

FINANCE COMMITTEE

13-0538R

RESOLUTION DISTRIBUTING THE ESTIMATED 2014 TOURISM TAXES
OF HOTEL-MOTEL AND FOOD AND BEVERAGE.

CITY PROPOSAL:

RESOLVED, that the 2014 tourism taxes of hotel-motel and food and beverages, as estimated, be distributed in the following manner:

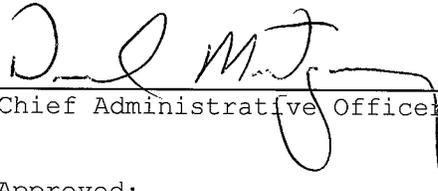
	3% Hotel	1% Hotel-Motel	1.75% Food & Beverage	Add'l 2% Hotel-Motel	Total
DECC Amsoil Arena Debt Service	1,281,700		1,576,900		\$2,858,600
Visit Duluth	690,100	196,100	600,000	113,800	\$1,600,000
Transfer to General Fund	103,800	276,300	287,000	160,800	\$827,900
Lake Superior Zoo Fund			403,800	106,200	\$510,000
Spirit Mountain Debt/Capital				500,000	\$500,000
Additional Spirit Mountain Allocation				145,700	\$145,700
Great Lakes Aquarium Operations		102,000	135,300	112,700	\$350,000
Business Improvement District			200,000		\$200,000
Heritage & Arts Center		81,500	73,000	22,300	\$176,800
Capital Projects			17,500	82,500	\$100,000
Other Promotional Programs			234,000		\$234,000
DECC - Bayfront Park		36,000	52,000		\$88,000
Undesignated Fund Balance			34,900		\$34,900
Public Arts Fund			30,000	20,000	\$50,000
Duluth Sister Cities Internat'l			15,000	15,000	\$30,000
Lake Superior & Mississippi RR			20,000		\$20,000

	3% Hotel	1% Hotel-Motel	1.75% Food & Beverage	Add'l 2% Hotel-Motel	Total
Rail Alliance				12,500	\$12,500
TOTALS	\$2,075,600	\$691,900	\$3,679,400	\$1,291,500	\$7,738,400

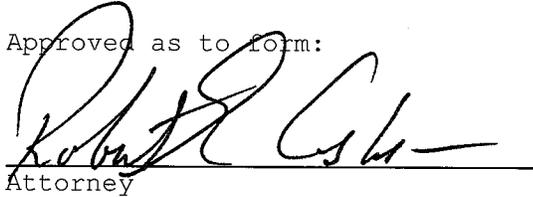
Approved:


 Department Director

Approved for presentation to council:


 Chief Administrative Officer

Approved as to form:


 Attorney

Approved:


 Auditor

FIN CB:le 10/21/2013

STATEMENT OF PURPOSE: This resolution distributes the 2014 estimated tourism taxes to various agencies as determined by Minnesota State Statutes or city policy. Revenue is projected to increase 8.15% over the 2013 budget due to local trends.

The 3% hotel/motel allocation to the DECC is increasing \$120,800 due to the increase in projected revenue and based on state law requiring the city to allocate 61.75%. Pursuant to the pledge agreement for Amsoil Arena debt, this allocation is now dedicated to debt service.

There are increases proposed for Spirit Mountain in the amount of \$145,700 to assist with the final two and one-half years of debt payments for the Phase II Adventure Park, and \$90,000 for the general fund for police park rangers and fire department tourism related overtime.