

FINANCE COMMITTEE

09-0731R

RESOLUTION DISTRIBUTING THE ESTIMATED 2010 TOURISM TAXES  
OF HOTEL-MOTEL AND FOOD AND BEVERAGE.

CITY PROPOSAL:

RESOLVED, that the 2010 tourism taxes of hotel-motel and food and beverage,  
as estimated, be distributed in the following manner:

	3% Hotel- Motel	1% Hotel- Motel	2.25% Food & Beverage	Additional 2.5% Hotel- Motel	TOTAL
Duluth Public Arts Commission			\$20,000	\$10,000	\$30,000
Sister Cities			\$10,000	\$10,000	\$20,000
DECC	\$957,100				\$957,100
Visit Duluth	\$515,400	\$171,900	\$579,200	\$161,500	\$1,428,000
Historical Union Depot		\$81,500	\$56,100	\$14,200	\$151,800
Lake Superior Zoo Fund			\$413,800	\$106,200	\$520,000
General Fund	\$77,500	\$263,600	\$300,000	\$96,800	\$737,900
Spirit Mountain Debt Service				\$275,000	\$275,000
Debt Service			\$2,177,800	\$242,800	\$2,420,600
Business Improvement District			\$200,000		\$200,000
Capital Projects				\$160,600	\$160,600
Rail Alliance				\$50,000	\$50,000

	3% Hotel-Motel	1% Hotel-Motel	2.25% Food & Beverage	Additional 2.5% Hotel-Motel	TOTAL
Great Lakes Aquarium			\$163,100	\$86,900	\$250,000
TOTALS	\$1,550,000	\$517,000	\$3,920,000	\$1,214,000	\$7,201,000

Approved:

Approved for presentation to council:

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Department Director

\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

Approved:

\_\_\_\_\_  
Attorney

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Auditor

FINANCE PS:RB 11/25/2009

STATEMENT OF PURPOSE: This resolution distributes the 2010 estimated tourism taxes to various agencies as determined by Minnesota State Statutes or city policy. Revenue is projected to decrease 3.3 percent, or \$249,000 under the 2009 budget due to local trends.

The allocation to the DECC is decreasing \$43,300 due to the decrease of projected revenue and based on state law requiring the city to allocate 61.75 percent of the three percent hotel-motel tax.

The Visit Duluth (formerly Duluth Convention and Visitors Bureau) allocation will also decrease per the allocation method approved in the latest proposed contract between the agency and the city. The decrease for 2010 is \$53,600 below 2009.