

# Tourism Overview



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# Agenda Items

1. History of the Transient Guest Tax
2. Public Input & Assessments about Historic Sites
3. Overview of Tourism budget
4. Recommendations

# Transient Guest Tax Information

The Transient Guest Tax was first approved by voters in April 1970 at 4%. This was later increased to 5% and then to 6 ½ % in 2002.

2002 Ballot language:

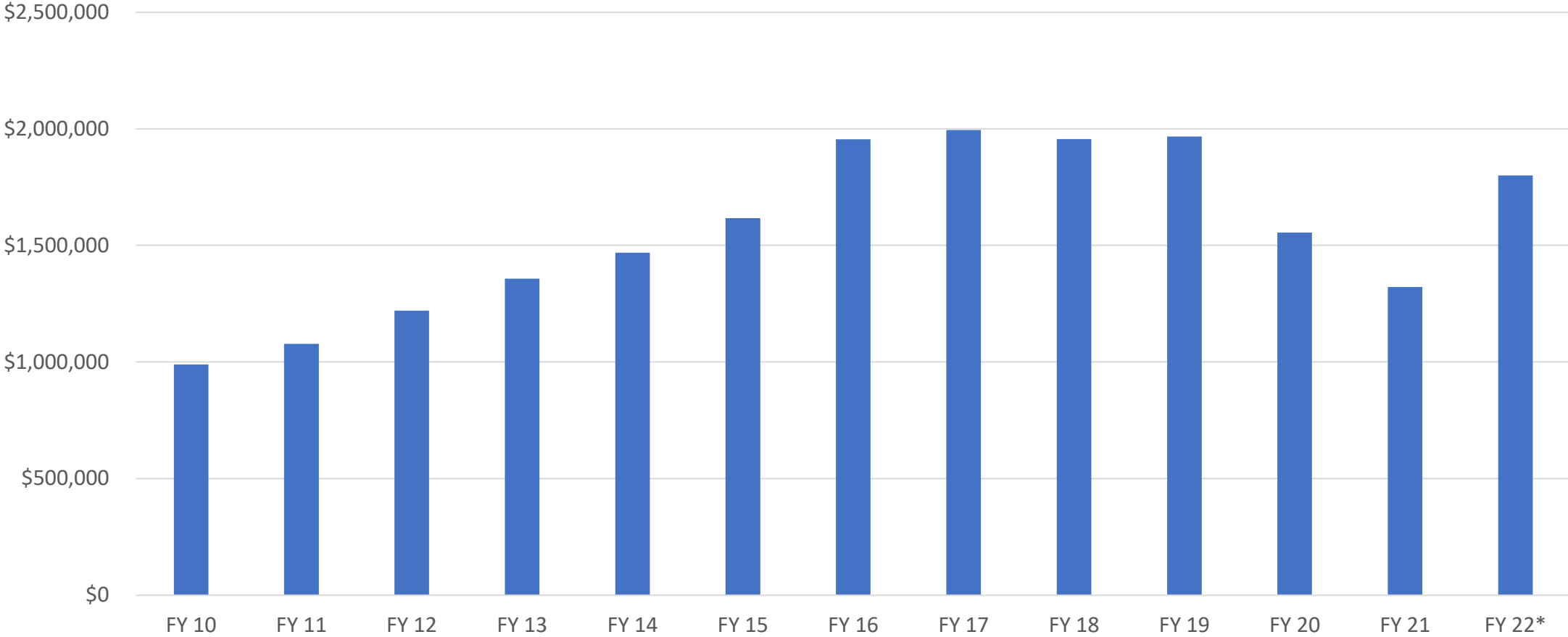
- *“Shall the City of Independence levy a tax of six and one-half percent (6 ½ %) on each sleeping room or campsite occupied and rented by transient guests, which are used by transients sleeping in the City of Independence, where the proceeds shall be expended for the promotion, operation, and development of tourism?”*

# Transient Guest Tax Information

*Definition of key words in ballot language:*

- Promotion – the act of furthering the growth or development of something
- Operation – performance of work; action; the quality or state of being functional or operational
- Development – the act or process of growing or causing something to grow or become larger or more advanced over a period of time

