



City Council Work Session Transient Occupancy Tax (TOT)

April 16, 2018

Outline

- How can TOT funds be used?
- How has the money been used?
- How could the TOT be used?

How the Fund can be used

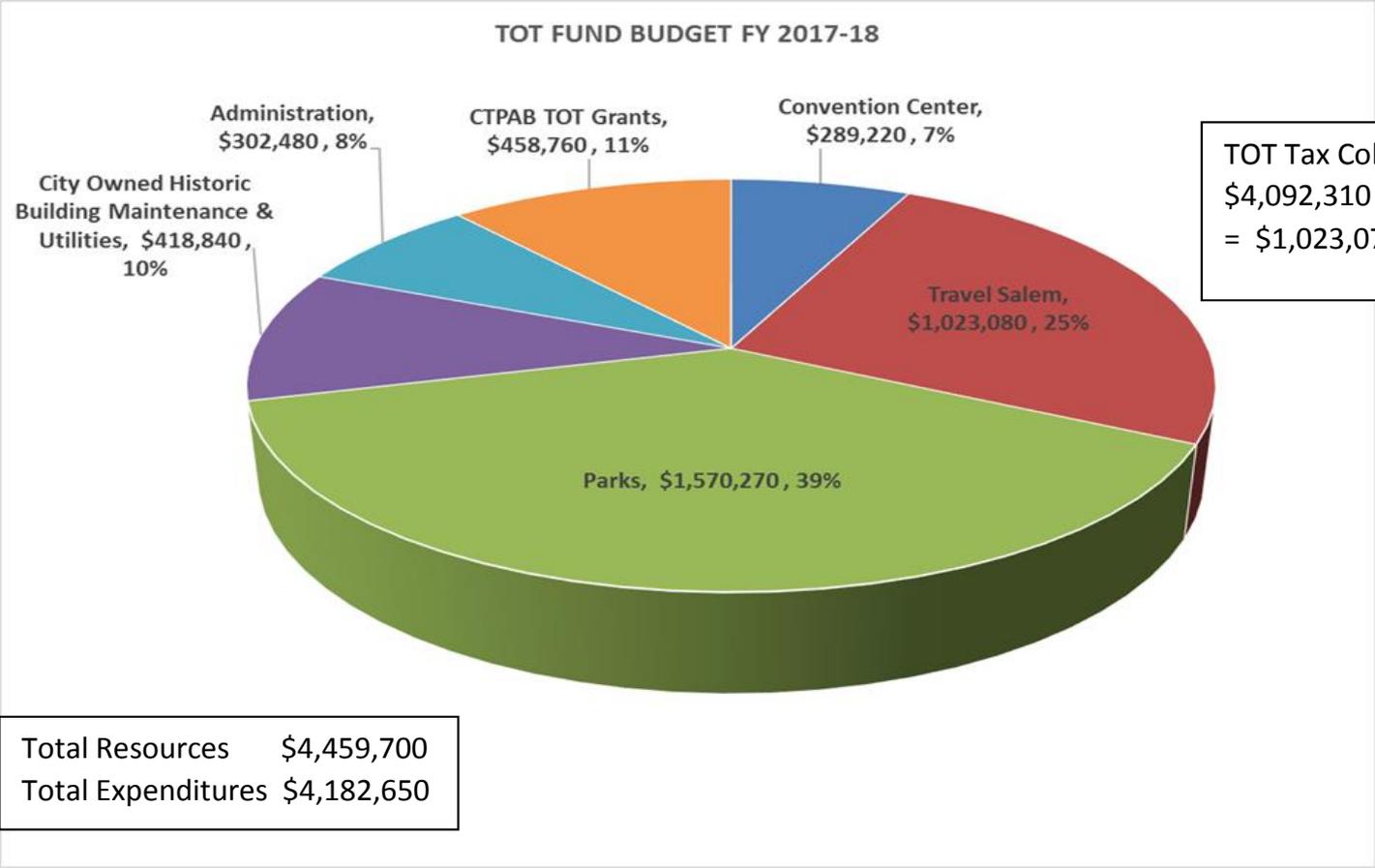
City Charter – Section 56

- **Transient Occupancy Tax revenues shall be used for:**
 - **1) Enhancement and beautification of vehicular and pedestrian entrance-ways to the city;**
 - **2) Urban beautification generally;**
 - **3) Improvements to or operation of major tourist attraction or cultural facilities;**
 - **4) Activities performed directly by the city or through contracts which promote use of Salem for conventions, conferences, seminars, or for general tourism.**

