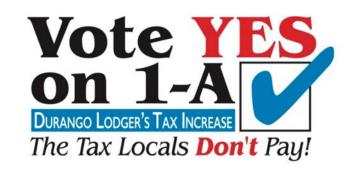
# DURANGO CREATIVE DISTRICT



The City of Durango's Lodgers' Tax Arts and Culture Fund (LTAC)

## Getting the Initiative on the Ballot

- Durango established 2% Lodgers' Tax in 1980
- Efforts to increase tax in 1990, 2007, and 2012 all fail to receive approval of City Council
- Fall 2019: 18 months of negotiations begin to get a new ballot measure approved by City Council for Voters
- Key advocates:
  - DAHLA (Durango Area Hospitality and Lodging Association)
  - Visit Durango (local tourism office)
  - Durango Creative District



Durango groups call lodgers tax a 'landmark effort'



## https://tourismfundsdura ngo.com/12-reasons-why

Public Information Campaign

#### 12 Reasons to Vote Yes on Lodgers' Tax Increase

Keep Durango's economy strong! Vote Yes for Lodgers' Tax to benefit Transit Services, Creative Arts, Non-Profits, and a Sustainable Year-round Tourism Economy.

You have probably heard about the proposed lodgers' tax increase. This April, it will be the only question on the ballot besides the vote for new City Councilors. If passed, question 1-A gives "authorization to increase the city lodgers' tax increase. This April, it will be the only question and the ballot besides the vote for new City Councilors. If passed, question 1-A gives "authorization to increase the city lodgers' tax increase. This April, it will be the only question and the ballot besides the vote for new City Councilors. If passed, question 1-A gives "authorization to increase the city lodgers' tax increase. This April, it will be the only question and the ballot besides the vote for new City Councilors. If passed, question 1-A gives "authorization to increase the city lodgers' tax increase.



1. It's the Tax You Don't Pay!

### 2. It will Help our Economy Recover

The t-word can be a scary one. A lot of people are opposed to any kind of tax increase. Normally, that makes With the economic downturn and horrifying impacts of COVID on our local economy, we need a boost. **Durango**,



#### 3. The Increase to Hotel Prices is Minimal

In Colorado the average lodgers' tax is 3.6% and the average check out rate which includes lodgers' tax and

## 1-A Passed! Thank you City of Durango Residents

Increase Lodgers' Tax from 2% to 5.25%. Vote April 6, 2021

#### Ballot Language

INCREASING THE CITY LODGERS' TAX FROM 2% TO 5.25% EFFECTIVE JUNE 1, 2021 AND SHALL THE LODGERS' TAX REVENUES RECEIVED ANNUALLY BE USED FOR THE FOLLOWING PURPOSES:

- 55% FOR <u>SUSTAINABLE TOURISM MARKETING</u>, INCLUDING ADVERTISING AND ATTRACTING CONFERENCES, CONVENTIONS, AND MEETINGS;
- 20% FOR TRANSPORTATION AND TRANSIT SERVICES, EQUIPMENT, AND FACILITIES;
- + 14% FOR ARTS AND CULTURAL EVENTS, PROGRAMS AND FACILITIES; AND
- 11% FOR ANY OF THE ABOVE PURPOSES OR OTHER PURPOSES RELATED TO THE IMPACTS OF TOURISM AS COUNCIL MAY
  DETERMINE

**View Ballot Info** 

## How We Got Here

Voters approve Lodgers' Ta increase		CEC opens first round of LTAC Funding		Creative biz consulting & training added to LTAC program		Round 1 of 2024 LTAC funds 23 projects	
April 2021	N Jan 2022	1ay 2022 ●	● Dec 2022	Jan 2023 ●	• Dec 2023	Feb 2024	
	City Counci creates Lodge Tax Policy		First year of LTAC funds 3 projects		Year two of LTAC funds 4 projects		



## LTAC program Snapshot

• 94 projects funded

11.1 4

- **\$1,275,723** in arts & culture funds distributed.
- Increased City of Durango's per capita arts & culture spending from <u>\$3 to \$29.</u>

Durango Creative District's Implementation of Lodgers' Tax Arts and Culture Fund

- 1-on-1 Grant Writing consultations with over 90 potential applicants
- Creative professional development training programs available to all recipients
- Marketing interviews with LTAC recipients
- Establishment of a low interest loan program to complement this reimbursable grant