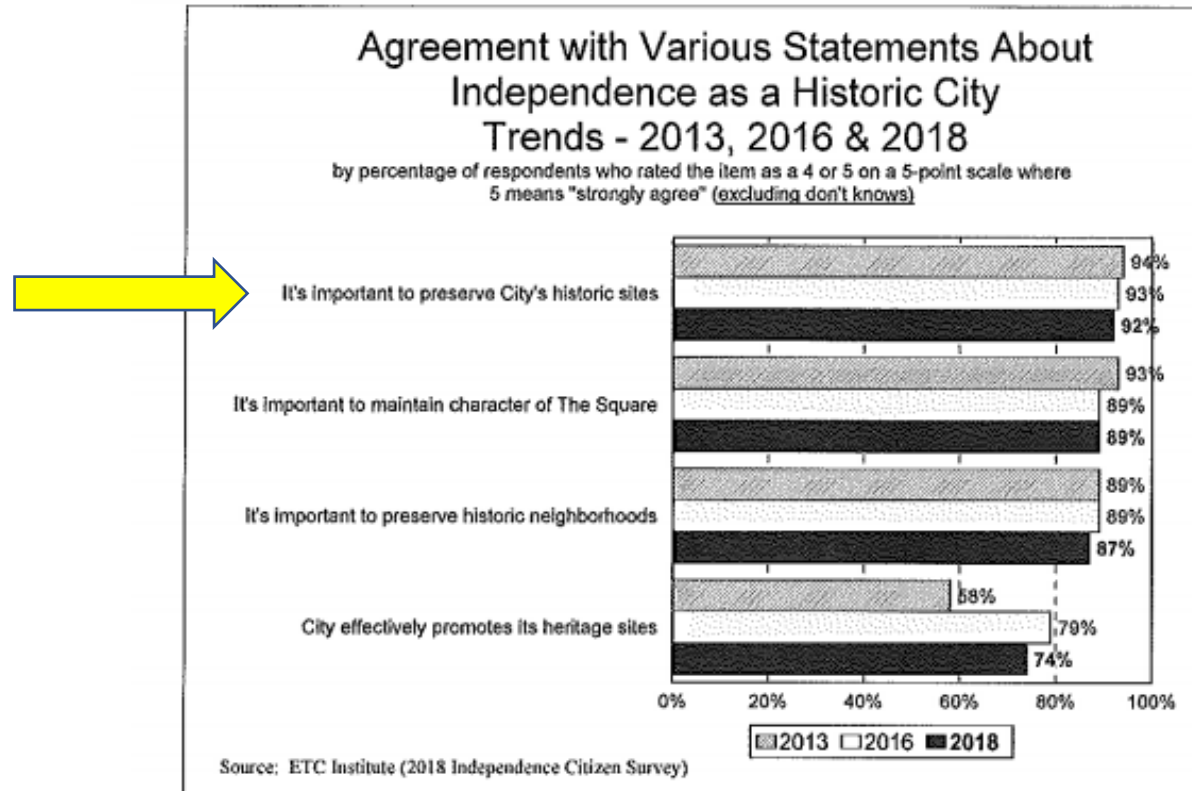
# Transient Guest Tax Revenue



\*projected

# ETC Citizen Survey

2018 City of Independence Citizen Survey: Draft Report



# 2018 Facility Assessments

In 2018 a historic site facility assessment was completed:

- 1827 Log Courthouse - \$705,500
- Bingham-Waggoner Estate - \$2,879,625
- National Frontier Trails Museum Complex - \$3,079,460
- Vaile Mansion - \$1,625,090

