RESOLUTION NO. 26-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CASCADE, VALLEY COUNTY, IDAHO, CALLING A SPECIAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2026, FOR THE PURPOSE OF SUBMITTING ORDINANCE NO. 744 TO THE QUALIFIED ELECTORS OF THE CITY; APPROVING THE FORM OF BALLOT PROPOSITION CONTAINED IN ORDINANCE NO. 744; AUTHORIZING TRANSMITTAL OF THE ELECTION MATERIALS TO THE VALLEY COUNTY CLERK; PROVIDING FOR ADMINISTRATION AND CERTIFICATION OF THE ELECTION; SUPERSEDING RESOLUTION NO. 26-06 FOR ELECTION-SUBMISSION PURPOSES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Cascade, Valley County, Idaho (the "City"), is a municipal corporation organized and operating under the laws of the State of Idaho; and

WHEREAS, pursuant to Idaho Code § 50-1044, the City qualifies as a resort city because its population does not exceed ten thousand (10,000) and it derives the major portion of its economic well-being from businesses catering to recreational needs and meeting the needs of people traveling to the City for an extended period of time; and

WHEREAS, the qualified electors of the City previously approved local-option nonproperty taxes implemented through Ordinance No. 711 and codified in Title 4, Chapter 8 of the Cascade City Code; and

WHEREAS, the voter authorization underlying Ordinance No. 711 was limited to a five-year period and is scheduled to expire under its terms; and

WHEREAS, the City Council desires to continue local-option nonproperty taxes for an additional five-year period while exempting groceries from the one percent (1%) municipal sales tax and imposing a three percent (3%) municipal occupancy tax on qualifying short-term sleeping accommodations; and

WHEREAS, the proposed three percent (3%) municipal occupancy tax replaces, and is not added to, the one percent (1%) municipal sales tax that would otherwise apply to the same occupancy transaction; and

WHEREAS, the City Council desires to continue the existing voter-authorized purposes for which local-option nonproperty tax revenues may be used, consisting of: (1) Public streets, sidewalks, pedestrian crosswalks, pathways, and other public rights-of-way that improve public health and safety; and (2) Public park maintenance, development, and beautification; and

WHEREAS, Idaho Code § 50-1045 requires local-option nonproperty tax revenues received in excess of the amount budgeted by the City Council to be placed in a city property tax relief fund and used to replace City property taxes in the ensuing fiscal year; and

WHEREAS, Idaho Code § 50-1046 authorizes a resort city, upon approval by sixty percent (60%) of the city voters voting on the question, to adopt, implement, and collect an

occupancy tax upon hotel, motel, and other sleeping accommodations rented or leased for thirty (30) days or less and a sales tax upon part or all of the sales subject to taxation under chapter 36, title 63, Idaho Code; and

WHEREAS, Idaho Code § 50-1047 requires the ordinance submitted to City voters to state and define the specific tax, exact tax rate, exact purposes for which the revenues will be used, and duration of the tax; and

WHEREAS, the City Council has adopted Ordinance No. **744**, attached to this Resolution as Exhibit A, subject to approval by at least sixty percent (60%) of the City voters voting on the question; and

WHEREAS, Idaho Code § 34-106 authorizes an election to be conducted on the Tuesday following the first Monday in November, and the City Council desires to submit Ordinance No. **744** to the qualified electors of the City at the election to be held on November 3, 2026; and

WHEREAS, the proposition described in Resolution No. 26-06 was not transmitted to the Valley County Clerk by the applicable deadline and was not presented to or acted upon by the voters at the May 19, 2026 election; and

WHEREAS, the City Council desires to supersede Resolution No. 26-06 for purposes of submitting the proposed local-option nonproperty taxes to the voters.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CASCADE, IDAHO, AS FOLLOWS:

SECTION 1. FINDINGS.

The recitals set forth above are adopted as findings of the City Council and are incorporated into this Resolution.

SECTION 2. CALL FOR ELECTION.

A special municipal election is called to be held within the City of Cascade, Idaho, on Tuesday, November 3, 2026, for the purpose of submitting Ordinance No. **744** to the qualified electors of the City for approval or disapproval.

Only valid ballots cast on the proposition are counted in determining whether the proposition received the approval of at least sixty percent (60%) of the voters voting on the question.