## Lodgers' Tax Success Stories

DUR

DURANGO



## NEW STORIES FOR DURANGO'S HISTORY BOOKS

a podcast

listen to the latest episode

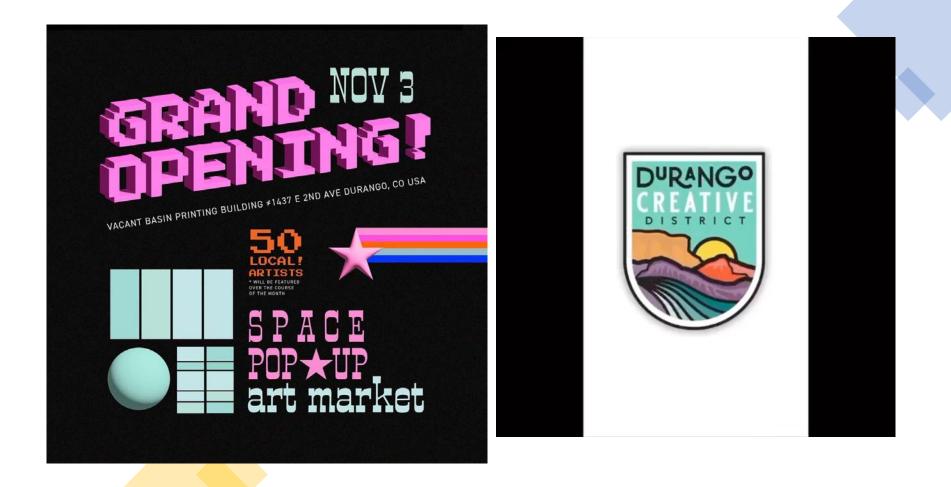
Center for SW Studies: Star Wars Native **Futures** 





Not so long ago in this galaxy .... It is a period of creative growth.



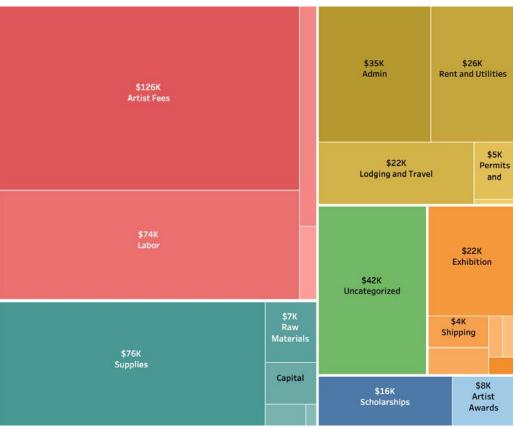


## Durango Lodgers' Tax Arts & Culture Fund: Economic Impact Study

By classifying each line item on reimbursements, we can aim to see HOW grant funds are being spent across all projects.

The Durango Creative District, City of Durango and Katz School of Business at Fort Lewis College are conducting a comprehensive Economic Impact Study of the effects of Lodgers' Tax Funding on the creative economy during summer 2024.

More to report next year!





Durango Lodgers' Tax Arts and Culture Grant Program Annual Review

## Allocation of LTAC Funds based on Applicant Type

Applicants are sorted into the following types:

- Independent Artist Individuals
- Local Organization Local group or non-profit smaller and grassroots
- Local Business Local Established Commercial Business

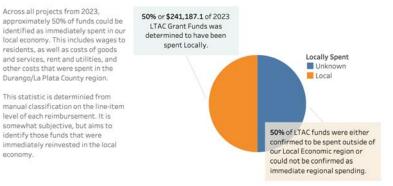
- Institutional - Large keystone organizations - provides resources and events year-round and typical has an annual budget 6-figures or greater.





Durango Lodgers' Tax Arts and Culture Grant Program Annual Review

#### Local Spending and Reinvestment of LTAC Funds



The overall Local Spending reflected above shows the culmulative breakdown across all projects from 2023. Below, we can see how funds were spent based on each of the Applicant Types, Independent Artists and Businesses, Local Organizations or larger developed institutions based here in Durango.

We can see that Local Artists and Businesses more clearly reinvest a higher portion of their grant funds directly into the local economy. Larger organizations or institutions are frequently purchasing large capital investments or tools from out of the region or are bringing in more renowned exhibits or performers from out of our region.



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# DURANGO CREATIVE DISTRICT