Total: \$8,289,675



# 1827 Log Courthouse

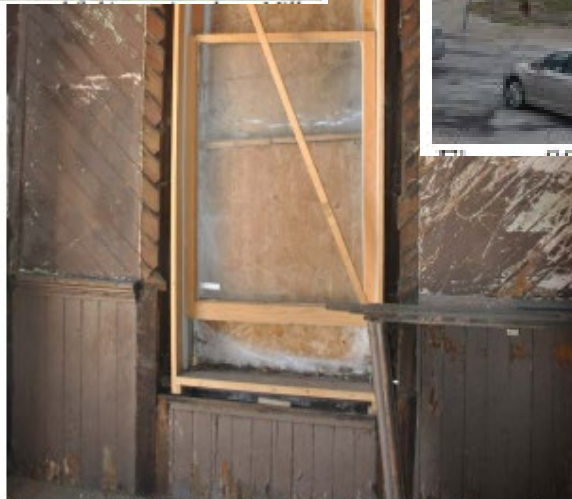




# Bingham-Waggoner Estate



# Mill Office





# National Frontier Trails Museum



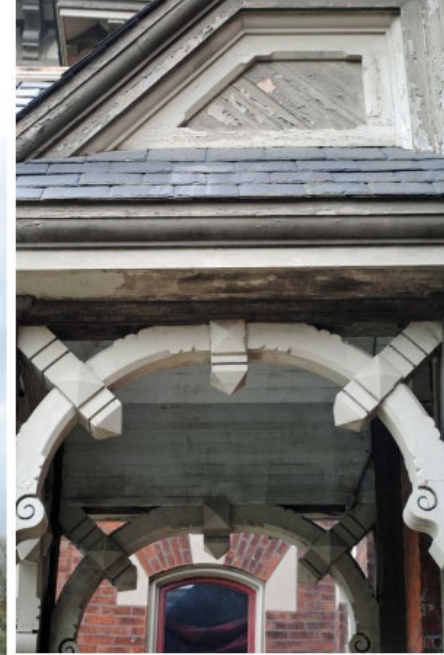
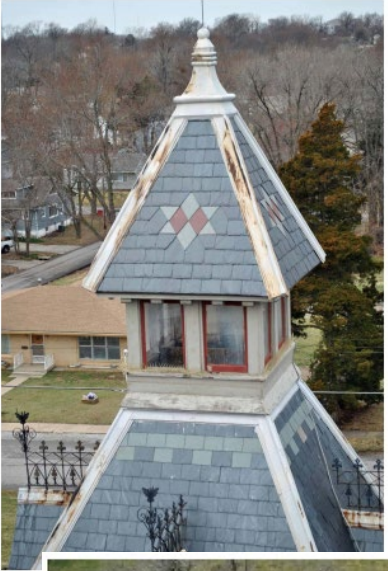
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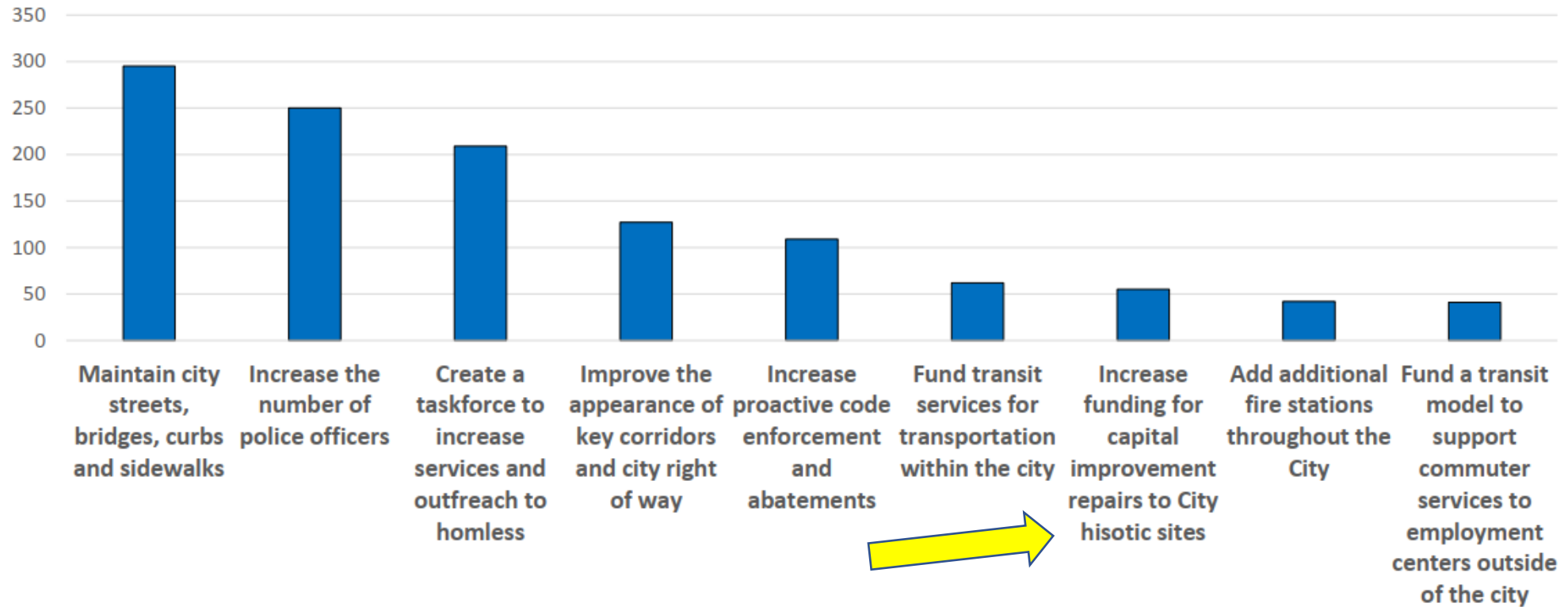


