

Council Study Session

March 19, 2018

Title:	Economic Development, Cultural, Tourism & Sustainability Grants Process	
Item Type:	Request for Feedback	
Requested by Council?	Yes	
From:	Adam Hanks	Acting City Administrator
	Adam.Hanks@ashland.or.us	

Discussion Questions:

The annual grant review, recommendation and approval process has in the past been done within the structure and schedule of the Citizen’s Budget Committee (CBC) budget approval process. For grant allocations on the “off-year” of the budget process, Council has several options available:

- 1) Mayor Stromberg could convene the full CBC, identify and select participants of the CBC to form a grants sub-committee. The sub-committee would hold two meetings to review and recommend grant allocations not exceeding levels authorized in Resolution 2017-03. The Mayor would then again convene the full CBC to receive the presentation and recommendation of the grants sub-committee and then vote to forward a final recommendation along to the City Council for their review and formal approval.
- 2) Mayor Stromberg could create, with confirmation of Council, an ad-hoc grants review committee with a focused committee charge to review and recommend grant allocations consistent with Resolution 2017-03. This ad-hoc committee would hold two meetings to conduct their work and report back to Council with a final recommendation of grant awards for Council’s consideration and ultimate approval.

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).

Staff time is the only cost consideration relating to the different process options. Neither option poses a significant workload increase for staff. Option #1 does require additional staffing for meeting prep and minutes for the two CBC meetings that would otherwise not be required with option #2.

Suggested Next Steps:

Staff recommends Council determine a preferred grants award allocation process at its April 3, 2018 Business Meeting. If option #2 is selected, the following additional steps will occur at the April 3, 2018 Business Meeting:

- 1) Mayor Stromberg will create the ad-hoc grants committee, with Council concurrence.

- 2) Appointments to the ad-hoc committee will be made (three citizen members of the CBC have expressed formal interest in being a part of the grants process)
- 3) A scope of work/committee charge will be presented and approved, similar to the following “To review and make recommendations to Council for specific grant allocations consistent with Resolutions 2017-03 (award funds) and 2012-05 (eligibility and award criteria).

Staff will then develop a complete process calendar to execute the chosen process. While legally required to have Council approval by June 30, 2018, Staff will develop a calendar with a final Council grant allocation approval scheduled for 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