

**LOWER NAZARETH TOWNSHIP
NORTHAMPTON COUNTY**

RESOLUTION LNT-21-16

A RESOLUTION OF THE GOVERNING BOARD OF LOWER NAZARETH TOWNSHIP, NORTHAMPTON COUNTY, PENNSYLVANIA, RELATIVE TO THE HOTEL ROOM RENTAL TAX MISAPPROPRIATION OF FUNDS TO THE NEIGHBORHOOD IMPROVEMENT ZONE IN ALLENTOWN, PA.

WHEREAS, Act 12 of 2005, enacted by the Pennsylvania General Assembly and approved by the Governor effective sixty days from July 5, 2005 authorizes Section 1770.8 (16 P.S. 1770.8) the County of Northampton to impose a Hotel Room Rental Tax by Ordinance at a rate of 4% and provides for the distribution of such tax monies; and

WHEREAS, Northampton County Ordinance No. 359 of 2000 established the Hotel Room Rental Tax and thereafter Ordinance No. 440 of 2005 effective October 2, 2005 increased the Hotel Room Rental Tax from 3.5% to 4% and restructured the distribution of the tax; and

WHEREAS, 68.75% of the tax is distributed to the Northampton County designated Regional Tourist Promotion Agency (TPA), the Lehigh Valley Convention and Visitors Bureau, Inc. (LVCVB), dba Discover Lehigh Valley and 36.4% of those funds are utilized by the Lehigh Valley Economic Development Corporation (LVEDC); and

WHEREAS, the Counties of Lehigh and Northampton share in providing hotel tax revenue to and derive benefits from the shared services of Discover Lehigh Valley and the LVEDC; and

WHEREAS, tax code legislation included in the Commonwealth of Pennsylvania's 2016-2017 budget diverts a significant amount of local Hotel Room Rental Tax from both Discover Lehigh Valley and the LVEDC into the Allentown Neighborhood Improvement Zone (NIZ); and

WHEREAS, said legislation was introduced, passed and signed into law with little or no deliberation, opportunity for public comment and without the knowledge of Discover Lehigh Valley and the LVEDC or elected officials in Lehigh or Northampton County; and

WHEREAS, a reduction in the local Hotel Room Rental Tax will diminish the ability of Discover Lehigh Valley and the LVEDC to market the "Lehigh Valley" for tourism and business relocation; and

WHEREAS, the diversion of the local Hotel Room Rental Tax into the NIZ will serve to disadvantage other hotels in the Lehigh Valley and Northampton County so that the NIZ hotels

may benefit from Discover Lehigh Valley and the LVEDC services without contributing their share; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Lower Nazareth Township, Northampton County that it disapproves of the legislation providing for the diversion of local Hotel Room Rental tax from the regional tourism and economic development efforts provided by Discover Lehigh Valley and the LVEDC.

BE IT FURTHER RESOLVED that the Board of Supervisors of Lower Nazareth Township, Northampton County calls upon the General Assembly of Pennsylvania to immediately introduce and pass legislation that repeals a provision of the 2016-2017 Tax Code diverting funding from Lehigh Valley regional tourism and economic development.

RESOLVED, ENACTED AND ADOPTED at a meeting held on the 27th day of **JULY, 2016.**

**LOWER NAZARETH TOWNSHIP,
NORTHAMPTON COUNTY, PA**

ATTEST:



Timm A. Tenges, Secretary



Gerald R. Green, Vice-Chairman