SECTION 3. SUBMISSION OF ORDINANCE.

Ordinance No. **744**, attached to this Resolution as Exhibit A and incorporated by reference, is submitted to the qualified electors of the City at the November 3, 2026 election.

The amendments contained in Ordinance No. **744** do not become operative unless the Ordinance is approved by at least sixty percent (60%) of the City voters voting on the question.

SECTION 4. APPROVAL OF BALLOT PROPOSITION.

The City Council approves the following form of ballot proposition:

CITY OF CASCADE

LOCAL-OPTION NONPROPERTY TAX

Ordinance No.744 would authorize the following taxes for five (5) years — January 1, 2027 through December 31, 2031:

1. Sales Tax — A one percent (1%) tax on retail sales taxed under Idaho law. This tax does not apply to:

- Groceries; or
- Any single item priced $1,000 or more.

2. Lodging Tax — A 3% tax on short-term lodging (30 days or less) including hotels, motels, and other sleeping accommodations. Lodging is taxed at 3% instead of the 1% sales tax, not in addition to it.

3. Tax revenue may be used only for:

- Public streets, sidewalks, crosswalks, pathways, and rights-of-way; and
- Public parks maintenance, development, and beautification.

QUESTION: Shall Ordinance No.744 adopted by the Mayor and City Council of the City of Cascade on [date] but subject to voter approval, which imposes the local-option nonproperty taxes described above for five (5) years beginning January 1, 2027, be approved?

☐ **IN FAVOR OF ORDINANCE NO. 744**

☐ **AGAINST ORDINANCE NO. 744**

The Valley County Clerk may make nonsubstantive changes necessary to format the proposition for the ballot or to conform the voting instructions to applicable election procedures. No change may alter the tax base, tax rates, exemptions, revenue purposes, duration, operative date, or substantive meaning of the proposition without further action by the City Council.

SECTION 5. TRANSMITTAL TO COUNTY CLERK.

The City Clerk shall certify and transmit the following to the Valley County Clerk on or before August 28, 2026:

A. A certified copy of this Resolution;

B. A certified copy of Ordinance No. 744;

C. The ballot proposition approved in Section 1 of Ordinance No. 744; and

D. Any other materials reasonably required for placement of the proposition on the November 3, 2026 ballot.

The City Clerk may coordinate with the Valley County Clerk regarding election administration and final ballot formatting consistent with this Resolution.

SECTION 6. ELECTION ADMINISTRATION.

The Valley County Clerk shall conduct the election in accordance with applicable Idaho election law. The City Clerk is authorized to provide information and assistance reasonably requested by the Valley County Clerk for administration of the election.

SECTION 7. CANVASS AND CERTIFICATION.

Following the canvass and certification of the November 3, 2026 election, the City Clerk shall:

A. File the certified election results with Ordinance No. 744

B. Prepare and file a certificate stating whether at least sixty percent (60%) of the City voters voting on the proposition approved Ordinance No. 744;

C. Provide the Mayor and City Council with a copy of the certified results; and

D. Complete the notices and transmittals required by Ordinance No. 744 and Idaho law.

SECTION 8. PRIOR RESOLUTION SUPERSEDED.

Resolution No. 26-06 is superseded for purposes of submitting a local-option nonproperty t ax proposition to the voters.

SECTION 9. EFFECTIVE DATE.

This Resolution takes effect immediately upon its adoption and approval.

ADOPTED by the City Council of the City of Cascade, Idaho, this 27th day of July 2026.

APPROVED by the Mayor of the City of Cascade, Idaho, this 27th day of July 2026.

Judith R. Nissula, Mayor

ATTEST:

