

**EXHIBIT B****EXPLANATORY STATEMENT FOR VOTERS' PAMPHLET**

The fishing village of Charleston and the surrounding area (the "Charleston Area") is a popular tourist destination on the Southern Oregon Coast. Visitors coming to the area often stay in short-term lodging accommodations such as RV parks, campgrounds, motels and vacation rentals while enjoying the area's many recreational opportunities. While the neighboring cities of Coos Bay and North Bend have imposed a tax on such short-term lodging accommodations, to date there has not been a local lodging tax charged to visitors to the Charleston Area.

The proposed 9.5% tax on short-term lodging in the Charleston Area would mirror the tax imposed by the cities of Coos Bay and North Bend, and allow the Charleston Area to promote tourism in the area. Tourism in Coos County is a \$277.3 million industry and employs approximately 3,363 residents. Increasing visitors and travelers to the area will assist not only lodging properties, but restaurants, shops, and attractions in Charleston and the County in general.

All revenues generated by the 9.5% lodging tax will be spent to benefit the Charleston Area and Coos County as follows:

1. Under state law, 70% of the revenue must be used for tourism promotion and tourism facilities in the Charleston Area. It is anticipated that these funds will primarily support the following major projects:
  - a. Charleston Visitor Center – currently Charleston's visitor center is located in an old laundromat, and is relatively hidden behind the bridge leading into the community. It is managed and manned completely by volunteers. It is anticipated that the lodging tax will allow the Charleston community to build or renovate a facility that better reflects the area, is more visible to travelers to the area, and would allow for a paid staff to ensure the facility and volunteers are managed adequately.
  - b. Participation in the Coos Bay-North Bend Visitor & Convention Bureau (VCB) aka Oregon's Adventure Coast – a portion of the funds collected would be used toward the activities of the VCB to promote the Charleston area as a tourism destination. The VCB has promoted the area for decades without any participation from the Charleston area. This additional funding would allow the VCB to increase its promotion and marketing activities to bring more visitors to the area to participate in recreation, dine in local restaurants, and spend money in Charleston's quaint shops.
2. Under state law, the remaining 30% of the revenue may be retained by Coos County. By ordinance, Coos County has committed to placing this revenue into a fund dedicated to the enforcement of the Coos County Code. The County currently uses a significant portion of its limited code enforcement resources in the Charleston Area, and the proposed tax will aid in these critical efforts.