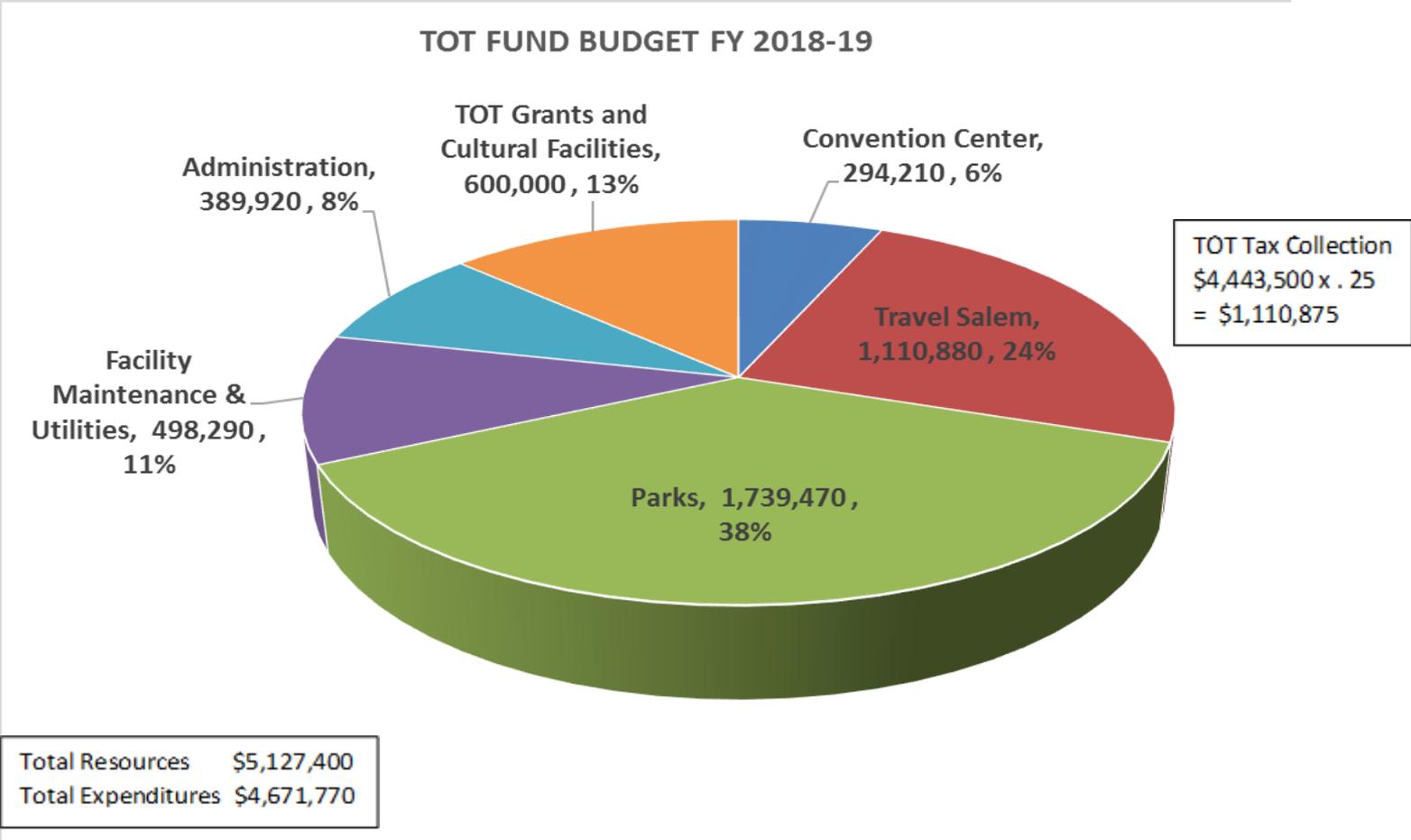
As amended by vote of the people on May 18, 1999, Ballot Measure 24-27 and Ordinance No. 36-99.

