



Update on the Lodgers & Auto Rental Tax (LART) Event Application Review Process

City Council Work Session

6/12/2023

Charae McDaniel, Chief Financial Officer

LART



- 2% on lodging and 1% on auto rental
- Established in 1978
- Purpose: attracting visitors and enhancing the economy of the City and Pikes Peak Region (City Code 2.9.102)
- Citizen Advisory Committee (CAC)
 - Role: make recommendations to the City concerning the expenditures of the LART Fund (City Code 2.9.110)

LART CAC Application Review



Issues that contributed to need for updated process

- Increasing number of applications for funding
- Anticipate volume increasing more if there is an increased amount of funding generated in the future
- No formal rating procedure

Development of Updated Process



Rachael Maxwell – UCCS Graduate Capstone Project

- Interviews to define LART-related project
- Consensus of input was that a rubric or score card would be beneficial
- Initial rubric provided, with 4 evaluation categories

LART CAC adds 5th category that is industry specific

- Visitor and convention promotion
- Business tourism and economic development
- Cultural tourism promotion
- Sports-related visitor promotion and development

Development of Updated Process



Contracted entities

- Conduct detailed review of applications
- Scores each application using rubric

LART CAC

- Receives ratings from contract entities for each application
- Receives economic impact estimate, if applicable
- Discusses each application
- Agrees to the funding recommendations to go to City Council

Rubric Categories



Category	Definition
Attracting Visitors	Generates LART tax revenue, capacity to attract visitors to the region, size of anticipated participation including attendees, vendors and staff
Enhancing the Economy	Enhances economic growth, generates tax revenue for the City, adds to the diversity and uniqueness of events and experiences in the region, supports positive regional brand
Program Merit	Aligns with mission of LART, likelihood event will continue in subsequent years, serves broad population including underserved areas
Administrative Ability	Demonstrates competency required to complete the event, presents a reasonable budget with diversified revenue streams, commitment to measure program effectiveness, displays track record of success in related efforts
Industry-specific criteria	Visitor and convention promotion, business tourism and economic development, cultural tourism promotion, and sports-related visitor promotion and development