Janice Van Winkle, City Clerk

EXHIBIT A

PROPOSED AMENDATORY ORDINANCE — SUBJECT TO VOTER APPROVAL

ORDINANCE NO. 744

AN ORDINANCE OF THE CITY OF CASCADE, VALLEY COUNTY, IDAHO, AMENDING ORDINANCE NO. 711 AND TITLE 4, CHAPTER 8 OF THE CASCADE CITY CODE RELATING TO CITY LOCAL-OPTION NONPROPERTY TAXES; AMENDING THE TITLE OF CHAPTER 8 AND THE CHAPTER SECTION LIST; AMENDING SECTION 4-8-1 TO ADD A DEFINITION OF GROCERIES; AMENDING SECTION 4-8-2 TO EXEMPT GROCERIES FROM THE ONE PERCENT (1%) SALES TAX AND TO IMPOSE A THREE PERCENT (3%) OCCUPANCY TAX ON HOTEL, MOTEL, AND OTHER SLEEPING ACCOMMODATIONS RENTED OR LEASED FOR THIRTY (30) DAYS OR LESS; AMENDING SECTION 4-8-3 TO PROVIDE A FIVE-YEAR TERM; AMENDING SECTION 4-8-9 REGARDING REPORTING OF OCCUPANCY TAXES; AMENDING SECTION 4-8-20 TO CORRECT A CROSS-REFERENCE; AMENDING SECTION 4-8-21 REGARDING EXEMPTIONS; CONDITIONING THE AMENDMENTS UPON APPROVAL BY SIXTY PERCENT (60%) OF THE CITY VOTERS VOTING ON THE QUESTION; PROVIDING FOR CODIFICATION; PROVIDING FOR CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Idaho Code § 50-1044 authorizes the voters of a qualifying resort city to authorize the city government to adopt, implement, and collect one or more local-option nonproperty taxes; and

WHEREAS, based upon evidence presented in the legislative record, the City Council finds that the City of Cascade qualifies as a "resort city" within the meaning of Idaho Code § 50-1044 because the City has a population not exceeding ten thousand (10,000) and derives the major portion of its economic well-being from businesses catering to recreational needs and meeting the needs of people traveling to the City for an extended period of time; and

WHEREAS, Idaho Code § 50-1046 authorizes, upon approval by sixty percent (60%) of the city voters voting on the question, a resort city to adopt, implement, and collect an occupancy tax upon hotel, motel, and other sleeping accommodations rented or leased for thirty (30) days or less and a sales tax upon part or all of the sales subject to taxation under chapter 36, title 63, Idaho Code; and

WHEREAS, Idaho Code § 50-1047 requires the ordinance submitted to city voters to state and define the specific tax, the exact rate, the exact purposes for which the revenues will be used, and the duration of the tax, and prohibits redefining the tax, increasing the rate, modifying the purposes, or extending the duration without subsequent voter approval; and

WHEREAS, the qualified electors of the City previously approved local-option nonproperty taxes implemented through Ordinance No. 711 and codified in Title 4, Chapter

8 of the Cascade City Code, and the City Council desires to continue those taxes while exempting groceries from the one percent (1%) sales tax, imposing a separate three percent (3%) occupancy tax on short-term lodging, and authorizing the taxes for an additional five (5) years; and

WHEREAS, the City Council intends to continue, without substantive modification, the existing purposes for which revenues may be used under Section 4-8-4 and the Municipal Property Tax Relief Fund established under Section 4-8-6; and

WHEREAS, this Ordinance is adopted subject to approval by at least sixty percent (60%) of the City voters voting on the question at the November 3, 2026 election and shall not authorize collection of the taxes unless the required voter approval is obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CASCADE, IDAHO, AS FOLLOWS:

SECTION 1. AMENDMENT OF CHAPTER TITLE.

The title of Title 4, Chapter 8 of the Cascade City Code is amended to read as follows:

CHAPTER 8

~~NON-PROPERTY SALES TAX~~ **CITY LOCAL-OPTION NONPROPERTY TAXES**

SECTION 2. AMENDMENT OF CHAPTER SECTION LIST.

The section-list entry for Section 4-8-2 in Title 4, Chapter 8 is amended to read as follows:

4-8-2: ~~Imposition And Rate Of Certain Non-Property Taxes, To Wit: A One Percent (1%) Sales Tax On The Sales Price Of All Property Subject To Taxation~~ Imposition And Rates Of City Local-Option Nonproperty Taxes

SECTION 3. AMENDMENT OF SECTION 4-8-1 (DEFINITIONS).

Section 4-8-1 of the Cascade City Code is amended by adding the following definition in alphabetical order. All other definitions in Section 4-8-1 remain unchanged:

GROCERIES: Food and food ingredients for human consumption and nonalcoholic beverages sold for off-premises consumption. The term does not include alcoholic beverages, tobacco products, prepared food sold for immediate consumption, or dietary supplements.