# Vaile Mansion



# Resident Budget Survey

**Question 3: Select the three items you believe should receive the most emphasis over the next 24 months.**



# Resident Budget Survey

## Citizen Responses:

### Parks, Recreation & Tourism

- *“Historic Tourism promoting all facets of the city’s unique history, national, and international relationships.”*
- *“We cannot ignore our historic sites. They are a source of revenue, if properly maintained and events effectively publicized outside of years impacted by a pandemic.”*



# Overview of Tourism Budget

- The Tourism budget consists of Marketing, Sales & Services, National Frontier Trails Museum & Historic Sites
- Operating budget expenditures (last 5 year averages):
  - Promotion (Marketing/Sales & Services) = 66.5%
  - Museum Operations = 21%
  - Historic Sites Maintenance (buildings & grounds) = 12.5%

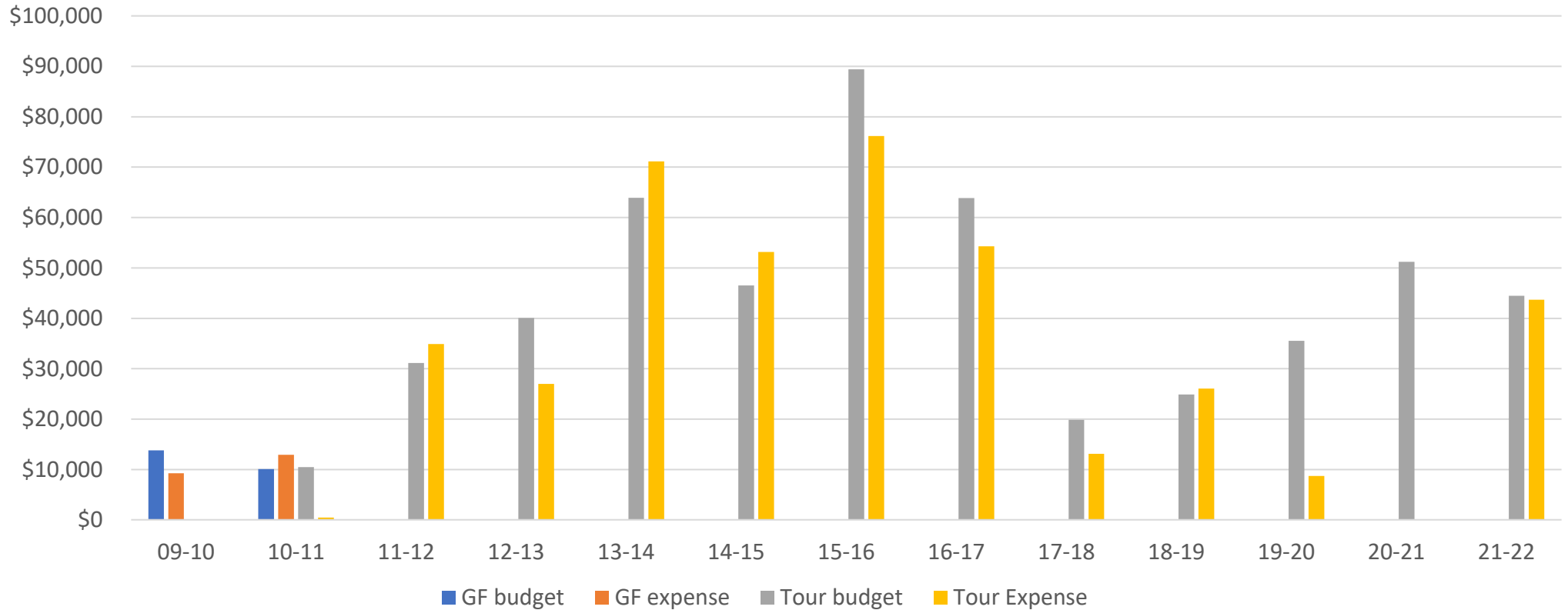
# National Frontier Trails Museum

- Prior to the 2013-14 fiscal year, the National Frontier Trails Museum was budgeted in the General Fund (GF).
- In FY 2014-15, 24% of NFTM was budgeted in Transient Guest Tax (TGT).
- Starting in FY 2015-16 the entire Museum budget was funded with TGT (no GF dollars).

# City Owned Historic Sites Building Maintenance

Historic Sites Building Maintenance \$

*Prior to the 2010-11 fiscal year, City owned historic sites building maintenance was budgeted in the General Fund (GF).*



# City Owned Historic Sites Building Maintenance

<i>Fiscal Year</i>	<i>General Fund budget</i>	<i>General Fund expense</i>	<i>Tourism Fund budget</i>	<i>Tourism Fund expense</i>	<i>TGT Revenue</i>	<i>% of TGT revenue spent on building maintenance</i>
FY 09-10	\$13,773	\$9,233	\$0	\$0	\$988,984	0%
FY 10-11	\$10,063	\$12,931	\$10,483	\$483	\$1,077,506	<1%
FY 11-12	\$0	\$100	\$31,119	\$34,896	\$1,219,340	3%
FY 12-13	\$0	\$0	\$40,086	\$26,973	\$1,356,592	2%
