos Bay economy, and the city believes a 50/50 split of TLT revenue could erode the existing structure to build that industry locally. Writing the 70/30 split into the charter “future-proofs” current priorities.
- If circumstances change in the future, the Charter could be changed again by referral to the voters to allow for a 50/50 split of revenues.

OPPONENTS SAY:

- There exists no dedicated park fund. Although tourists add to wear and tear on our parks, the city lacks adequate funding to staff Parks Department employees. Changing the allocation of TLT funds would make it easier to provide more funding for parks.

- Writing a 70/30 split of TLT revenue into the charter limits the city's flexibility to respond to unexpected major expenses, such as disaster response, or to fund major infrastructure projects should they become necessary.

- Giving the City Council the power to decide the eligibility of councilor candidates is a conflict of interest.