How the Fund is used (Total Fund Picture)

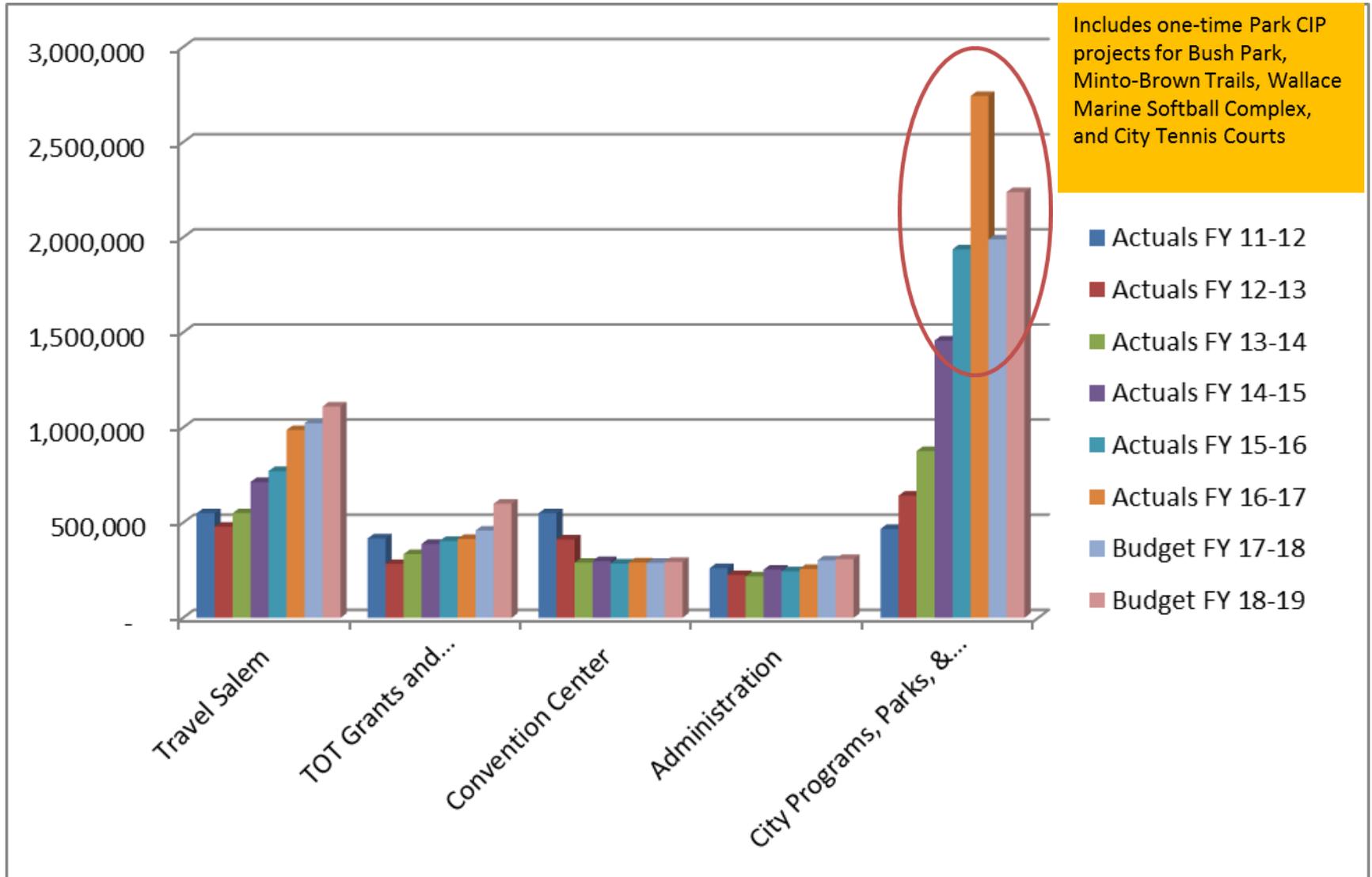
TOT FUND BUDGET FY 2017-18



TOT FUND BUDGET FY 2018-19



TOT History 6 Yrs + 2 Budget Years



All Park Funding is Tourism Related

Base Funding

- Riverfront Park
- Wallace Marine
- Bush Park & Rose Garden
- Deepwood Gardens
- Yew Park
- Pioneer Cemetery

Special Projects:

- Minto-Brown Trail Improvements
- Wallace Marine Softball Complex
- Bush & Woodmansee Tennis Courts Renovations
- Bush Park Sprinkler System Replacement

Park's Special Project Funding Criteria

- Priority Based Needs
- Beyond General Fund ability to fund
- Tourism related
- Meets Charter 56
- Presented to CTPAB for review and approval each budget cycle

How the Fund is used (CTPAB BIG Picture – the Grants)

CTPAB Grant Manual Requirements

- Attend the October orientation
- Major Tourist Attractions & Cultural Facility Operators limited to three grants per year (1 Facility Grant and 2 Event Grants or 1 Event and 1 Capital Improvement Grant)
- Special Event – limitation, on events with the primary focus of raising funds
- Capital Improvement – TOT grant may not reimburse more than 50 percent of actual costs

