

MOTION TO ADOPT 2022 ROOM TAX COMMISSION BUDGET

Motion:

Move to adopt the 2022 Room Tax Commission budget, as follows:

1. Estimate 2022 room tax revenues of \$14,250,000 (60% increase over estimated 2021 revenues of \$9,000,000)
2. Allocate \$4,100,000 of room tax to Monona Terrace, as follows:
 - Operating subsidy of \$3,962,100
 - Capital purchases allocation of \$0 (the 2022 executive capital budget includes \$1,400,000 Room Tax Fund-supported GO borrowing for Monona Terrace capital projects)
 - Debt service estimate of \$137,900 for previously issued Room Tax Fund-supported GO debt issued for Monona Terrace capital projects
3. Allocate \$1,600,000 of room tax to Overture Center
4. Allocate \$4,100,000 of room tax to Destination Madison, as follows:
 - \$3,900,000 for destination marketing
 - \$200,000 for event booking assistance subsidy
5. Allocate \$145,000 of room tax to City Tourism Marketing, as follows:
 - Sister Cities – \$20,000
 - Music -- \$30,000 (\$15k for Dane Dances and \$15k for Make Music Madison)
 - Art/Fests -- \$15,000
 - Blink+ -- \$20,000
 - Implementation of Music Tourism Economic Recovery Plan -- \$25,000
 - WIAA Tournament -- \$15,000
 - Civic Promotion/Civic Conferences -- \$20,000
6. Allocate room tax for administration and enforcement, as follows
 - Administration -- \$15,000
 - Enforcement -- \$15,000

Note: Under this motion, after transferring 30 percent of 2022 room tax revenues to the General Fund (\$4,275,000), the estimated balance in the Room Tax Fund on December 31, 2022 would be \$59,661.

ROOM TAX FUND

	2021	2022
	Projected	Motion
Fund Balance, January 1	\$ (1,417,686)	\$ 556,811
Restricted for Bond Requirements		
Reserved for Monona Terrace Capital Projects	-	(100,000)
Committed for Event Booking Assistance	(379,905)	(379,905)
Balance of Unassigned Funds, January 1	\$ (1,797,591)	\$ 76,906
SOURCES		
Estimated Total Room Tax Receipts	9,000,000	14,250,000
Transfer In from TID 25 (9-21-2021 - Council Resolution)	2,400,000	
Interest Revenue	\$ 2,182	\$ 2,850
TOTAL SOURCES	\$ 11,402,182	\$ 14,252,850
USES		
<u>Monona Terrace:</u>		
Debt Service Payment-Revenue Bond Issue (a)		
Debt Service Payment-Gen'l Obligation Bond Issue (a)	\$ 112,883	\$ 137,900
Operating Subsidy	\$ 3,559,302	\$ 3,962,100
Capital Purchases	\$ 167,500	\$ -
Subtotal Monona Terrace	\$ 3,839,685	\$ 4,100,000
Monona Terrace Share of Room Tax Revenues	43%	29%
<u>Henry Vilas Zoo and Olbrich Gardens (j)</u>	\$ -	\$ -
<u>Overture Center Subsidy from Room Tax</u>	\$ 1,500,000	\$ 1,600,000
Subtotal Tangible Municipal Development	\$ 5,339,685	\$ 5,700,000
Share of Room Tax Revenues	59%	40%
<u>Greater Madison Convention and Visitors Bureau:</u>		
Destination Marketing (c)	\$ 3,750,000	\$ 3,900,000
Estimated Event Booking Assistance Subsidy	\$ 150,000	\$ 200,000
Subtotal Destination Madison	\$ 3,900,000	\$ 4,100,000
	43%	29%
Support for Fireworks Events (d)	-	-
Sister Cities Program	\$ 18,000	\$ 20,000
Civic Conferences / Fairs / Festivals / Summer Concerts	125,000	110,000
Civic Conferences (e)	\$ 5,000	\$ 5,000
Civic Promotion (e)	\$ 15,000	\$ 15,000
Madison Music City (g)	\$ -	
Dane Dances (g)	\$ 10,000	\$ 15,000
Make Music Madison (g)	\$ 10,000	\$ 15,000
Songwriting Conference (g)	\$ 10,000	\$ -
Music Tourism Study / Implementation	\$ 45,000	\$ 25,000
Fairs / Festivals / Summer Concerts (f)	\$ 15,000	\$ 15,000
Downtown Temporary Art Installations	\$ 15,000	\$ 20,000
WIAA Basketball Tournament (h)	\$ 15,000	\$ 15,000
Subtotal City Tourism Marketing	\$ 158,000	\$ 145,000
Subtotal Tourism Marketing	\$ 4,058,000	\$ 4,245,000
Share of Room Tax Revenues	45%	30%
Room Tax Commission Administration	\$ 15,000	\$ 15,000
Room Tax Commission Enforcement of Transient Tourist Rooming Houses (i)	\$ 15,000	\$ 15,000
Share of Room Tax Revenues	0.3%	0.2%
Room Tax Commission	\$ 9,427,685	\$ 9,975,000
Tourism-Related Share of Room Tax	104%	70%
Room Tax Retained for General Purposes		
General Purposes (b) - (9-21-2021 - Council Resolution)	\$ -	\$ 4,195,999
Arts Grants	-	79,001
Subtotal Retained for Other Purposes	\$ -	\$ 4,275,000
Share of Room Tax Revenues	0%	30%
TOTAL USES	\$ 9,427,685	\$ 14,250,000
Fund Balance, December 31	\$ 556,811	\$ 559,661
Committed for Monona Terrace Capital Projects	(100,000)	(100,000)
Committed for Event Booking Assistance	(379,905)	(400,000)
Balance of Unassigned Funds, December 31 (b)	\$ 76,906	\$ 59,661