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Mayor Larson Recommends 2019 Tourism Tax Allocations

[Duluth, MN] – Duluth Mayor Emily Larson announced her recommendations for 2019 Tourism Tax allocations.

Half of the roughly \$11.9 million generated through tourism tax collections are legally assigned for allocation through specific legislation, including the DECC, Spirit Mountain and the St. Louis River Corridor. The remaining dollars, however, bring some discretion as long as their investment meets legal criteria for benefitting tourism.

For those remaining dollars, Mayor Larson continued what she began last year in requiring tourism tax recipients to apply for funding and make their case for public investment. "As our tourism economy continues to grow, so does the task to ensure that we are investing these financial resources wisely, transparently and with a positive visitor experience in mind. Having a robust tourism sector of this magnitude means having world-class attractions, museums and recreational experiences year round for our residents, too. For these reasons and more, it's critical we are good stewards of these investments," said Mayor Larson.

This is the second year in which the City instituted an application process for tourism tax allocations. All applicants were asked to apply for funds, submit budgets, answer a series of questions and report on previous tourism tax funding levels and uses. This process was implemented with the intent to provide greater accountability, transparency, and process to a significant source of public funding.

There are two significant successes as a result of the application process and calls for greater engagement and accountability: Community Day and the Duluth Discount Pass.

As a way to ensure public benefit for public investment, last year Mayor Larson required all tourism tax funded entities to honor our local community's co-investment of food and beverage taxes to support the tourism economy. During 2018, more than 15,000 Duluth residents from across the city benefitted from these "Community Day" events with free admission to attractions and funded programs.

"Making sure our residents benefit from these investments is really important to me," said Mayor Larson.

Community Day is a requirement for tourism tax allocation for 2019.

At the City's request, as a part of their 2018 tourism tax allocation, Visit Duluth lead the effort to coordinate a "City-wide Pass" for attractions. In October of this year, the *Duluth Discount Pass* launched, providing three day and annual options that can save up to 50% on the price of admissions. "This pass offers significant savings off admission to eight of Duluth's most popular attractions and is available for visitors and residents alike. It's been very well received and Visit Duluth is working to expand the number of featured attractions in 2019," said Anna Tanski, President/CEO of Visit Duluth.

For 2019, the Mayor is recommending a total of \$5.29 million in Tourism Tax funding for the following Duluth agencies: Visit Duluth, Lake Superior Zoo, The Duluth Depot, Duluth Public Arts Commission, Glensheen, Spirit Mountain, Greater Downtown Council, Great Lakes Aquarium, Duluth Sister Cities International, Lake Superior Mississippi Railroad, Northern Lights Express Rail Alliance, Duluth Transit Authority Port Town Trolley Service, the Duluth Children's Museum and Hawk's Ridge Bird Observatory. All of the agencies are past recipients with the exception of the last two organizations. The recommendations will be reviewed at the December 10 City Council meeting.