Village of Cambridge
Economic Development Committee
Amundson Community Center- Community Room
200 Spring St. Cambridge, WI 53523
Thursday, November 7, 2024 5:00 p.m.

Agenda

1. Call to Order/Roll Call

2. Proof of Posting

3. Public Appearances/Citizen Input

4. Approval of Minutes from October 1, 2024

5. New Business: Discussion and Possible Action Regarding:
   - **a.** Presentation: UW Whitewater: Enactus-RenewTowns Project

6. Old Business: Discussion and Possible Action Regarding:
   - **a.** Room Tax Ordinance
   - **b.** Signs, Canopies, Awnings and Billboards Ordinance updates to include murals

7. Setting of next meeting date

8. Questions, Referrals to Staff or Future Agenda Items

9. Adjournment

NOTE:

1. Persons needing special accommodations should call 423-3712 at least 24 hours prior to the meeting.
2. A quorum of the Village Board may attend this meeting for the purpose of gathering information relevant to their responsibilities as Village Trustees. No matters shall be considered by said Village Board members nor shall any action be taken by said Village Board members at this meeting.
3. More specific information about agenda items may be obtained by calling 423-3712.

Lisa Moen, Administrator/Clerk/Deputy Treasurer

Village of Cambridge
Economic Development Committee
Amundson Community Center- Senior Room
200 Spring St. Cambridge, WI 53523
Tuesday October 1, 2024 5:00 p.m.

Agenda

1. **Call to Order/Roll Call:** Brian Kreklau called the meeting to order at 5:00 pm. Members present: Brian Kreklau, Chris Kreuger, Matt McFalls, John Scott and Kayla Sipple. Others present: Tammy Jordan, Treasurer/Deputy Clerk/Deputy Administrator, Cathy Yerges, Collaborative 523 and Mark McNally, President Village of Cambridge.

2. **Proof of Posting:** The agenda was posted in the upper and lower levels of the Amundson Center, Cambridge Post Office, Badger Bank and the Village Website.

3. **Public Appearances/Citizen Input:** None

4. **Approval of Minutes from September 3, 2024:**

Chris Krueger made a motion to approve the minutes from September 3, 2024, seconded by Matt McFalls. Motion carried.

5. **Old Business: Discussion and Possible Action Regarding:**
   a. **Room Tax Ordinance – Update:** Treasurer Jordan reported that the Village Attorney still has the ordinance. No other updates.

6. **New Business: Discussion and Possible Action Regarding**
   a. **Introduction of new Committee members:** All members of the Committee introduced themselves.

   b. **Signs, Canopies, Awnings and Billboards Ordinance updates to include murals:** All Committee members will review the Ordinance before the next meeting. Cathy Yerges gave a brief explanation on how Murals can help with Economic Development.

7. **Setting of next meeting date**: The next meeting is scheduled for Thursday November 7, 2024 at 5:00 pm.

8. **Questions, Referrals to Staff or Future Agenda Items:** None
9. **Adjournment:**

Brian Kreklau adjourned the meeting at 5:53 pm.

Tammy L Jordan, Treasurer/Deputy Clerk/Deputy Administrator

VILLAGE OF CAMBRIDGE

STATE OF WISCONSIN
DANE COUNTY

Ordinance XXX
Room Tax Ordinance

The Village Board of the Cambridge, Dane County, Wisconsin, does hereby ordain as follows:

I. **PURPOSE:** To impose a tax on the privilege of furnishing lodging accommodations for the promotion and development of tourism for the Village of Cambridge.

II. **AUTHORITY:** Village of Cambridge has the authority to enact this Ordinance under its Village powers under Section 61.34(4), Wis. Stats. and specific authority under Section 66.0615, Wis. Stats.

III. **DEFINITIONS:**

Gross Receipts has the meaning as defined in Section 77.51(4)(a), Wis. Stats., insofar as applicable.

Hotel or Motel means a building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, bed and breakfasts, tourist homes, tourist houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins, single-family homes, and mobile homes as defined in Section 101.91(10), Wis. Stats. This definition does not include accommodations rented for a continuous period of more than one month to the same individual(s), partnership or corporation, and accommodations furnished by any hospital, sanatorium or nursing home, or by a corporation organized and operated exclusively for religious, charitable or educational purposes, provided that no part of the net earnings of such corporation or association inures to the benefit of any private shareholder or individual.

Marketplace Provider means any person or entity that provides a platform through which an unaffiliated third party offers for rent a short term rental to an occupant and collects the consideration for that rental from the occupant.

Property Manager(s) means any individual(s), partnership or corporation that acts on behalf of the owner of the property to rent and collect payment.

Sub Rental Agent means any individual(s), partnership or corporation whether related to owner or not that sub rents the accommodations to a third party for a period of less than one month.

Permittee means the owner, lodging marketplace, property manager, or sub rental agent to whom the Village has issued a room tax permit.

Owner means the owner of an accommodation's business subject to the provisions of this Ordinance.

Room Tax Permit means a permit issued by the Village annually for the collection of room tax.

Room Tax Return means a report provided by the Village Administrator for computing and submitting monthly or quarterly payment of the room tax containing certain information as the Village Administrator deems necessary, including a report from a market supplier showing that, in fact, room taxes were collected and submitted to the taxing authority.

Short Term Rental means rental for less than 30 consecutive days.

Transient means any individual(s) residing for a continuous period of less than 30 days in a hotel, motel, or other furnished accommodation available to the public.