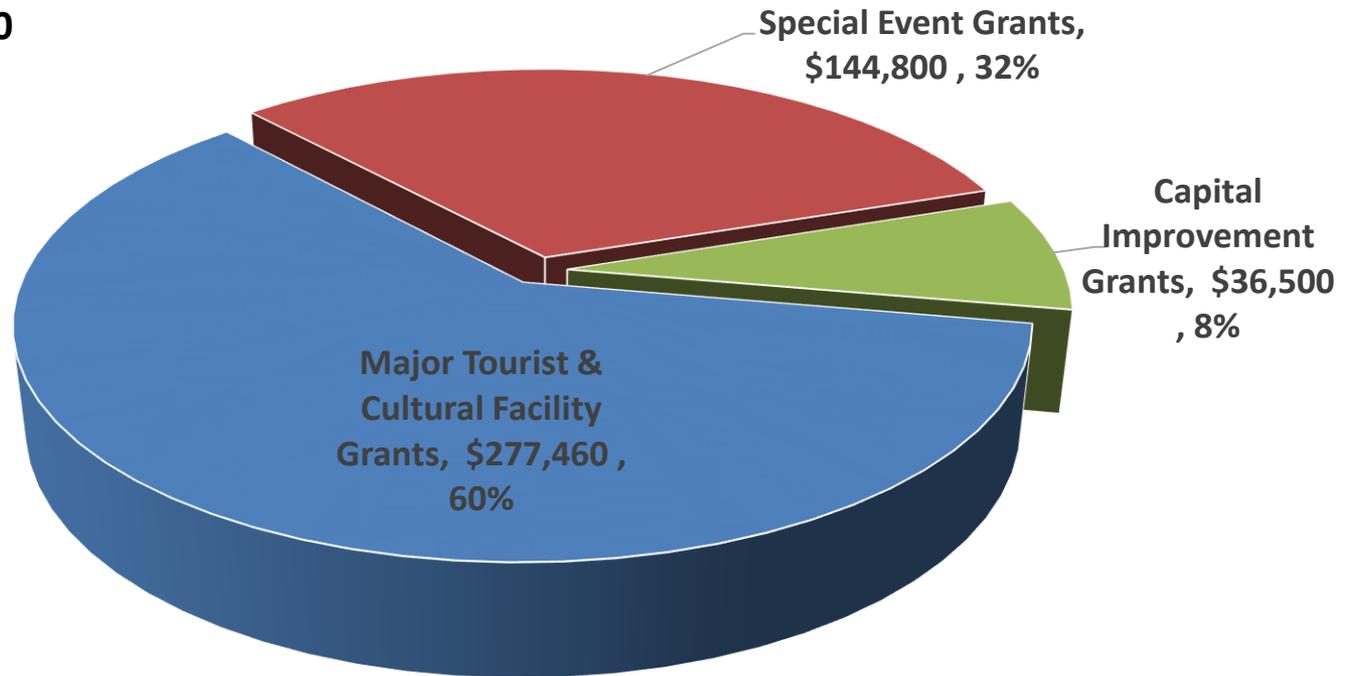
Policy C-1 Criteria

- **Funding Categories**
 - Min. 60% Operating Expense for Facility Operators
 - Min. 25% Operating Expense for Special Events
 - Max. 10% Capital Asset / Improvement Projects
- **General Requirements**
 - Eligible under City Charter 56
