



CITY OF SAINT PAUL ALASKA

MEMORANDUM TO COUNCIL

TO: Mayor and City Council Members

FROM: Phillip A. Zavadil, City Manager

CC: Aubrey Wegeleben, City Clerk; Stephanie Mandregan, Finance Director

DATE: December 6, 2023

RE: Ordinance 23-08 - Amending City Code of Ordinances by Adding Title 4 – Revenue and Finance, Chapter 4.40 – Room Tax

SUMMARY: Ordinance 23-08 approves amending City Code of Ordinances by adding Title 4 – Revenue and Finance, Chapter 4.40 – Room Tax.

PREVIOUS COUNCIL ACTION: Council approved the first reading of this ordinance on November 2, 2023 and second reading on November 14, 2023.

BACKGROUND AND DISCUSSION: No changes were made to this ordinance since the meeting on November 2, 2023:

ALTERNATIVES: Council could choose not to approve this ordinance thereby not sending the new tax to a vote of the public.

FINANCIAL IMPLICATIONS: The MuniRevs system that the City uses to collect and track sales tax will need to be updated. The cost to implement changes to MuniRevs to include this new tax estimated to be. The City could receive estimated \$ 20,000 to \$30,000 in new tax revenue.

LEGAL: The City’s general legal counsel has reviewed and provided recommended changes to the enacting ordinance and coded ordinance.

ADMINISTRATION COMMENTS AND RECOMMENDATION: Administration recommends approval of this ordinance.

PROPOSED MOTION: I move to approve Ordinance 23-08 and schedule for a vote of the public via a special election ballot within 30 days of council approval of this ordinance.

ATTACHMENTS: Ordinance 23-08 and Chapter 4.40 – Room Tax.