

Convention Sales and Tourism Marketing: Visit Baltimore

Priority Outcome: Equitable Neighborhood Development

Service Number: 820, Activity 3

Fiscal 2022 Recommended Budget: \$9,425,921

Service Description

This service promotes Baltimore as the preferred tourist and convention destination. Funded by the hotel tax as stipulated by State law, Visit Baltimore, a nonprofit organization, is contracted by the City of Baltimore to provide sales solicitation and marketing promotion in order to attract leisure and group business for the City and for the Baltimore Convention Center. Per State law, Visit Baltimore is to receive at least 40% of the hotel room tax collected.

Major Budget Items

- The recommended budget supports a \$1.66 million increase to Visit Baltimore and constitutes the first of a five-year loan the City will provide Visit Baltimore to stabilize the budget in the wake of COVID-19. The funds will be used to jump-start a post-COVID tourism recovery strategy and will be paid back over five-years as Hotel Tax revenue recovers. The total value of the five-year loan is \$6.7 million, contingent upon reconciliation of Fiscal 2021 Hotel Tax.
- State law establishes that at least 40% of gross Hotel Tax receipts are appropriated to fund Visit Baltimore. Historically, this annual appropriation was adjusted for the difference between the budget and actual Hotel Tax receipts of the most recently completed fiscal year. Starting in Fiscal 2022, Visit Baltimore's appropriation will instead be calculated based on 40% of a three-year rolling average of actual Hotel Tax receipts. This funding change is intended to prevent sharp declines in funding to Visit Baltimore and help stabilize funding in times of economic instability moving forward.

Type	Performance Measure	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Target	FY20 Actual	FY21 Target	FY22 Target
Outcome	Total # of Visitors (in millions) to Baltimore per Calendar Year	26.2M	26.2M	26.7M	26.7M	27.0M	25.0M	26.0M
Outcome	Total hotel taxes (in millions) collected in the City per Fiscal Year	\$34.6M	\$32.5M	\$33.0M	\$34.0M	\$25.0M	\$20.0M	\$30.0M