 - 501(c) (3) 501(c) (4) or 501(c) (6) at time of application submission, except if requesting \$2,000 or less

CTPAB TOT GRANT BUDGET

FY 2017-18

Total Grant Funding:
\$458,760

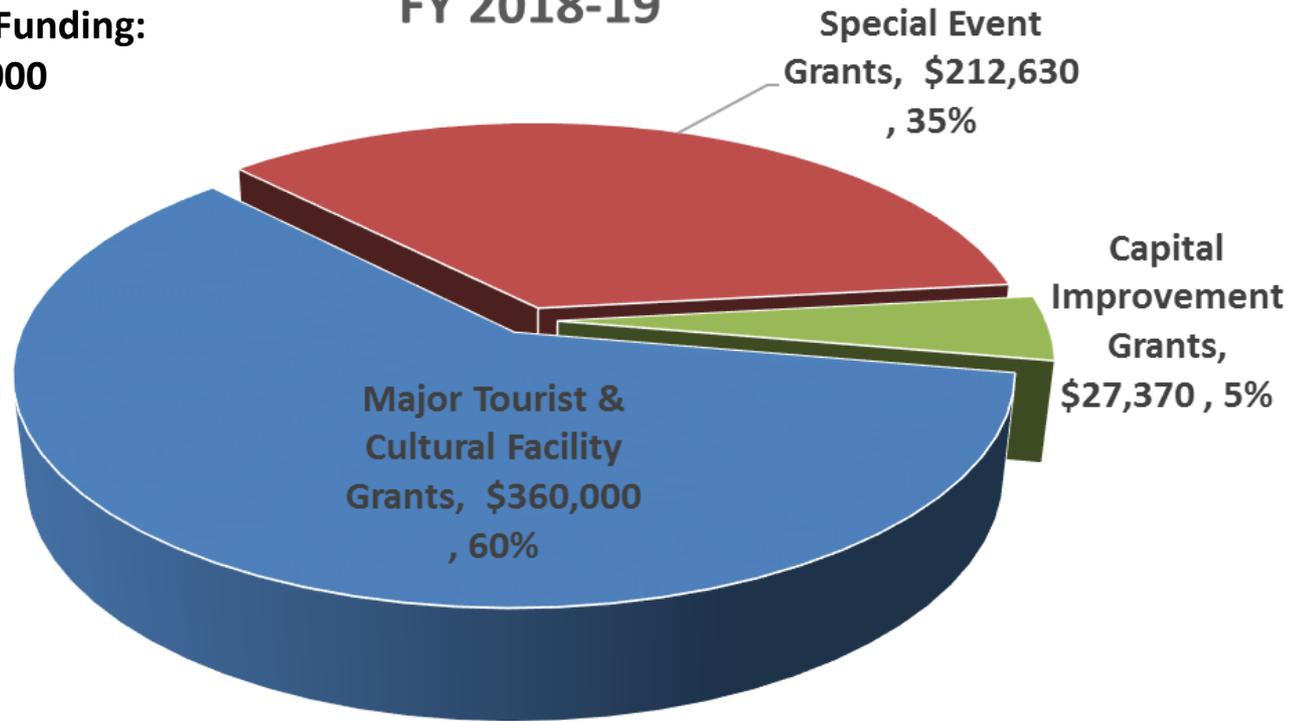


■ Major Tourist & Cultural Facility Grants ■ Special Event Grants ■ Capital Improvement Grants

