

Proposed Hotel Tax and Arts Measure in the FY 2018-19 and FY 2019-20 Budget

- The Mayor’s Proposed FY 2018-19 and FY 2019-20 budget assumes passage of the proposed ordinance to dedicate a portion of hotel tax revenues to arts and culture programming, expected to appear on the November 6, 2018 ballot. This measure would restore the historic link between hotel tax and arts and culture programming.
- The budget increases funding for programs outlined in the ordinance beginning in January 2019 (halfway through FY 2018-19). Programs are budgeted in accordance with FY 2017-18 funding levels for the first half of the fiscal year for FY 2018-19.
- The proposed budget increases funding for arts and culture programs by \$4.8 million in FY 2018-19 and \$10.7 million in FY 2019-20, **contingent on passage of the November 2018 measure.**

Program	FY 2017-18	FY 2018-19	FY 2019-20	Cumulative Change
Grants for the Arts	\$14.0	\$15.2	\$16.6	\$3.8
Cultural Equity Endowment	\$5.3	\$5.8	\$6.9	\$2.1
Cultural Centers	\$3.2	\$3.5	\$3.9	\$1.0
Cultural Districts	-	\$1.5	\$3.1	\$4.6
Arts Impact Endowment	-	\$1.3	\$2.7	\$4.0
Total	\$22.5	\$27.3	\$33.2	\$15.5

- Over the two years, the budget increases investments in **existing** arts and cultural programs:
 - **Grants for the Arts** - \$3.8 million
 - **Cultural Equity Endowment** - \$2.1 million
 - **Cultural Centers** - \$1.0 million
- The budget also includes funding for **new** arts and culture priorities over the proposed two-year budget:
 - **Cultural Districts** - \$4.6 million – This new Cultural District funding will be administered by the Mayor’s Office of Housing and Community Development, and will support existing and future cultural districts.
 - **Arts Impact Endowment** - \$4.0 million – Other funding from this measure will remain unallocated and will be available for a community based needs assessment to determine how to maximize the impact of arts and culture investments.
- Under the measure hotel tax revenue growth fully dedicated beginning in FY 2019-20, and assumes 3.4% growth.