

February 15, 1994  
hotel/motel.ord

Introduced by: LOUISE MILLER  
Sims  
Proposed No.: 93-913

ORDINANCE NO. **11242**

AN ORDINANCE redefining the uses of hotel/motel tax revenues, amending Ordinance 9279, Sections 1,2,3,4,7,8,9 and 12 as amended, and Ordinance 10189 Section 8 and K.C.C. 4.08.180, 4.08.190, 4.42.010-.030, .060, .070, .090, 100, 120 and repealing Ordinance 9279, Sections 10 and 13 and K.C.C 4.42.080.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 9279, Section 1, as amended and K.C.C. 4.42.010 are hereby amended to read as follows:

Findings. The Washington State Legislature has decided under the provisions of RCW 67.28.180 (3), as amended, that excess proceeds from the hotel-motel tax levied annually in King County shall only be used according to the formula set forth therein for:

(1) the support of the arts, the performing arts, art museums, heritage museums and cultural museums of King County; and

(2) ((fer)) the support of stadium capital improvements, open space acquisition, youth sports activities and tourism promotion, in a manner reflecting that order of priority.

A. King County's diverse cultural organizations and professional artists can enrich and support cultural education and cultural tourism in this region. King County is a regional and national center for culture and has the seventh largest population of individual artists per capita nationwide. These cultural resources can train young artists, build audiences for the future and attract local residents, children and tourists to their events and programs.

B. Cultural education in the public schools is an integral part of support for cultural endeavors. It provides the opportunity to observe, participate and engage in the cultural process with professional artists and community cultural

1 organizations, as part of the educational process in and out of  
2 the classroom.

3 C. Involving children in creating works of art and  
4 providing the opportunities for children to work with arts  
5 teachers, artists, and performing arts organizations, both in  
6 the classroom and in the community, is necessary as part of a  
7 comprehensive cultural education program. Cultural Education  
8 can increase students' awareness, knowledge, and acceptance of  
9 culture; can improve understanding between artists, teachers  
10 and administrators; and can encourage cooperation among arts,  
11 heritage, and educational institutions and organizations.

12 D. The transmission of historical and cultural values and  
13 traditions from one generation to the next is essential to the  
14 well-being and sense of identity of communities, ethnic and  
15 cultural groups, and of all citizens of King County. Historic  
16 sites and attractions are among the most visited types of  
17 tourist attractions in the state and county. The loss or  
18 destruction of historic buildings, sites, objects, structures  
19 and districts and of historic and prehistoric materials and  
20 artifacts constitutes an irreplaceable loss to the quality of  
21 life and character of King County.

22 E. King County's responsibility is to ensure support for  
23 development of cultural activities in all parts of the county,  
24 including urban, suburban, rural and both incorporated and  
25 unincorporated areas, and to assist communities in that  
26 process, where necessary. In addition, support for regional  
27 centers of activity shall be included.

28 F. King County recognizes that support for major regional,  
29 mid-sized, emerging and community-based cultural organizations  
30 should be distributed among them to promote a broad range of  
31 creative and cultural expression.

32 G. King County recognizes that support for efforts by  
33 individual artists and heritage specialists is conducive to

1 the creative output and historic preservation activities of  
2 this region.

3 H. King County recognizes that, in making funding  
4 decisions, it will consider to the extent appropriate, the  
5 grantee's inclusion of the interests of culturally diverse,  
6 disabled and low income participants and audiences.

7 I. King County recognizes that a healthy and well-balanced  
8 future citizenry is dependent upon the promotion of cultural  
9 education of today's youth.

10 J. King County recognizes the role of arts, culture and  
11 heritage in augmenting tourism and building King County as a  
12 nationally and internationally recognized cultural center and  
13 as a destination for visitors to this county.

14 K. King County recognizes that traditional culture,  
15 heritage resources, archaeological sites and landmarks  
16 constitute nonrenewable resources that must be protected in the  
17 face of fast-paced development and growth.

18 L. King County recognizes the need to preserve indigenous  
19 cultures.

20 M. King County recognizes that publicly-owned art fills a  
21 need for artistic and cultural expression and visual  
22 improvement in communities and supports the efforts to meet  
23 that need.

24 SECTION 2. Ordinance 9279, Section 2, as amended and  
25 K.C.C. 4.42.020 are hereby amended to read as follows:

26 Definitions.

27 A. "Culture" is defined as the arts and heritage  
28 disciplines, which include but are not limited to dance,  
29 drama/theater, music, visual arts, literary arts, media arts,  
30 performing arts, traditional and folk arts, ethnic arts, and  
31 history, heritage and historic preservation.