CTPAB TOT GRANT BUDGET

**Total Grant Funding:
\$600,000**

FY 2018-19



■ Major Tourist & Cultural Facility Grants

■ Special Event Grants

■ Capital Improvement Grants

Facility Allocation Method

Grant Funding for Facility Operators **\$ 360,000** (based on the City Manager's Allocation and

Qualified Applicants - Excellent or Satisfactory Score

	Avg Score	% of Total Avg	Based on	Rounded
Gilbert House Children's Museum	17.67	11.95%	\$ 43,013	\$ 43,010
Deepwood Museum & Gardens	15.56	10.52%	\$ 37,873	\$ 37,870
Elsinore Theatre	17.22	11.65%	\$ 41,931	\$ 41,930
Hallie Ford Museum of Art	16.43	11.11%	\$ 39,999	\$ 40,000
Riverfront Carousel	15.44	10.45%	\$ 37,603	\$ 37,600
Salem Art Association	17.88	12.09%	\$ 43,520	\$ 43,520
Salem Multicultural Institute	16.33	11.05%	\$ 39,767	\$ 39,770
Willamette Art Center	14.67	9.92%	\$ 35,717	\$ 35,720
Willamette Heritage Center	16.67	11.27%	\$ 40,578	\$ 40,580
TOTAL AVG POINTS	147.86	100.00%	\$ 360,000	\$ 360,000

