

59 WHEREAS, the hotel consultant report stated that the 15-year rebate and abatement
60 package may be insufficient and that additional subsidization may be needed to enable the
61 convention center hotel to come to market;

62 WHEREAS, under this recommendation, the state of Utah, when compared to Salt
63 Lake County or Salt Lake City, would rebate the largest dollar amount of tax revenue to the
64 private hotel investor;

65 WHEREAS, if taxpaying hotels do not come to market because of the subsidized
66 convention center hotel, and if lodging and banquet business moves from existing taxpaying
67 hotels to the nontaxpaying convention center hotel in any significant degree, overall tax
68 revenues to the public for education and other purposes could be negative during part or all of
69 the tax abatement and rebate period;

70 WHEREAS, under the hotel consultant recommendation, much of the burden to pay for
71 the convention center, the CVB, and promotion expenses would unfairly fall on existing hotels
72 through TRT and other taxes imposed on their guests, while the convention center hotel would
73 have these same taxes rebated to it;

74 WHEREAS, while well intended, the ~~CVB~~ concept to capture "lost business" has
74a thus
75 far focused on using public financial support to incentivize one hotel without advancing any
76 plan to equally and fairly use public financial support to incentivize other downtown hotels to
77 boost convention business;

78 WHEREAS, the tax abatements and rebates the convention center hotel would receive
79 would give it unfair advantage in competing for convention delegate business;

80 WHEREAS, government intervention to subsidize one hotel is unfair, would
81 disenfranchise and financially hurt existing hotels and their employees, and is inconsistent with
82 the purpose of imposing TRT and other taxes on all hotels to boost convention delegate
83 business broadly among the hotel community; and

84 WHEREAS, the Utah Hotel and Lodging Association and the Utah Restaurant
85 Association, with vast private investment and expertise in the hospitality industry, oppose the
86 subsidized convention center hotel concept:

87 NOW, THEREFORE, BE IT RESOLVED that the Senate of the state of Utah expresses
88 support for equal and fair hotel taxation among all hotels to protect private investment in hotel
89 properties, to encourage future hotel development, and to promote conventions and delegate