32 B. "Cultural education" is defined as the sequential and  
33 comprehensive study of elements of various arts and heritage  
34 forms and how to use them creatively including instruction in

1 skills, critical assessment, the history of the arts and  
2 heritage forms, and aesthetic judgement.

3 ~~((C. "Special Projects" are defined as arts and heritage  
4 organizations, and/or individuals presenting or producing  
5 special projects and programs that enhance the county's  
6 cultural attractions and opportunities and broaden the  
7 audiences served. Cultural enhancement preserves the county's  
8 cultural identity, strengthens the local economy and improves  
9 the quality of life for county residents.))~~

10 C. ~~((D))~~ "Cultural facilities" shall include buildings and  
11 structures which are used primarily for the performance,  
12 exhibition or benefit of arts and heritage activities,  
13 including but not limited to performing arts, visual arts,  
14 heritage and cultural endeavors.

15 D. ~~((E))~~. "Fixed assets" are defined as tangible objects  
16 such as machinery or equipment intended to be held for ten  
17 years or more which will benefit cultural institutions.

18 SECTION 3. Ordinance 9279, Section 3, as amended and  
19 K.C.C. 4.08.180 are hereby amended to read as follows:

20 Cultural Education Program Fund.

21 A. The King County Cultural Education Program Fund shall  
22 be a special revenue fund.

23 B. For investment purposes, the King County Cultural  
24 Education Program Fund shall be considered a second tier fund  
25 with the finance section of the office of financial management  
26 designated as fund manager.

27 C. Beginning January 1, 1991 and ending December 31,  
28 1991, forty percent of all excess hotel-motel tax revenues  
29 collected by King County under the provisions of RCW 67.28.180  
30 (3) (a) in any calendar year shall be deposited in the King  
31 County Cultural Education Program Fund.

32 D. Monies expended from the King County Cultural  
33 Education Program Fund shall be used only for Cultural  
34 Education Program projects recommended by the county executive

1 and approved by the county council prior to December 31, 1991.  
2 Any monies remaining after completion of these projects shall  
3 be transferred to the Cultural Education Program in the King  
4 County (~~Education~~) Arts and Cultural Development Fund.

5 SECTION 4. Ordinance 9279, Section 4, as amended and  
6 K.C.C. 4.42.030 are hereby amended to read as follows:

7 The King County council hereby establishes the King County  
8 Cultural Education Program. Forty percent of the excess  
9 hotel-motel tax revenues allocated to the King County  
10 (~~Education~~) Arts and Cultural Development Fund remaining  
11 subsequent to the allocation of the King County Cultural  
12 Facilities Program pursuant to Section 4.42.100 shall be  
13 expended for the King County Cultural Education Program,  
14 provided that at least twenty percent of the King County  
15 Cultural Education Program revenue allocation shall be  
16 earmarked for heritage programs and administered by the King  
17 County Landmarks and Heritage Commission. The program shall  
18 consist of one- to three-years grants developed by cultural  
19 organizations for the purpose of enriching existing and  
20 creating new cultural education programs, reviewed annually,  
21 and contingent on available hotel/motel tax revenues, and shall  
22 be subject to the following:

23 A. Applicants eligible to apply for the King County  
24 Cultural Education Program grants are all cultural  
25 organizations that meet the criteria contained in this  
26 ordinance and any applicable guidelines approved by the council  
27 for the King County Cultural Education Program. School  
28 districts and schools shall not receive revenues distributed  
29 pursuant to this section.

30 B. Monies granted to the individual cultural  
31 organizations shall be used to enrich existing cultural  
32 education programs or to create new ones and in any event shall  
33 be expended only for direct costs for cultural education as  
34 defined in this ordinance, which may include fees for artists,

1 cultural specialists, experts in cultural education, and  
2 performing arts organizations. Any application for monies to  
3 enrich existing or to create new arts, cultural or heritage  
4 programs shall be developed by the applicant(s) in joint  
5 cooperation with a King County public school or school  
6 district.

7 C. Organizations proposing projects for all grades shall  
8 be eligible for funding through grants under this ordinance.  
9 However, while funds are minimal, projects proposed for grades  
10 K-8, or grades K-9 in schools where grade 9 remains in the  
11 middle school configuration, shall receive priority for  
12 funding.

13 D. The cost of administering the King County Cultural  
14 Education Program shall be minimal.

15 E. Applications must describe the intended use of the  
16 grant funds. The intended use must be for cultural education  
17 projects serving King County schools- and/or public school  
18 districts. Grant applications may address the needs of special  
19 student populations, such as at-risk students and students with  
20 handicaps or disabilities, and other youth of school age who  
21 are not currently in school, such as youth in detention and  
22 those who have dropped out of school.