IV. ROOM TAX IMPOSED:

A. Room Tax - Pursuant to Section 66.0615, Wis. Stats., a tax is imposed on the privilege and services of furnishing, at retail, rooms or lodging to transients by hotel keepers, motel operators, marketplace providers, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations. Such tax shall be at the rate of five percent of the gross receipts from such retail furnishing of rooms or lodging.

B. Package Rates - If a facility offers an all-inclusive package which includes other goods or services irrespective of whether membership is required for use of the accommodations, the tax shall be applied only to that portion of the package rate representing gross receipts as defined in section III-definitions. The determination of the portion of the package rate representing gross receipts will be made by the Village Administrator and owner/operator. In the event that no equitable determination can be made, the matter will be referred to the Village Board which shall make the final determination based on evidence presented to it by the owner/operator.

C. Distribution of tax proceeds - Not more than 60 days after each calendar quarter, the Village Administrator shall allocate and distribute 70% of the tax collected to a named nonprofit entity, recommended annually by the Cambridge Economic Development Committee and approved by the Village Board, for the purpose of promoting tourism through advertising and event development. The remaining 30% of the proceeds will be retained by the Village and appropriated to the Cambridge Economic Development Committee for purpose of promoting economic development.

D. The named nonprofit entity(ies) shall submit to the Economic Development Committee a plan for use of the collected funds for each calendar year. Plans shall be submitted no later than November 1 annually for the following year. No later than January 31 of each year, the named nonprofit entity shall submit a detailed report of expenditures for the preceding year.

E. Economic Development Committee shall submit recommendations for Village Board approval of; (1) the nonprofit entity that will be the recipient of 70% tax collected in the next calendar year, and (2) the plan provided by the nonprofit entity for the use of the funds collected each calendar year. Recommendations shall be submitted no later than December 1 annually for the following year.

V. ADMINISTRATION OF THE ROOM TAX:

A. Administration -All activities associated with the implementation of this Ordinance shall be performed by the Village Administrator Office at the guidance of the Village Board.

B. Room Tax Application Permit - Every permittee, as defined in Section III. must submit an application for permit prior to engaging in any rental activities. (Application form is available from Village Administrator or on the Village's website www.cambridgewi.gov)

Note: Permittees must obtain a seller's permit from the Wisconsin Department of Revenue to collect taxes and must collect and pay room taxes directly to the Administrator of Cambridge. Also, all entities must notify each owner that they have collected and paid the tax to the Village Administrator.

C. Permit Issuance -The Town Clerk will issue to each owner or representative a permit for each rental property address. The permit is not transferable or assignable. An annual calendar (January 1 to December 31) permit fee of $100.00 shall be established to offset administrative costs. An origination fee of $250.00 (includes first permit fee) shall be submitted with the initial application for permitting.

D. Room Tax Return and Payment Dates - Each participant shall submit to the Village Administrator for each property address a Room Tax Return (available from the Village Administrator or Village website) and taxes collected within 30 days of the end of the calendar quarter for which the tax was collected. A return must be filed even if no rentals occurred during that time period.

E. Failure to Perform -

1. A $20.00 late fee will be assessed for payments postmarked or received 31 days after due date and will continue to accrue at a rate of $20.00 per month until paid. A $50.00 per month late fee will be imposed for not renewing the annual permit.
2. An additional $250.00 permit application fee will be assessed for failure to obtain a permit prior to the commencement of rental activities.
3. Unpaid taxes will be assessed interest at a rate of 12% per annum from the due date until paid
4. To enforce the collection of room tax, the Village Board may exchange audit or other information with the Wisconsin Department of Revenue under Section 66.0615 Wis. Stats. The Town has the obligation and right to inspect and audit the rental financial records of any owner or representative deemed to be in non-compliance with this Ordinance. If it has been determined that the full amount of gross receipts is understated, a forfeiture of 25% of the room tax due for the previous year or $5,000.00, whichever is less, will be imposed for failure to pay the appropriate amount.
5. Any personal organization who is required to obtain a permit as set forth herein, who fails to obtain a permit or who violates any other provision of this Ordinance, shall be subject to a forfeiture of not less than $100.00 and no more than $500.00. Each day, or portion thereof, that such violation continues is hereby deemed to constitute a separate offense.
6. If a judgment is obtained by the Village Board for violation of this Ordinance and it remains unpaid for a period of 90 days, then the Village Administrator may add the judgment amount or taxes due to the annual property tax of the affected parcel. Written notice will be given to the owner(s) within 10 days of levying the assessment.

F. Confidentiality - Each person subject to collecting and/or paying the tax created herein shall maintain written or electronic records used to calculate and determine said tax, and said records shall be maintained for not less than two years after the tax is due. All information obtained by the Village in enforcing collection of this tax shall be confidential and not a public record. The information may be disclosed to or used by persons using this information in the discharge of duties imposed by state statute or local Ordinance for the duties of their office or by order of a court. Any person violating the confidentially requirements may be required to forfeit not less than $199.00 or more than $500.00.

G. Severability -The provisions of this Ordinance shall be deemed severable. If any section, paragraph. sentence, clause, phrase, or portion of this Ordinance is held to be invalid or unconstitutional by any court, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remainder.

H. Sale or Conveyance of Property or Business - (Responsible for Unpaid Tax) If any person or entity liable for any amount of tax under this Ordinance sells his business or stock of goods or quits the business, his successors or assigns shall be jointly and severally responsible for any unpaid tax.

VI. STATE LAW APPLIES - Nothing contained in this Ordinance shall be deemed to limit the application of any Wisconsin state law or administrative regulation regulating the subject of this Ordinance.

VII. EFFECTIVE DATE: