

MOTION TO AMEND RESOLUTION 22-0786

BY COUNCILORS ALSTEAD, RANDORF, AND VICE PRESIDENT KENNEDY:

We move to amend Resolution 22-0786 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 amount to both 2019 and 2021 levels of approximately \$12.4 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 2023 hotel-motel and food and beverage tourism taxes, as estimated, be distributed in the following manner:

	Total	Promotional & Operational Support	Capital Support & Debt Service
3% Hotel/Motel Tax:	\$2,976,000	\$1,138,300	\$1,837,700
1% Hotel/Motel Tax:	\$992,000	\$725,600	\$266,400
1% Food & Beverage:	\$2,728,000	\$2,728,000	\$0
Additional 2% Hotel/Motel:	\$1,860,000	\$930,000	\$930,000
Additional .75% Food & Beverage:	\$1,984,000	\$0	\$1,984,000
Additional .5% Food & Bev & .5% Hotel/Motel	\$1,860,000	\$0	\$1,860,000
Tourism Tax Fund	\$937,100	\$937,100	\$0
Unappropriated Fund Balance			
Total:	\$13,337,100	\$6,459,000	\$6,878,100
DECC- Amsoil Arena Debt Service	\$3,821,700	\$0	\$3,821,700
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	\$1,860,700	\$0	\$1,860,700
MN Slip Bridge (final payment)	\$30,000	\$0	\$30,000
Lakewalk Seawall Project	\$520,000	\$0	\$520,000
DECC - Bayfront Park Management	\$73,500	\$73,500	\$0
DECC - Blue Bridge Operations	\$46,700	\$46,700	\$0
Tourism Events Support General Fund	\$1,234,800	\$1,234,800	\$0
Tourism Marketing Position	\$111,700	\$111,700	\$0
Greater Downtown Council/Duluth	\$230,000	\$230,000	\$0
Downtown Waterfront District			
Lake Superior Zoo	\$510,000	\$510,000	\$0
Northern Lights Express	\$20,000	\$20,000	\$0
Bellmont Partners	\$1,800,000	\$1,800,000	\$0
Visit Duluth Event and Convention Sales	\$650,000	\$650,000	\$0
Fourth Fest Fireworks	\$70,000	\$70,000	\$0
Duluth Airport - Denver Flight	\$50,000	\$50,000	\$0
Great Lakes Aquarium	\$340,000	\$340,000	\$0
The Depot Foundation	\$220,000	\$220,000	\$0
Duluth Sister Cities International	\$25,000	\$25,000	\$0

Glensheen	\$35,000	\$35,000	\$0
Duluth Children's Museum	\$50,000	\$50,000	\$0
Hawk Ridge Bird Observatory	\$40,000	\$40,000	\$0
North Shore Scenic Railroad	\$50,000	\$50,000	\$0
City of Duluth Parks and Recreation	\$77,300	\$77,300	\$0
Spirit Mountain Operations	\$440,000	\$440,000	\$0
Zeitgeist Center for Arts and Community	\$25,000	\$25,000	\$0
Kraus Anderson Bike Duluth Festival	\$10,000	\$10,000	\$0
Gary New Duluth Skateboard park	\$20,000 \$40,000	\$20,000 \$40,000	\$0
MN Land Trust	\$50,000	\$50,000	\$0
Duluth Amateur Hockey Association	\$20,000	\$20,000	\$0
Catalyst Content Festival	\$30,000	\$30,000	\$0
FinnFest	\$25,000	\$25,000	\$0
Main Street Lincoln Park - Ecolibrium 3	\$25,000	\$25,000	\$0
Duluth Public Arts Commission	\$50,000	\$50,000	\$0
UMD NCAA Women's Hockey Frozen Four Championship	\$30,000	\$30,000	\$0
Operational Contingency	\$100,000 \$40,000	\$100,000 \$40,000	\$0
<u>Clean and Safe Team in the Lincoln Park Craft District</u>	<u>\$20,000</u>	<u>\$20,000</u>	
<u>Lake Superior & Mississippi Railroad Company</u>	<u>\$20,000</u>	<u>\$20,000</u>	
Total	\$13,337,100	\$6,459,000	\$6,878,100

STATEMENT OF PURPOSE: The purpose of this motion to amend is to provide \$20,000.00 for the Clean and Safe Team in the Lincoln Park Craft District, \$20,000 for the Lake Superior & Mississippi Railroad Company, and an additional \$20,000 for the Gary New Duluth Skateboard park for a total of \$40,000. This additional funding will be taken from the Operational Contingency. The remaining Operational Contingency will be \$40,000.