

CITY COUNCIL MEMORANDUM

AGENDA ITEM

**Killeen Arts Commission recommendations
for grant allocations of FY17 Hotel
Occupancy Tax funds**

ORIGINATING DEPARTMENT

Finance

BACKGROUND INFORMATION

The City Council may allocate up to one-seventh of the Hotel Occupancy Tax collections for grants to the arts under section 351.101 of the Texas Tax Code for Municipal Hotel Occupancy Tax. The primary responsibility of the Arts Commission is to make recommendations to the City Council regarding the allocation of Hotel Occupancy Tax funds that are designated for grants to the arts. The FY17 proposed maximum funding for the arts is \$187,167.

DISCUSSION/CONCLUSION

The Killeen Arts Commission held a meeting on May 20, 2016. During this meeting, ten (10) applicants presented their grant applications to the Arts Commission regarding funding requests. At the June 10, 2016, meeting of the Arts Commission, the Commission recommended allocation of funding for all ten (10) applicants and administrative costs for the Commission as described in the attached worksheet, totaling \$187,167.

Upon the City Council's approval of the recommended grant allocations, contracts will be prepared by the Finance Department and reviewed by the City Attorney's Office for the City Manager's signature to be effective October 1, 2016.

FISCAL IMPACT

Adequate funding is available for FY17 and will be budgeted as follows: \$185,167 in account 214-2010-415.55-43 for grants to the arts, and \$2,000 in account 214-2010-415.55-99 for the Arts Commission's administrative expenses.

RECOMMENDATION

City Staff recommends that City Council review, discuss, and approve the Killeen Arts Commission's proposed recommendations.