

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 16-22

A RESOLUTION AMENDING RESOLUTION NO. 45-18 CONCERNING THE VOTER APPROVED INCREASE IN THE LODGERS TAX (LODGERS TAX INCREASE) AND DEFINING AND DESCRIBING PROPER EXPENDITURES THEREOF

RECITALS:

Based on and because of the voter approval of ballot measure 2A proposed by Resolution No. 45-18, on the November 6, 2018 ballot, beginning January 1, 2019, the City of Grand Junction ("City") was authorized to collect, budget and expend the revenue generated from the Lodgers Tax Increase to fund promotions and marketing for travel and tourism related activities. In order to promote, market and obtain travel and tourism and tourism related activities, all as generally described above and in Measure 2A, the City has annually budgeted one-third of the Lodgers Tax Increase to the Grand Junction Regional Air Service Alliance (GJRASA).

By law the City Council must determine that the revenue derived from the Lodgers Tax Increase is collected, retained and spent solely for the purpose(s) of promoting and marketing travel, tourism and tourism related activities, as provided in Measure 2A. With this Resolution the City Council is exercising its authority to define and describe the proper purposes of the annual allocation(s) to the GJRASA.

Due to staffing challenges, primarily pilot shortages, and other major disruptions such as travel restrictions, public health orders, and passenger concerns about safety, the air service industry has experienced significant turbulence and business disruptions. Grand Junction Regional Airport has been adversely affected by this turbulence as it has recently lost service between Grand Junction and Salt Lake City and many connecting destinations.

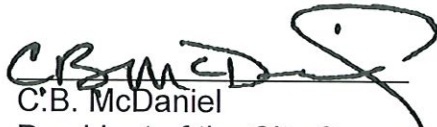
The assumptions about the airline industry made when Resolution No. 45-18 was adopted have materially changed. In light of those changes, the Council has reviewed Resolution No. 45-18, Measure 2A and the GJRASA Goals and 2022 Action Plan. After due consideration, the City Council does hereby amend Resolution No. 45-18 regarding the purposes for which expenditure of the Lodgers Tax Increase revenue may be made in support of the GJRASA's mission as affirmed herein.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:


That expenditure by the GJRASA of that portion of the Lodgers Tax Increase allocated to GJRASA by the 2022 City Budget in support of the purposes stated in the ballot measure ("to fund promotion and marketing for travel and tourism-related activities") includes (1) regional and national marketing and promotion of air service to and from

Grand Junction (GJT) in markets determined by the GJRASA to be beneficial to Grand Junction, Grand Junction Regional Airport and the promotion and attainment of air travel for tourism, tourism related activities as well as business travel; and (2) allowance(s) and/or payment(s) for restoration of air service that has been suspended or terminated by an airline so long GJRASA has sufficient reserves for any such allowance or payment agreement(s) and/or such allowance or payment agreement(s) is(are) annually renewable and serve(s) to restore, provide for or provide additional air service to Grand Junction as provided for in this Resolution and Measure 2A.

PASSED and ADOPTED this 2nd day of February 2022.


C.B. McDaniel
President of the City Council

Attest:


Laura Bauer
Interim City Clerk

