

RESOLUTION NO. 2021-03

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ASHLAND
ALLOCATING ANTICIPATED TRANSIENT OCCUPANCY TAX
TOURISM RESTRICTED REVENUES FOR THE BIENNIUM 2021-2023
BUDGET.**

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 percent of the City of Ashland's total Hotel/Motel tax revenues were expended on tourism promotion, as defined in ORS 320.350.
- C. ORS 320.350 requires 70 percent 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 percent – 9 percent:
- A minimum of 14.23 percent of the estimated TOT revenue generated by the original 7 percent tax rate for tourism promotion per ORS 320.350 and,
 - A minimum of 70 percent of the estimated TOT revenue generated by additional tax rates approved by Council on June 3, 2008 consistent with ORS 320.350.
- E. Appropriations for the Tax Rate increase of one percent on August 1, 2018 are based on projected collections and allocated as follows:
- 70 percent of the estimated TOT revenue generated by the additional 1 percent tax rate for long term parking supply pursuant to ORS 320.350 and,
 - 30 percent of the estimated TOT revenue generated by additional 1 percent tax rate for General Government Operations.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1.

For the Biennium 2021-2023, the City of Ashland expects to budget an estimated \$2,552,222 for Transient Occupancy Tax collections. The annual allocation between tourism and general governmental operations is as follows:

TOT Anticipated Revenues	% of Total	FY 2021-22	FY 2022-23
Tourism Restricted (ORS 818)	29%	388,750	466,500
General Government Operations	71%	771,351	925,621
TOTALS	100%	\$1,160,101	\$1,392,121

Tourism Allocation

Tourism restricted funds will be allocated as follows:

Tourism Restricted TOT Allocation	% of Tourism	2021-2022	2022-2023
TOTAL Tourism TOT		388,750	466,500
Uncommitted Long-Term Parking Allocation		212,026	143,163
Available Tourism TOT		\$600,775	\$609,663
Visitor & Convention Bureau – Chamber of Commerce	FY2020 base	446,338	446,338
Oregon Shakespeare Festival – (13.5%)	Fixed	55,000	60,000
City Economic, Cultural, and Sustainability Grants		80,000	80,000
Public Art	5%	19,437	23,325
Other City Tourism eligible Capital Projects		0	0
TOTAL RESTRICTED TOT ALLOCATION		\$600,775	\$609,663

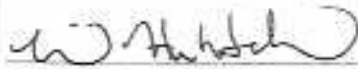
If actual tourism specific TOT revenue collections exceed the above allocations or if actual, qualifying expenditures in the year are less than the appropriated amount, the additional or unused amount(s) will be reserved for qualifying future Tourism related expenditures as determined by Council.

Non-Tourism Allocation

The remaining estimated TOT revenue allocated for general government operations will be 100 percent appropriated through the budget process. Unrestricted TOT revenue unspent in a budget year becomes part of the General Fund unrestricted ending fund balance unless otherwise determined by City Council.

Unrestricted TOT Allocation	2019-2020	2020-2021
TOTALS	\$771,351	\$925,621

SECTION 2. This resolution was duly PASSED and ADOPTED this 16th, day of March, 2021 and takes effect upon signing by the Mayor.



Melissa Huhtala, City Recorder

SIGNED and APPROVED this 2nd day of March, 2021.



Julie Akins, Mayor

Reviewed as to form:



David Lohman, City Attorney