RESOLUTION NO. 19 -

A RESOLUTION IN OPPOSITION TO THE PROPOSED DUPAGE CONVENTION AND VISITORS BUREAU HOTEL TAX

RECTIALS

WHEREAS, the City of Naperville supports economic development and redevelopment within and outside the boundaries of the City that has a positive impact on the City;

WHEREAS, the City of Naperville has approximately twenty (20) local hotels;

WHEREAS, the City of Naperville collects a local hotel tax that in 2018 generated \$2.73 million;

WHEREAS, the local hotel tax has enabled the City of Naperville to assist in funding the Naperville Convention and Visitors Bureau which focuses and tailors its promotion on Naperville;

WHEREAS, the DuPage Convention and Visitors Bureau has proposed consideration of creating a county-wide hotel occupancy tax to promote tourism in DuPage County;

WHEREAS, when combined with state and local taxes, a county-wide tax would result in rates of approximately 12% to 16%, placing many hotels in Naperville in a non-competitive status;

WHEREAS, the implementation of a DuPage County-wide hotel tax will negatively impact the City of Naperville through increasing costs for Naperville hotels and hotel guests thus negatively impacting local businesses, stifling Naperville's thriving tourism market, decreasing the competitiveness of Naperville hotels, and discouraging economic development and redevelopment;

WHEREAS, approximately two-thirds (2/3) of the City of Naperville is in DuPage County and approximately 100,000 Naperville residents and thousands of Naperville businesses are in DuPage County, making Naperville the largest municipality in DuPage County;

WHEREAS, at the DuPage Convention and Visitors Bureau proposed hotel tax rate, Naperville's hotels alone would likely account for approximately 16.5% of the county's total hotel tax revenues;

WHEREAS, the City of Naperville is an active member of the DuPage County Mayors and Manager's Conference;

WHEREAS, the City of Naperville supports the right of a business to voluntarily participate in any membership organization, including chambers of commerce, economic development groups, and convention and visitors' bureaus;

WHEREAS, however, a mandatory DuPage County-wide hotel tax to fund the DuPage Convention and Visitors Bureau sets a new and unwelcome precedent of funding a membership organization with public taxes; and

WHEREAS, the City of Naperville desires to join the Naperville Area Chamber of Commerce, Naperville Development Partnership, Naperville Convention and Visitors Bureau, the Greater Oak Brook Chamber of Commerce, and Chamber 360 to strongly oppose the DuPage Convention and Visitors Bureau's proposed county-wide hotel tax.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NAPERVILLE, COUNTIES OF DUPAGE AND WILL, ILLINOIS, in exercise of its home rule authority, as follows:

SECTION 1: The Recitals above are incorporated as part of the Section 1 as though set forth herein in their entirety.

SECTION 2: It is resolved that the City of Naperville opposes the DuPage Convention and Visitors Bureau's proposed DuPage County-wide hotel tax.

SECTION 3: This Resolution shall be in full force and effect after its approval, passage and publication as provided by law.

ADOPTED this _____ day of _____, 2019.

AYES:

NAYS:

ABSENT:

APPROVED this _____ day of _____, 2019.

Steve Chirico Mayor

ATTEST:

Pam Gallahue, Ph.D. City Clerk