SECTION 4. AMENDMENT OF SECTION 4-8-2 (IMPOSITION AND RATES).

The heading of Section 4-8-2, Subsection A of Section 4-8-2, and the addition of a new Subsection E to Section 4-8-2 are amended to read as follows. Subsections B, C, and D of Section 4-8-2 remain unchanged:

4-8-2: IMPOSITION AND RATES OF CITY LOCAL-OPTION NONPROPERTY TAXES: ~~RATE OF CERTAIN NON-PROPERTY TAXES, TO~~

~~WIT: A ONE PERCENT (1%) SALES TAX ON THE SALES PRICE OF ALL PROPERTY SUBJECT TO TAXATION:~~

A. A municipal sales tax is hereby imposed upon each sale at retail within the City of Cascade, Idaho, at the rate of one percent (1%) of the sales price ~~of all property subject to taxation under Idaho Code 63-3601, et. seq., Idaho Sales Tax Act, including subsequent amendments thereto;~~ sales subject to taxation under the Idaho Sales Tax Act, chapter 36, title 63, Idaho Code, including subsequent amendments thereto, except groceries and other transactions expressly exempted under Section 4-8-21 of this Chapter;

E. A municipal occupancy tax is hereby imposed upon each occupancy rental within the City of Cascade, Idaho, at the rate of three percent (3%) of the consideration charged for the occupancy rental. The municipal occupancy tax is imposed in lieu of the municipal sales tax imposed under Subsection A of this Section to the extent the same occupancy-rental transaction would otherwise be subject to that municipal sales tax. The municipal occupancy tax shall be collected from the occupant by the operator, manager, or other person receiving the consideration charged for the occupancy rental.

SECTION 5. AMENDMENT OF SECTION 4-8-3 (DURATION OF TAXES).

Section 4-8-3 of the Cascade City Code is amended to read as follows:

4-8-3: DURATION OF TAXES:

~~The non-property taxes authorized and collected under this chapter are hereby imposed for a duration of five (5) years from the effective date of this chapter.~~ The local-option nonproperty taxes imposed under this Chapter shall commence on January 1, 2027, and shall continue through December 31, 2031. The taxes shall terminate after December 31, 2031, unless their duration is extended by subsequent approval of the City voters as required by Idaho Code § 50-1047.

SECTION 6. SECTIONS 4-8-4 AND 4-8-6 NOT AMENDED.

Section 4-8-4 (purposes for which revenues shall be used) and Section 4-8-6 (Municipal Property Tax Relief Fund) of the Cascade City Code are not amended by this Ordinance and shall remain in full force and effect. For purposes of Idaho Code § 50-1047, the exact purposes for which revenues shall be used continue to be: (A) public streets, sidewalks, pedestrian crosswalks, pathways, and other public rights-of-way that improve public health and safety; and (B) public park maintenance, development, and beautification. Revenues collected in excess of the amount budgeted by the City Council shall continue to be placed in the Municipal Property Tax Relief Fund and used to replace City property taxes in the ensuing fiscal year, as provided by Idaho Code § 50-1045 and Section 4-8-6.

SECTION 7. AMENDMENT OF SECTION 4-8-9 (METHOD FOR PAYMENT OF TAXES).

Subsection A of Section 4-8-9 of the Cascade City Code is amended as shown below. Subsections B and C of Section 4-8-9 remain unchanged:

> A. The taxes imposed by this chapter shall be computed and paid for each calendar month. Said taxes are due and payable to the City Clerk on or before the 20th day of the succeeding month. The amount of tax paid shall be computed on all sales and occupancy rentals subject to taxation under this chapter. Each person required to hold a City of Cascade local-option non-property tax permit and number shall file a City of Cascade local-option non-property tax return and a copy of their Idaho State Sales Tax Return for the month at the same time said taxes are paid to the City Clerk, unless said person has been permitted in writing by the Idaho State Tax Commission to file quarterly sales or use tax returns. Persons who have been permitted to file other than monthly returns shall notify the City Clerk in writing and the City Clerk thereupon may require reporting of State Tax Returns over some other period, but shall require payment of taxes on a monthly basis. For occupancy rentals, the City Clerk may prescribe the form and supporting documentation to be submitted in lieu of a copy of an Idaho State Sales Tax Return.