23 F. There shall be written guidelines and procedures for  
24 applying for grants which shall include eligibility criteria,  
25 scope of program, and funding needs. The guidelines shall be  
26 written by the Cultural Education Advisory Committee and  
27 recommended by the Arts Commission and the Landmarks and  
28 Heritage Commission and shall be subject to council approval.  
29 The advisory committee shall establish procedures for  
30 evaluation of programs and accountability of funds. These  
31 procedures shall be submitted by the Arts Commission and the  
32 Landmarks and Heritage Commission to the council for approval.

33 G. Grant awards shall reflect a county-wide geographic  
34 distribution, and shall include projects serving public schools

1 and public districts from various affluent and less affluent  
2 communities.

3 H. Grant decisions are made on a competitive basis and in  
4 accordance with criteria established pursuant to Subsection F.  
5 Established criteria shall include commitment and ability to  
6 provide student learning in cultural endeavors. Grants made  
7 under the King County Cultural Education Program shall  
8 recognize that Bellevue is receiving its own hotel-motel tax  
9 revenues, and therefore preference shall be given to  
10 applications serving other areas of the county. Grants to  
11 organizations proposing worthwhile projects in Bellevue public  
12 schools are not precluded.

13 SECTION 5. Ordinance 9279, Section 7, as amended and  
14 K.C.C. 4.08.190 are hereby amended to read as follows:

15 ((Education)) Arts and Cultural Development Fund.

16 A. The King County ((Education)) Arts and Cultural  
17 Development Fund shall be a special revenue fund.

18 B. For investment purposes, the King County ((Education))  
19 Arts and Cultural Development Fund shall be considered a second  
20 tier fund with the finance section of the office of financial  
21 management designated as fund manager.

22 C. Beginning January 1, 1992, and through December 31,  
23 2000, seventy-five percent and beginning January 1, 2001  
24 through December 31, 2012, seventy percent of all excess  
25 hotel-motel tax revenues collected by King County under the  
26 provisions of RCW 67.28.180 (3) (a), as amended, in any  
27 calendar year shall be deposited in the King County  
28 ((Education)) Arts and Cultural Development Fund. The King  
29 County ((Education)) Arts and Cultural Development Fund will  
30 fund the King County Cultural Facilities Program, ((the King  
31 County Cultural Tourism and Enrichment Program,)) the King  
32 County Cultural Education Program and the King County  
33 ((Opportunity Grant)) Special Projects Program.

1 D. Monies expended from this fund shall be used only for  
2 the purposes established in K.C.C. Chapter 4.42 and shall be  
3 subject to the conditions of K.C.C. Chapter 4.42. Monies  
4 distributed to art museums, cultural museums, heritage museums,  
5 the arts, and the performing arts shall be in addition to and  
6 may not be used to replace or supplant any other cultural  
7 programs funded by the county from general revenues.

8 E. At least forty percent of the revenues distributed  
9 pursuant to this section for the period January 1, 2001,  
10 through December 31, 2012, shall be deposited in an account and  
11 shall be used to establish an endowment. Principal in the  
12 account shall remain permanent and irreducible. The remaining  
13 sixty percent, along with the earnings from investment of  
14 balances in the account, may only be used for the purposes  
15 stated in K.C.C. Chapter 4.42.

16 F. Recommendations for grants from the King County  
17 Cultural Education Program and (~~Cultural Development~~) Special  
18 Projects Program Fund shall be made by the King County Arts  
19 Commission and the King County Landmarks and Heritage  
20 Commission and submitted to the county executive for  
21 recommendation and to the county council for review and  
22 approval.

23 SECTION 6. Ordinance 10189, Section 8, as amended and  
24 K.C.C. 4.42.100 is hereby amended to read as follows:

25 Cultural Facilities Program.

26 A. The Cultural Facilities Program shall be administered  
27 by the cultural resources division under the direction of the  
28 King County executive and in accordance with guidelines and  
29 policies established by the King County council. The program  
30 shall consist of grants responding to priorities established by  
31 the council, reviewed annually, to performing arts, visual  
32 arts, heritage and cultural organizations.

33 B. Beginning January 1, 1992 and through December 31,  
34 2000 at least seventy percent of the revenue allocated to the

1 Education and Cultural Development Fund shall be expended on  
2 the King County Cultural Facilities Program, provided that at  
3 least twenty percent of the King County Cultural Facilities  
4 Program revenue allocation shall be earmarked for heritage  
5 programs and administered by the King County Landmarks and  
6 Heritage Commission.

