



Legislation Text

File #: 18-0303, **Version:** 2

Ordinance No. 18-80 amending Ordinance No. 17-116 (2018 Appropriation Ordinance) for a supplemental appropriation to the Lodgers & Auto Rental Tax (LART) Fund in the amount of \$100,000 for costs associated with the formation of the Colorado Springs Sports Authority as recommended by the LART Citizen Advisory Committee

Presenter:

Charae McDaniel, Chief Financial Officer
Fred Veitch, Chair, LART Citizen Advisory Committee

Summary:

In 2017, revenues exceeded expenditures in the Lodgers & Auto Rental Tax (LART) fund, which allowed for additional funds to be available for events. The LART Citizen Advisory Committee, at their June 2018 meeting, recommended approval of funding for costs associated with the formation of the Colorado Springs Sports Authority (CSSA). The attached ordinance is a supplemental appropriation for the LART Fund in the amount of \$100,000 for necessary legal, consulting, general and administrative costs associated with the formation of the CSSA. Upon final approval as an eligible expense, the LART Fund will be reimbursed for the amount awarded in accordance with this request using available Regional Tourism Authority (RTA) funding.

Previous Council Action:

On November 28, 2017, City Council recommended LART expenditures to be included in the 2018 budget (Resolution No. 137-17). On December 12, 2017, City Council approved the 2018 Budget per Ordinance No. 17-116, which included the appropriation of funds for the LART Fund.

On April 24, 2018, City Council approved a supplemental appropriation to the LART Fund in the amount of \$50,000 for three (3) additional 2018 items, as recommended by the LART Citizen Advisory Committee.

At the June 25, 2018 work session, a supplemental appropriation to the LART Fund was introduced in the amount of \$70,910 for additional funding for operational costs associated with the U.S. Senior Open.

Background:

A number of events in the community have been designated by Council resolutions over the years as "City-sponsored events" and are supported in whole or in part by LART funds. The remaining funds are allocated to projects and events in the community through an application process and extensive review by the LART Citizen Advisory Committee, which results in their recommendation to City Council for projects to include in the City's annual budget.

In June of 2018, the LART Citizen Advisory Committee reviewed a request for funding and recommends a supplemental appropriation of \$100,000 for the formation of the Colorado Springs Sports Authority that will support the City for Champions project Colorado Sports and Event Center (CSEC), as required by Resolution No. 3 of the Colorado Economic Development Commission. The formation of CSSA is now necessary to advance the CSEC beyond the concept stage, which will be announced on or before July 1, 2018.

Financial Implications:

The supplemental appropriation increases the 2018 LART Fund expense budget by \$100,000 and does not affect the General Fund balance. The source of these funds is the available fund balance in the LART fund. After this supplemental appropriation, there is approximately \$207,000 remaining in the available fund balance. Upon final approval as an eligible expense, the LART Fund will be reimbursed for the amount awarded in accordance with this request using available Regional Tourism Authority (RTA) funding.

Board/Commission Recommendation:

The LART Citizen Advisory Committee has recommended funding of \$100,000 for the formation of the Colorado Springs Sports Authority in 2018.

Stakeholder Process:

The City Council Budget Committee has reviewed and recommended the supplemental appropriation request at the July 10, 2018 meeting.

Alternatives:

N/A

Proposed Motion:

Move approval of the attached ordinance approving a supplemental appropriation to the Lodgers & Auto Rental Tax Fund.

An Ordinance amending Ordinance No. 17-116 (2018 Appropriation Ordinance) for a supplemental appropriation to the Lodgers & Auto Rental Tax (LART) Fund in the amount of \$100,000 for costs associated with the formation of the Colorado Springs Sports Authority as recommended by the LART Citizen Advisory Committee