

**RESOLUTION NO. 2017-03**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHLAND  
ALLOCATING ANTICIPATED REVENUES FROM THE TRANSIENT  
OCCUPANCY TAX FOR THE BIENNIUM 2017-2019 BUDGET AND  
REPEALING RESOLUTION 2015-04**

**RECITALS:**

- A. That the City of Ashland collects a Transient Occupancy Tax (TOT) pursuant to Ashland Municipal Code 4.24. Revenues from the Transient Occupancy Tax are used to fund general governmental expenses, economic development, tourism promotion and related infrastructure and the City's Economic, Cultural, and Sustainability Grant program.
- B. The City of Ashland has determined that as of July 1, 2003, \$186,657 or 14.23% of the City of Ashland's total Hotel/Motel tax revenues were expended on tourism promotion, as defined in Chapter 818 of the 2003 Oregon Laws.
- C. Chapter 818 requires 70% of any increased TOT revenue generated by tax rate increases after 2003 be committed to tourism promotion.
- D. Appropriations for tourism promotion are based upon the following percentages established in FY 2009-10 when the rate was increased from 7%-9%:
- A minimum of 14.23% of the estimated TOT revenue generated by the original 7% tax rate for tourism promotion per Chapter 818 and,
  - A minimum of 70% of the estimated TOT revenue generated by additional tax rates approved by Council on June 3, 2008 consistent with Chapter 818.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

**SECTION 1.**

For the Biennium 2017-2019, the City of Ashland expects to budget an estimated \$5,875,900 for Transient Occupancy Tax collections. The annual allocation between tourism and general governmental operations is as follows:

TOT Anticipated Revenues	% of Total	FY 2017-18	FY 2018-19
Tourism	26.67%	770,070	797,033
General Government Operations	73.33%	2,117,330	2,191,467
<b>TOTALS</b>	<b>100%</b>	<b>\$2,887,400</b>	<b>\$2,988,500</b>

**Tourism Portion**

Tourism restricted funds will be allocated as follows:

<b>Tourism Restricted TOT Allocation</b>	<b>% of Tourism</b>	<b>2017-2018</b>	<b>2018-2019</b>
Chamber of Commerce – Visitor & Convention Bureau	56%	431,239	446,338
Oregon Shakespeare Festival – (14.3% & 13.8%)	Fixed	110,000	110,000

City Economic, Cultural, and Sustainability Grants	10%	77,007	79,703
Public Art	3%	23,102	23,911
Other City Tourism eligible Capital Projects	Remainder	128,722	137,080
<b>TOTALS</b>		<b>\$770,070</b>	<b>\$797,033</b>

If actual tourism specific TOT revenue collections exceed the above allocations or if actual, qualifying expenditures in the year are less than the appropriated amount, the additional or unused amount(s) will be reserved for qualifying future Tourism related expenditures as determined by Council.

**Non Tourism Portion**

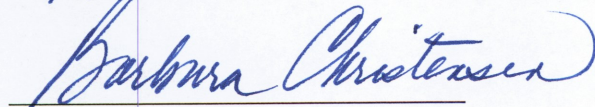
The remaining estimated TOT revenue allocated for general government operations will be 100% appropriated through the budget process to fund the Economic Development program and Economic, Cultural, and Sustainability Grant program as specified below and other uses as directed by Council.

<b>Unrestricted TOT Allocation</b>	<b>% of Unrestricted</b>	<b>2017-2018</b>	<b>2018-2019</b>
City Economic Development Program	8%	175,000	185,000
City Economic, Cultural, and Sustainability Grants	7%	150,000	150,000
General Fund – General Governmental Operations	85%	1,792,330	1,856,467
<b>TOTALS</b>		<b>\$2,117,330</b>	<b>\$2,191,467</b>

Unrestricted TOT revenue unspent in a budget year becomes part of the General Fund unrestricted ending fund balance unless otherwise determined by City Council.

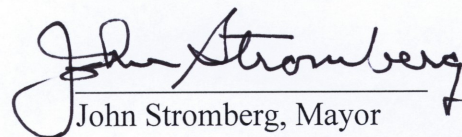
SECTION 2. Resolution 2015-04 is repealed upon passage of this resolution.

SECTION 3. This resolution was duly PASSED and ADOPTED this 7, day of March, 2017 and takes effect upon signing by the Mayor.

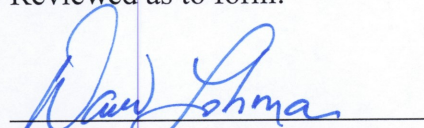


Barbara Christensen, City Recorder

SIGNED and APPROVED this 7 day of March, 2017.

  
John Stromberg, Mayor

Reviewed as to form:



David Lohman, City Attorney