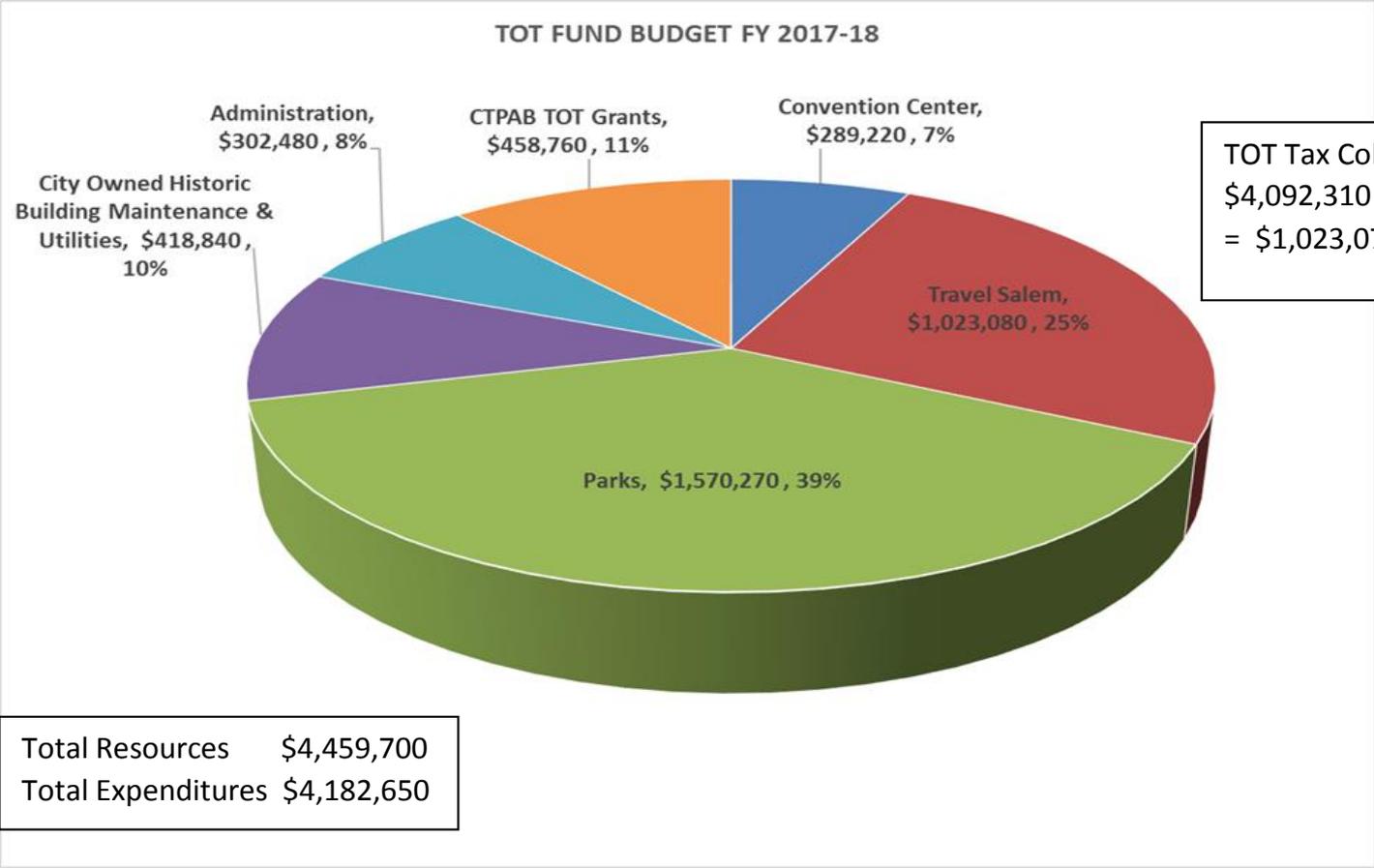
CTPAB Grant Funding to Operators

Grant Funding for Facility Operators		\$ 360,000 (based on the City Manager's Allocation and Council Policy C-1 split)							TOTAL TOT	
Qualified Applicants - Excellent or Satisfactory Score		Avg Score	% of Total Avg	Based on	Rounded	FY 17-18	Diff.	Plus Events & CIP	AWARDS	
Gilbert House Children's Museum		17.67	11.95%	\$ 43,013	\$ 43,010	\$ 30,370	\$ 12,640	\$ 10,000.00	\$ 53,010.00	
Deepwood Museum & Gardens		15.56	10.52%	\$ 37,873	\$ 37,870	\$ 29,560	\$ 8,310	\$ 2,610.00	\$ 40,480.00	
Elsinore Theatre		17.22	11.65%	\$ 41,931	\$ 41,930	\$ 30,910	\$ 11,020	\$ 10,000.00	\$ 51,930.00	
Hallie Ford Museum of Art		16.43	11.11%	\$ 39,999	\$ 40,000	\$ 31,510	\$ 8,490	\$ -	\$ 40,000.00	
Riverfront Carousel		15.44	10.45%	\$ 37,603	\$ 37,600	\$ 28,220	\$ 9,380	\$ 14,760.00	\$ 52,360.00	
Salem Art Association		17.88	12.09%	\$ 43,520	\$ 43,520	\$ 32,290	\$ 11,230	\$ 20,000.00	\$ 63,520.00	
Salem Multicultural Institute		16.33	11.05%	\$ 39,767	\$ 39,770	\$ 32,520	\$ 7,250	\$ 10,000.00	\$ 49,770.00	
Willamette Art Center		14.67	9.92%	\$ 35,717	\$ 35,720	\$ 30,100	\$ 5,620	\$ 10,000.00	\$ 45,720.00	
Willamette Heritage Center		16.67	11.27%	\$ 40,578	\$ 40,580	\$ 31,980	\$ 8,600	\$ 20,000.00	\$ 60,580.00	
TOTAL AVG POINTS		147.86	100.00%	\$ 360,000	\$ 360,000	\$ 277,460	\$ 82,540	\$ 99,370.00	\$ 459,370.00	

