

CITY COUNCIL  
Mayor Bill Stankiewicz  
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Mandy Neese\*, Post 3  
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Toni Striblin, Post 5

# City of Hogansville



Jonathan Lynn, City Manager  
Lisa Kelly, Assistant City Manager  
Alex Dixon, City Attorney

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## COUNCIL ACTION FORM

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**MEETING DATE:** September 8, 2020    **SUBMITTED BY:** Jonathan Lynn

**AGENDA TITLE:** City of Hogansville and Visit LaGrange Hotel – Motel Tax Budget

**CLASSIFICATION** (City Attorney must approve all ordinances, resolutions and contracts as to form)

- Ordinance (No. \_\_\_\_)
- Contract/Agreement     Information Only     Public Hearing
- Resolution (No. \_\_\_\_)
- Ceremonial     Discussion/Action     Other

**BACKGROUND** (Includes description, background, and justification)

The City of Hogansville charges a per night hotel-motel tax (8%) for lodging purposes. For several years these funds were provided to the Chamber of Commerce and they would spend them according to a provided budget by the City of Hogansville. That partnership was ended in June of 2019. The City must designate these funds to a DMO (Direct Marketing Organization) to expend the funds for tourism related activities, which Visit LaGrange and the City of Hogansville have entered into an agreement for after City Council approved the agreement at the August 17, 2020 meeting. Visit LaGrange will expend Hogansville's hotel motel tax dollars on activities in the City of Hogansville as provided in the attached budget and only upon explicit request by the City.

**BUDGETING & FINANCIAL IMPACT** (Includes project costs and funding sources)

The City of Hogansville generates approximately \$30,000 worth of revenue annually from hotel-motel taxes and 62.5% of that amount is required to be provided to a DMO, which would be Visit LaGrange. The City is to provide to Visit LaGrange \$17,954.91, which represents 62.5% of the hotel motel tax dollars for Hogansville from 7/1/2019-6/30/2020, and our projected budget amount of \$18,750, which is projected to be collected from 7/1/2020 – 6/30/2021. The total amount of this budget is \$36,704.91 and will be designated in a general "Branding, Marketing, and Promotions" line item that is intended to serve as a generic line-item that is able to be replaced by a Council approved amended budget at any time.

**STAFF RECOMMENDATION** (Include possible options for consideration)

Staff recommends that the City of Hogansville adopt this budget in the amount of \$36,704.91, which represents 62.5% of hotel motel tax revenue for FY20 and projected FY21, to be expended within the City of Hogansville for branding, marketing, and promotions.

Upon adoption, this budget will be provided to Visit LaGrange for their subsequent adoption and will be available to the City of Hogansville for any activity that may be defined as branding, marketing, and promotions.

City of Hogansville Hotel/Motel Budget for Visit LaGrange

	City FY20	City FY 21 (projected)		Total (62.5%)
<u>Budget Category</u>				
Branding, Marketing, and Promotions	\$ 17,954.91	\$ 18,750.00		\$ 36,704.91