

Council Study Session

March 19, 2018

Title:	Economic Development, Cultural, Tourism & Sustainability Grant Cycle Update	
Item Type:	Request for Feedback	
Requested by Council?	No	
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Discussion Questions:

- 1) Which members of the Citizens' Budget Committee have interest in participating in the Grants Sub-Committee Process for FY18-19?
- 2) Staff suggests Sub-Committee meeting dates of either April 12 and April 26 or May 3 and May 10. Do the interested members have a preference?
- 3) Is there interest in modifying the applicant presentation component of the meetings? Options include no presentations, presentations limited by specific questions or topics, presentation only by applicants who have not received funding in the past two grant cycles.

Resource Requirements:

Grant funds were allocated by Resolution 2017-03, with an award amount for fiscal year 2018-19 of \$229,703. Funding for the grants come from the City's collection of Transient Occupancy Tax, with a portion coming from tourism restricted funds (10% of total restricted or \$79,703) and the remainder from the unrestricted (non-tourism) funds (\$150,000).

Suggested Next Steps:

Staff will incorporate recommendations and develop a final schedule and process layout to include along with the complete packet of applicant submittals the first week in April. After the two sub-committee meetings, the recommendations of the sub-committee will be forwarded to for review and formal approval, likely at the May 15, 2018 Council business meeting.

Policies, Plans and Goals Supported:

Council Goal #3 – Support and empower our community partners

Council Goal #15 – Seek opportunities to diversify the economy in coordination with the Economic Development Strategy

Background and Additional Information:

The City of Ashland collects a Transient Occupancy Tax (TOT), from people who stay in overnight lodging within the City limits. Over half (58%) of those funds are reserved for the City's General Fund and are used to support Police, Fire, Community Development, and Municipal Court. Slightly more than a quarter (26.67%) of those funds are used to support the tourism industry. The tourist funds are either allocated directly to groups that market Ashland to

tourists or are spent on capital facilities that enhance the tourism experience within the community. The remaining funds are dedicated to the City's annual grant program. The amounts that go to each of these programs are allocated prior to the beginning of each biennium by Council.

The City of Ashland reinvests a portion of the funds generated by the TOT in community non-profits through an annual grant program. Of the total anticipated TOT collection of \$2,191,467, \$229,703 is allocated to this grant program. Through these grants, the City is purchasing specific services from non-profits that it might otherwise provide directly. The grant program has four basic goals:

- **Economic Development.** The grant program will support the creation, retention, and expansion of businesses and other ventures that enrich our community by creating goods and services that provide employment opportunities while maintaining and enhancing the overall quality of life. The 2011 Economic Development Strategy provides both policy level and action level guidance for eligible grant application programs and activities.
- **Cultural Development.** The grant program will support increased diversity of and accessibility to the creative arts and cultural opportunities in Ashland for citizens and visitors and will support the visitor economy, maintain and promote job growth in this sector and enrich the overall quality of life in the community.
- **Tourism.** As a long standing pillar of Ashland's economy, tourism programs support programs, activities and events that act similarly to more traditional traded sector activity in that dollars from outside the community are brought in and circulated locally to the benefit of our local businesses.
- **Sustainability.** The grant program will create and support programs and activities to further support efforts to ensure Ashland is environmentally, economically and socially resilient as a community.

Attachments:

None

Additional Links:

www.ashland.or.us/2018ectsgrants - Complete Grant Application, eligibility and award criteria