Facility Operators received
\$459,370 of the \$600,000

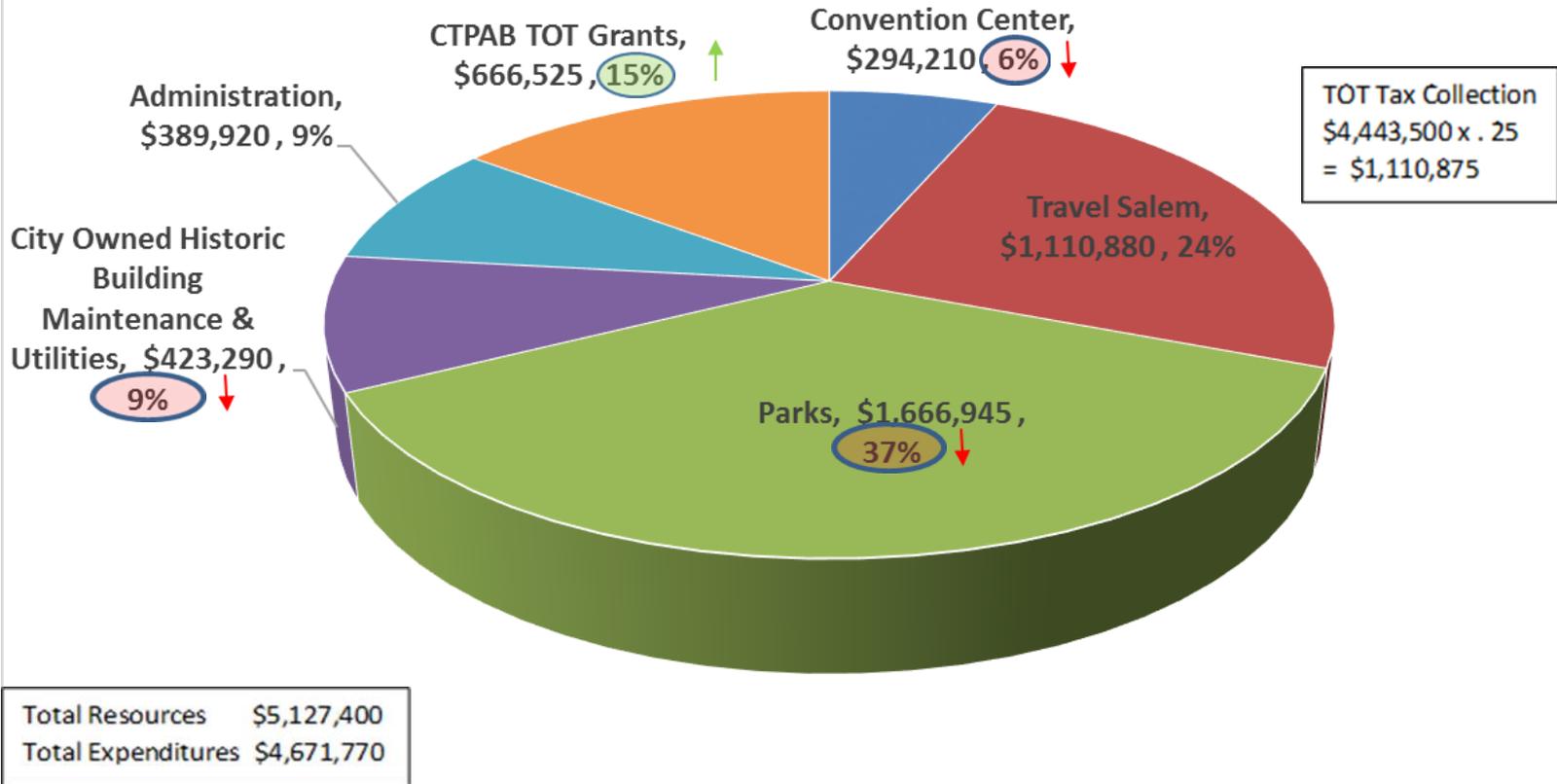
The 15% Scenario

TOT FUND BUDGET FY 2017-18



15% Impact

Budget FY 18-19



Questions?