

**CITY OF RUSTON
REGULAR COUNCIL MEETING
Tuesday, July 2, 2019**

MEETING CALLED TO ORDER

At 7:00PM Mayor Hopkins called the Regular Council Meeting to order. Councilmembers present were Jim Hedrick, Lyle Hardin, Deb Kristovich, Lynn Syler and Bradley Huson. Following the flag salute, Mayor Hopkins called for approval of the agenda. Councilmember Hedrick moved to amend the agenda, removing Payroll, with a second from Councilmember Hardin, the agenda as amended, passed 5-0.

MINUTES

Councilmember Hedrick moved to approve the minutes for the Regular Council meeting of June 18, 2019, with a second from Councilmember Hardin, passed 5-0.

STAFF REPORT – Nothing at this time.

GENERAL PUBLIC COMMENTS –

Jan Griffiths – Wanted to know about the taxes related to the parking garage at Point Ruston and if the taxes effected the City of Ruston only or Tacoma too. Mayor Hopkins responded that the tax impact is to City of Ruston and Pierce County, not Tacoma. Mayor and several Councilmembers will be meeting with the Pierce County Assessor’s office and will have an update at a council meeting in August 2019.

BUSINESS –

ORD 1520 – New Chapter 5.14 RMC – Commercial Parking Tax (2nd reading) – The State Legislature has provided cities with a local option commercial parking tax. RCW 82.80.030. This tax may be levied by a city within its boundaries and by a county in the unincorporated areas. There is no limit on the tax rate and many ways of assessing the tax are allowed. If the city chooses to levy it on parking businesses, it can tax gross proceeds or charge a fixed fee per stall. If the tax is assessed on the driver of a car, the tax rate can be a flat fee or a percentage amount. Rates can vary by any reasonable factor, including location of the facility, time of entry and exit, duration of parking, and type or use of vehicle. The parking business operator is responsible for collecting the tax and remitting it to the city, which must administer it. This tax is subject to a voter referendum. The City Council received a briefing on June 19, 2019 on the Commercial Parking Tax, including different options for how to impose the tax. After spending time considering the options for imposing a commercial parking tax, the Mayor is recommending that the tax be imposed as a 20% tax on gross proceeds. Tax returns would need to be filed quarterly and payment made quarterly. The Ordinance creates a new Chapter 5.14 in the Ruston Municipal code imposing the tax.

The ordinance contains the standards due process protections for challenging the tax with appeals heard by the Hearing Examiner, violation provisions and penalties for late payment. As explained last year, the use of proceeds of a commercial parking tax is restricted to “transportation purposes.” RCW 82.80.070(1). In conformance with state law, the ordinance at Section 5.14.110 provides that the use of the proceeds of the tax “shall be strictly for transportation purposes in accordance with RCW 82.80.070.”

As explained last year, the use of proceeds of a commercial parking tax is restricted to “transportation purposes.” RCW 82.80.070(1). In conformance with state law, the ordinance at Section 5.14.110 provides that the use of the proceeds of the tax “shall be strictly for transportation purposes in accordance with RCW 82.80.070.”

The sections created in this new chapter are:

- 5.14.010 Definitions.
- 5.14.020 Tax Rate - Who Must Pay.
- 5.14.030 Payment of Tax.
- 5.14.040 Tax - Collection.
- 5.14.050 Over- or Underpayment of Tax.
- 5.14.060 Penalty for Late Payment.
- 5.14.070 Violation - Penalty.
- 5.14.080 Appeal Procedure.
- 5.14.090 Confidentiality of Tax Returns.
- 5.14.100 Duties of the Mayor.
- 5.14.110 Use of Proceeds of Tax.

The tax is administered by the Mayor or designee with the Clerk being the person who accepts filing and payment. Councilmember Hedrick moved to approve Ordinance 1521, with a second from Councilmember Hardin. Discussion ensued regarding whether or not 20% tax on gross proceeds was appropriate. Upon conclusion of discussion Ordinance 1521 passed 4-1.

CLAIMS – Councilmember Hedrick moved to approve Claims, with a second from Councilmember Hardin, passed 5-0.

MAYOR’S TIME – Mayor Hopkins asked City of Ruston Planning Director Rob White to provide an overview on funding opportunities for improvements to City transportation and parks. See attached.

COUNCIL TIME –

Councilmember Hedrick - Thanked Jan Griffiths for her public comment. Councilmember Hedrick invited everyone to join in on the best holiday of the year, the 4th of July Bicycle Parade which will be held at noon at 51st and Winnifred Street. Bring your decorated bikes, strollers and pets. Councilmember Hedrick also recognized Ron Miller who will bring his kites.

Councilmember Hardin – Noted that although he voted against Resolution 1521, Councilmember Hardin cautioned the City to be alert as to how to minimize the gross reporting between the parking garage company and property owner, who would be given free parking or designated free parking and how reporting would be monitored and audited. Councilmember Hardin asked that City Attorney Robertson provide direction.

Councilmember Kristovich – Nothing at this time.

Councilmember Syler – Thanked City of Ruston Planning Director Rob White for his presentation and his efforts in finding funding opportunities for the City of Ruston.

Councilmember Huson – Nothing at this time.

MEETING AJOURNED -

At 7:55PM Councilmember Hedrick moved to adjourn, with a second from Councilmember Hardin, passed 5-0.

Mayor Bruce Hopkins

ATTEST:

Judy Grams