FY 13-14	\$0	\$0	\$63,900	\$71,160	\$1,468,758	5%
FY 14-15	\$0	\$0	\$46,500	\$53,144	\$1,616,667	3%
FY 15-16	\$0	\$0	\$89,400	\$76,188	\$1,954,406	4%
FY 16-17	\$0	\$0	\$63,847	\$54,276	\$1,994,953	3%
FY 17-18	\$0	\$0	\$19,840	\$13,131	\$1,956,257	1%
FY 18-19	\$0	\$0	\$24,900	\$26,070	\$1,967,003	1%
FY 19-20	\$0	\$0	\$35,545	\$8,703	\$1,554,582	1%
FY 20-21	\$0	\$0	\$51,190	\$0	\$1,321,757	0%
FY 21-22	\$0	\$0	\$44,467	\$43,682*	\$1,800,000*	2%

\*projected

# Independence For All Strategic Plan 2017-2021

## Financially Sustainable

- Pursue the Museum and Tourism Related Activities Tax to support tourism needs

## Quality - Improve appearance of... historic sites

- Update the Trails Museum Master Plan to focus emphasis on museum exhibits and visitor experience

## Growth – Grow retail and commercial businesses

- Attract and retain visitors to the City's historic sites, amenities, and events
- Begin implementation of enhancements to City-owned historic sites

# Recommendations

*The following recommendations are proposed for the FY 23 budget:*

- Marketing
  - Add a second Multimedia position; partner with City Communications Team
  - Reduce marketing contracts and sponsorships by approximately \$550,000
- Historic Sites
  - Utilize a portion of fund balance and savings from reduction in marketing to fund capital projects
- Museum
  - Explore options for expanded visitor experience



# Recommendations

- Operating budget percentages:
  - Promotion (Marketing/Sales & Services) = 38%
  - Museum Operations = 30%
  - Historic Sites Maintenance = 32%
- Explore options for additional funding in order to address deferred capital improvements and implement a sustainable building maintenance program
  - Independence On A Roll Working Group initiative: Museum/Tourism Tax





# Questions?

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