



## Legislation Text

---

**File #:** 19-526, **Version:** 1

---

### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Adopt the resolution in opposition to the proposed DuPage Convention and Visitors Bureau hotel tax

**DEPARTMENT:** Legal Department

**SUBMITTED BY:** Michael DiSanto, City Attorney

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

President of the Naperville Development Partnership, Christine Jeffries spoke during public forum of the May 7, 2019 City Council meeting and urged Council to consider opposing a new DuPage County-wide hotel tax being proposed for consideration by the DuPage Convention and Visitor Bureau (DCVB).

Council directed staff to issue a letter opposing the proposed county-wide hotel tax and to also prepare a resolution opposing the tax for Council's consideration.

#### **DISCUSSION:**

Naperville currently has 20 hotels. It is staff's understanding that the DCVB has suggested a county-wide hotel tax rate of 2.5% which would be used to promote tourism in DuPage County. The City of Naperville (City) already imposes a local hotel/motel tax rate of 5.5% which the City uses to assist in funding the Naperville Convention and Visitors Bureau as well as services in the General Fund.

To implement the proposed DCVB hotel tax a legislative bill would have to be passed by the State of Illinois and DuPage County would have to adopt a corresponding resolution. No legislation has yet to be submitted for the General Assembly's consideration.

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 DCVB's proposed county-wide hotel tax.

On May 8, 2019 Mayor Chirico sent a letter to the DuPage Mayors and Managers Conference (DMMC) opposing the proposed DCVB hotel tax and urging other DMMC members to also oppose it.

Attached is the resolution in opposition to the proposed DuPage Convention and Visitors Bureau hotel tax for Council's consideration.

**FISCAL IMPACT:**

At the DCVB's proposed 2.5% rate, a county-wide hotel tax would annually generate approximately \$1.35 million for DuPage County from Naperville's 20 hotels.