7 C. The funds allocated to the Cultural Facilities Program  
8 shall be used only for the purchase, design, construction, and  
9 remodeling of performing arts, visual arts, heritage, and  
10 cultural facilities, and for the purchase of fixed assets that  
11 will benefit art, heritage, and cultural organizations.

12 D. Funds may be spent on providing assistance for  
13 planning and improvement of cultural facilities, providing for  
14 the preservation and restoration of cultural facilities  
15 otherwise eligible for funding pursuant to this chapter, and  
16 providing funds to cultural organizations to comply with  
17 Section 504 of the Federal Rehabilitation Act of 1973, as  
18 amended.

19 E. Funds received under this section may be used for  
20 payment of principal and interest on bonds issued for capital  
21 projects. The office of financial management will manage the  
22 program's debt to ensure continued high credit quality, access  
23 to credit markets, and financial flexibility. All of the  
24 program's debt management activities will be conducted to  
25 maintain at least the current credit ratings assigned to the  
26 county's debt by the major credit rating agencies and to  
27 maintain an adequate debt service coverage ratio. Long term  
28 debt will not be used to support operating expenses. The  
29 office of financial management will develop and maintain a  
30 central system for all debt-related records which will include  
31 all official statements, bid documents, ordinances, indentures,  
32 leases, etc., for all of the program's debt and will accurately  
33 account for all interest ~~(-ed)~~ earnings in debt-related funds.  
34 These records will be designed to ensure that the program is in

1 compliance with all debt covenants and with state and federal  
2 laws.

3 F. Eligible applicants shall include performing arts,  
4 visual arts, heritage and cultural organizations. Eligible  
5 applicants must be financially stable and have at least the  
6 following:

- 7 1. A legally constituted and working board of directors;
- 8 2. A record of artistic, heritage, or cultural  
9 accomplishments;
- 10 3. At least a two-year operating history;
- 11 4. Demonstrated ability to maintain net current  
12 liabilities at less than thirty percent of general operating  
13 expenses;
- 14 5. Demonstrated ability to sustain operational capacity  
15 subsequent to completion of projects or purchase of machinery  
16 and equipment; and
- 17 6. Evidence of an independent financial review of the  
18 organization.

19 SECTION 7. Ordinance 9279, Section 8, as amended and  
20 K.C.C. 4.42.060 is hereby amended to read as follows:

21 There is hereby established the King County (~~Cultural~~  
22 ~~Enhancement Program~~) Special Projects Program. This program  
23 shall consist of competitive grants, reviewed annually(~~(7)~~) for  
24 funding innovative arts projects, heritage endeavors, and  
25 collaborative programs which reflect the cultural and  
26 geographic diversity of King County and are not funded by other  
27 County programs. Grants may be made to arts and heritage  
28 organizations, individual artists, heritage specialists,  
29 community educational organizations and community arts groups,  
30 and public agencies which reflect the multi-cultural, ethnic  
31 and geographic diversity of King County. Applications must  
32 describe the intended use of the grant funds, and applicants  
33 may request full cost recovery. (~~Consideration shall be given~~

1 ~~to the potential of each project for enhancing arts and~~  
 2 ~~historic events and features in King County.)~~

3 A. There shall be written guidelines and procedures for  
 4 applying for grants which shall include eligibility criteria,  
 5 scope of program, and funding needs. The guidelines shall be  
 6 written by the cultural resources division and recommended by  
 7 the executive, and shall be subject to council approval. The  
 8 cultural resources division, through the executive, shall  
 9 submit for council review an annual report which evaluates the  
 10 King County (~~Cultural Enhancement~~) Special Projects Program  
 11 and accounts for fund expenditures.

12 B. (~~Forty~~) Sixty percent of the excess hotel-motel tax  
 13 revenues allocated to the King County (~~Education~~) Arts and  
 14 Cultural Development Fund remaining subsequent to the  
 15 allocation to the King County Cultural Facilities Program  
 16 pursuant to 4.42.100 shall be expended for the King County  
 17 (~~Cultural Enhancement~~) Special Projects Program, provided  
 18 that at least 20% of the King County (~~Cultural Program~~)  
 19 Special Projects revenue allocation shall be earmarked for  
 20 heritage programs and administered by the King County Landmarks  
 21 and Heritage Commission. The Landmarks and Heritage Commission  
 22 may propose grant guidelines which reflect commission  
 23 priorities in awarding grants.

