

MOTION TO AMEND RESOLUTION 21-0832

BY COUNCILOR FILIPOVICH AND COUNCILOR SIPRESS:

We move to amend Resolution 21-0832 as follows:

CITY PROPOSAL:

WHEREAS, Tourism Taxes are collected on specific purchases and are used to fund legislatively allowable expenses mandated by Minnesota Laws and City Ordinance.

WHEREAS, it is expected that tourism tax collections will return to pre-pandemic levels of approximately \$12 million. A significant amount of these collections- more than 50%- are set aside through specific authorizing legislation that tied bonding projects to tourism or through previously stated and mandated commitments. These are:

- DECC Improvement Refunding Bonds (AMSOIL Arena) - \$33,440,000
- Tourism Tax Revenue Bonds (St Louis River Corridor) - \$18,000,000
- Spirit Mountain Tax Abatement Bonds (Grand Avenue Chalet & Improvements) - \$7,055,000
- Minnesota Slip Bridge Interfund Loan - \$2,200,000
- Promotion and Publicity 3% Hotel/Motel Tax Mandate

WHEREAS, the allocations for City funding to the General Fund and Parks are focused on the costs of providing services for events and tourist-focused activities which include but are not limited to: Lakewalk, Enger Tower, Rose Garden, Public Safety staffing and road closures for special events.

WHEREAS, the remainder can be spent in ways that align with legislative intent in support of our tourism economy. These funds cannot be unilaterally applied to other non-tourism organizational needs of the City.

RESOLVED, that the 2022 hotel-motel and food and beverage tourism taxes, as estimated, be distributed in the following manner:

	<b>Total</b>	<b>Promotional &amp; Operational Support</b>	<b>Capital Support &amp; Debt Service</b>
3% Hotel/Motel Tax:	\$2,908,200	\$1,112,400	\$1,795,800
1% Hotel/Motel Tax:	\$963,600	\$669,100	\$294,500
1% Food & Beverage:	\$2,612,100	\$2,612,100	\$0
Additional 2% Hotel/Motel:	\$1,802,300	\$901,100	\$901,200
Additional .75% Food & Beverage:	\$1,959,100	\$0	\$1,959,100
Additional .5% Food&Bev & .5% Hotel/Motel	\$1,754,700	\$0	\$1,754,700
Tourism Tax Fund Unappropriated Fund Balance	\$1,347,600	\$1,347,600	\$0
<b>Total:</b>	<b>\$13,347,600</b>	<b>\$6,642,300</b>	<b>\$6,705,300</b>
DECC- Amsoil Arena Debt Service	\$3,754,900	\$0	\$3,754,900
Spirit Mountain Bond - Chalet	\$500,000	\$0	\$500,000
Spirit Mountain Adventure Park Lease	\$145,700	\$0	\$145,700
St Louis River Corridor Debt Service	\$1,754,700	\$0	\$1,754,700
Minnesota Slip Bridge	\$550,000	\$0	\$550,000
DECC - Bayfront Park Management	\$71,300	\$71,300	\$0
DECC - Blue Bridge Operations	\$44,500	\$44,500	\$0
Tourism Events Support General Fund	<del>\$1,095,000</del> <u>\$1,165,000</u>	<del>\$1,095,000</del> <u>\$1,165,000</u>	\$0
Funds allocated pursuant to Resolution 21-0847	\$100,000	\$100,000	\$0
Greater Downtown Council/Duluth Downtown Waterfront District	\$220,000	\$220,000	\$0
Lake Superior Zoo	\$510,000	\$510,000	\$0
Northern Lights Express	\$15,000	\$15,000	\$0
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Visit Duluth Website	\$300,000	\$300,000	\$0
Fourth Fest Fireworks	\$57,000	\$57,000	\$0
Duluth Airport - Denver Flight	\$50,000	\$50,000	\$0
Great Lakes Aquarium	\$320,000	\$320,000	\$0
The Depot Foundation	\$200,000	\$200,000	\$0
Duluth Sister Cities International	<del>\$25,000</del> <u>\$20,000</u>	<del>\$25,000</del> <u>\$20,000</u>	\$0

Lake Superior & Mississippi Railroad	\$20,000	\$20,000	\$0
Glensheen	<del>\$35,000</del> <u>\$30,000</u>	<del>\$35,000</del> <u>\$30,000</u>	\$0
Duluth Children's Museum	<del>\$20,000</del> <u>\$15,000</u>	<del>\$20,000</del> <u>\$15,000</u>	\$0
Hawk Ridge Bird Observatory	<del>\$30,000</del> <u>\$25,000</u>	<del>\$30,000</del> <u>\$25,000</u>	\$0
North Shore Scenic Railroad	<del>\$50,000</del> <u>\$45,000</u>	<del>\$50,000</del> <u>\$45,000</u>	\$0
City of Duluth Parks and Recreation	\$46,000	\$46,000	\$0
Spirit Mountain Operations	<del>\$450,000</del> <u>\$440,000</u>	<del>\$450,000</del> <u>\$440,000</u>	\$0
Funds allocated pursuant to Resolution 21-0847	\$450,000	\$450,000	\$0
Zeitgeist Center for Arts and Community	<del>\$25,000</del> <u>\$20,000</u>	<del>\$25,000</del> <u>\$20,000</u>	\$0
Kraus Anderson Bike Duluth Festival	\$8,500	\$8,500	\$0
<del>Bentleyville Tour of Lights</del>	<del>\$50,000</del>	<del>\$50,000</del>	<del>\$0</del>
Total	\$13,347,600	\$6,642,300	\$6,705,300