

# County Council of Cuyahoga County, Ohio

## Ordinance No. O2019-0009

<p>Sponsored by: <b>County Executive Budish and Councilmembers Brady and Miller</b></p> <p>Co-sponsored by: <b>Councilmember Schron</b></p>	<p><b>An Ordinance</b> enacting Chapter 724 of the Cuyahoga County Code to authorize an increase by one percent of the bed tax for the purpose of paying the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center; and declaring the necessity that this Ordinance become immediately effective.</p>
---	---

WHEREAS, pursuant to Resolution 009330, Journal 185, passed February 4, 1980, Cuyahoga County levied an excise tax at the rate of three percent on transactions by which lodging is or is to be furnished to transient guests by a hotel, pursuant to O.R.C. 5739.09(A)(1) (formerly O.R.C. 5739.024); and

WHEREAS, pursuant to Resolution 105085, Journal 308, and pursuant to O.R.C. 5739.09(I)(3) passed on November 18, 2010, Cuyahoga County increased by one percent to four percent the excise tax on transactions by which lodging is or is to be furnished to transient guests by a hotel, pursuant to O.R.C. 5739.09(A)(1); and

WHEREAS, in 2014, pursuant to O.R.C. 5739.09(H) and as outlined in Cuyahoga County Code Chapter 717, the Capital Improvement Bed Tax was extended at a rate of one and one-half percent on transactions by which lodging by a hotel is or is to be furnished to transient guests for a period of forty years from the date on which Chapter 717 went into effect (“Bed Tax for Capital Improvements”); and

WHEREAS, a one percent increase of the Bed Tax in accordance with O.R.C. 5739.09(H) will generate funds necessary to pay the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center; and

WHEREAS, it is necessary that this Ordinance become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of a county entity.

**NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:**

**SECTION 1.** Chapter 724 of the Cuyahoga County Code is hereby enacted to read as follows:

## **CHAPTER 724: Bed Tax for the Convention Center**

### **Section 724.01: Bed Tax Collection and Use**

Pursuant to O.R.C. 5739.09(H) and effective January 1, 2020, the tax levied by Cuyahoga County shall increase one percent to a total of five percent on transactions by which lodging is or is to be furnished to transient guests by a hotel pursuant to O.R.C. 5739.09(A)(1) ("Bed Tax"), provided that all collections resulting from the tax levied hereby in excess of three percent, after deducting for the real and actual costs of administering the tax, shall be deposited in the County's general fund and be used to pay the direct and indirect costs of constructing, improving, expanding, equipping, financing, or operating a convention center.

### **Section 724.02: Bed Tax for Capital Improvements Remains**

The one and one-half percent Bed Tax for Capital Improvements as extended in Cuyahoga County Code Chapter 717 in 2014 shall be in addition to the five percent Bed Tax collected by Cuyahoga County as identified in the Section 724.01 of the Cuyahoga County Code such that, effective January 1, 2020, the total excise tax levied by the County under Section 5739.09 of the Ohio Revised Code shall be six and one-half percent.

### **Section 724.03: Implementation**

The County Executive or his authorized designee(s) may amend/revise the bed tax regulations and take all actions, deposit and distribute the tax proceeds, and execute all documents, contracts, amendments and agreements on behalf of Cuyahoga County as necessary to consummate the transactions and carry out the terms and conditions set forth in this Chapter.

**SECTION 2.** To the extent this Ordinance may be required to be a Resolution under the Ohio Revised Code, it shall be deemed as such.

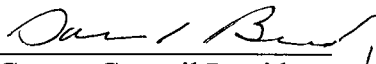
**SECTION 3.** It is necessary that this Ordinance become immediately effective for the operation of the County and the reasons set forth in the preamble. Provided that this Ordinance receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.


**SECTION 4.** It is found and determined that all formal actions of this Council relating to the adoption of this Ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Brady, seconded by Mr. Schron, the foregoing Ordinance was duly enacted.

Yeas: Schron, Jones, Brown, Stephens, Simon, Miller, Tuma, Gallagher and Brady

Nays: Baker

  
County Council President      8-7-19  
Date

  
County Executive      8-7-19  
Date

  
Clerk of Council      8/6/2019  
Date

First Reading/Referred to Committee: June 25, 2019

Committee(s) Assigned: Committee of the Whole

Committee Report/Second Reading: July 23, 2019

Additional Sponsorship Requested on the Floor: August 6, 2019

Journal CC035  
August 6, 2019