SECTION 8. AMENDMENT OF SECTION 4-8-20 (PENALTY CHARGES).

Subsection A of Section 4-8-20 of the Cascade City Code is amended as shown below. Subsection B of Section 4-8-20 remains unchanged:

> A. Any person who is required to collect and pay over any tax imposed by this chapter and fails or refuses to pay over to the City the same when due in accordance with Section ~~4-8-7~~ 4-8-9, hereinabove, shall be liable and pay a penalty ~~change~~ charge equal to five percent (5%) of the tax not paid, or a minimum of $10 (whichever is greater). The City Clerk shall assess and collect said fee at the time any delinquent tax payment is tendered. The permit holder shall have ten (10) days from the date payment is made to file a written appeal with the City Council challenging said penalty determination. If no appeal is timely made as herein provided, said penalty determination shall be final.

SECTION 9. AMENDMENT OF SECTION 4-8-21 (EXEMPTIONS).

Section 4-8-21 of the Cascade City Code is amended as shown below:

> **4-8-21: EXEMPTIONS:**
>
> A. Only those transactions which are exempted from the taxes imposed by the State of Idaho pursuant to the Sales Tax Act, as that Act may be amended, are exempt from the municipal sales tax imposed under Section 4-8-2(A).
>
> B. Any single item purchase of one thousand dollars ($1,000.00) or more are also exempt from ~~the provisions of this chapter.~~ the municipal sales tax imposed under Section 4-8-2(A).
>
> **C.** The municipal sales tax imposed under Section 4-8-2(A) does not apply to groceries.

D. The exemptions provided in this Section apply only to the municipal sales tax imposed under Section 4-8-2(A) and do not apply to the municipal occupancy tax imposed under Section 4-8-2(E).

SECTION 10. REMAINING PROVISIONS UNAFFECTED.

Except as expressly amended by this Ordinance, all provisions of Ordinance No. 711 and Title 4, Chapter 8 of the Cascade City Code remain unchanged and in full force and effect and apply to both the municipal sales tax imposed under Section 4-8-2(A) and the municipal occupancy tax imposed under Section 4-8-2(E), as the context requires.

SECTION 11. VOTER APPROVAL; CONDITIONAL EFFECT.

This Ordinance is adopted subject to approval by at least sixty percent (60%) of the qualified electors of the City voting on the question at the November 3, 2026 election. The amendments provided in this Ordinance shall not become operative, and no tax imposed or modified by this Ordinance shall be collected, unless the proposition is approved by the required majority. Upon approval by the required majority, the amendments shall become operative and the taxes shall commence on January 1, 2027. If the proposition is not approved by the required majority, the amendments shall not become operative.

SECTION 12. TRANSMITTAL.

Following voter approval, the City Clerk shall forward a copy of this Ordinance to the Chairman of the Idaho State Tax Commission and the Chairman of the Idaho Board of Tax Appeals as provided by Idaho Code § 50-1047.

SECTION 13. CODIFICATION.

The City Clerk and City Attorney shall cause the Cascade City Code to be amended as provided by this Ordinance. The codifier may renumber, reletter, format, rearrange, and correct capitalization of the amended provisions as necessary to facilitate their placement and publication in the Cascade City Code, provided that no substantive change is made.

SECTION 14. SCRIVENER'S ERRORS.

The City Attorney may correct clerical, typographical, numbering, citation, capitalization, formatting, and other nonsubstantive errors in this Ordinance by filing a corrected copy with the City Clerk.

SECTION 15. SEVERABILITY.

If any provision of this Ordinance or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application. The provisions of this Ordinance are declared severable.

SECTION 16. PUBLICATION AND EFFECTIVE DATE.

This Ordinance, or a summary thereof, shall be published as required by Idaho law. Subject to Section 11, this Ordinance shall be in full force and effect upon passage, approval, publication, and satisfaction of all applicable legal requirements. The taxes authorized by this Ordinance shall commence on January 1, 2027.

PASSED BY THE CITY COUNCIL OF THE CITY OF CASCADE, IDAHO, this 27 day of July 2026.

APPROVED BY THE MAYOR OF THE CITY OF CASCADE, IDAHO, this 27 day of July 2026.

Judith R. Nissula, Mayor

ATTEST:

Janice Van Winkle, City Clerk