24 C. The funds expended for the King County (~~Cultural~~  
 25 ~~Enhancement~~) Special Projects Program shall be used to  
 26 (~~assure the financial stability and~~) expand the role of  
 27 local cultural organizations and individuals as artistic and  
 28 cultural educational resources which develop King County  
 29 through arts and historic events and features in King County,  
 30 within the intent and purposes authorized by RCW 67.28.180 (3)  
 31 (a) as amended. The purpose of these funds is to:

32 (~~1. Enhance the ability of arts organizations and of~~  
 33 ~~individual artists to produce and present challenging high~~  
 34 ~~quality art works.))~~

1           (~~2. Enhance the exhibits and/or permanent collections~~  
2 ~~that are the unique features of the museums and visual arts~~  
3 ~~centers.~~)

4           1. Produce special projects and programs that highlight  
5 the region's cultural resources.

6           (~~3.~~) 2. Assist in providing and bringing touring  
7 programs and exhibits on the regional and national level to  
8 King County.

9           (~~4.~~) 3. Improve cultural opportunities and audience  
10 development that promote the cultural diversity and  
11 multi-cultural heritage of the region, with particular emphasis  
12 on special populations, multi-cultural audiences and King  
13 County youth.

14           (~~5.~~) 4. Encourage and provide an exchange of services  
15 and technical assistance between larger and smaller  
16 organizations, individual artists and heritage professionals.

17           (~~6.~~) 5. Address the needs of mid and smaller sized  
18 organizations and/or individual artists and heritage  
19 professionals.

20           (~~6. Produce special events and programs such as~~  
21 ~~festivals that will highlight the region's cultural~~  
22 ~~resources.~~)

23           6. Provide opportunities for independent artists to  
24 produce new works.

25           7. Develop heritage projects that make a significant  
26 contribution to the preservation, conservation, or  
27 interpretation of the historical and archaeological resources  
28 of King County.

29           D. Eligibility. Eligible applicants shall include but not  
30 be limited to individual artists, arts and heritage  
31 organizations, community arts and cultural groups, community  
32 educational organizations and family and youth programs  
33 relating to cultural endeavors which reflect the  
34 multi-cultural, ethnic and geographic diversity of King County.

1        SECTION 8. Ordinance 9279, Section 9, as amended and  
2 K.C.C. 4.42.070 are hereby amended to read as follows:

3            Responsibility.

4            The King County (~~(Cultural Enhancement)~~) Special Projects  
5 Program shall be a separate program under the direction of the  
6 cultural resources division with (~~(input)~~) recommendations from  
7 both the King County Arts Commission and the King County  
8 Landmarks and Heritage Commission.

9            A. The duties and authorities of the cultural resources  
10 division shall be the following:

11            1. Develop guidelines and eligibility criteria for the  
12 King County (~~(Cultural Enhancement)~~) Special Projects Program.

13            2. Submit project proposals to the King County Arts  
14 Commission or the King County Landmarks and Heritage Commission  
15 as applicable for review and eligibility determination of all  
16 project proposals.

17            3. Submit project proposals for approval and  
18 appropriation by the council.

19            4. Annually report program results to the King County  
20 executive and King County council.

21            5. Review, evaluate and account for expenditures of  
22 funds.

23            B. The cost of administration of the King County  
24 (~~(Cultural Enhancement)~~) Special Projects Program shall be  
25 minimal.

26        SECTION 9. Ordinance 9279, Section 10, as amended and  
27 K.C.C. 4.42.080 is hereby repealed.

28        SECTION 10. Ordinance 9279, Section 12, as amended and  
29 K.C.C. 4.42.120 is hereby amended to read:

30            The King County auditor shall conduct a performance and  
31 fiscal/compliance audit of the King County Special Support  
32 Program, King County Cultural Education Program, King County  
33 Cultural Facilities Program, King County Special Projects  
34 Program (including the former King County Cultural Enhancement

1 Program and the King County Opportunity Grant Program no later  
2 than 1994, and as necessary thereafter.

3 SECTION 11. Ordinance 9279, Section 13, is hereby  
4 repealed.

5 SECTION 12. Should any section, subsequent, paragraph,  
6 sentence, clause or phrase of this ordinance be declared  
7 unconstitutional or invalid for any reason, such decision shall  
8 not affect the validity of the remaining portions of this  
9 ordinance.

10 INTRODUCED AND READ for the first time this 13<sup>th</sup> day  
11 of December, 1993.

12 PASSED this 28<sup>th</sup> day of February,  
13 1994.

14 KING COUNTY COUNCIL  
15 KING COUNTY, WASHINGTON

16 Kent Pullen  
17 Chair

18 ATTEST:

19 Gerald A. Peterson  
20 Clerk of the Council

21 APPROVED this 9<sup>th</sup> day of March,  
22 1994.

23 Gary Lache  
24 King County Executive

Passed by a vote of 13000.