

Norman Visitor Tax Discussion

February 28, 2023



Economic Impact of Travel

TRAVELOK.COM



TOURISM

THE ECONOMIC IMPACT OF OKLAHOMA'S
3RD-LARGEST INDUSTRY

2021 IMPACTS



17.7
MILLION
Visitors in CY21

Down 14.1%
from 2019

\$10.1 BILLION IN 2021
direct visitor travel spending — up 3.2% over 2019

\$748
MILLION
state and local
tax revenue
generated
Up 3.3%
over 2019



\$2.6
BILLION
direct earnings
generated by
travel spending
Up 2.7%
over 2019



\$485
per household
in tax revenues
Up 2.1%
over 2019



96,800
JOBS
direct employment
generated by
travel spending
Down 7.6%
from 2019



*Source: TravelOK.com prepared by Dean Runyan Associates

Economic Impact of Travel – Cleveland Co.

- Spending (Millions) - \$359.6
- Earnings (Millions) - \$101.5
- Employment (jobs) – 4,340
- Local Tax (Millions) - \$12.4
- State Tax (Millions) - \$13.8



*Source: TravelOK.com prepared by Dean Runyan Associates CY2021

Economic Impact of Travel – House Districts

- Spending (Millions) - \$165
- Earnings (Millions) - \$61
- Employment (jobs) – 2,800
- Local Tax (Millions) - \$6.2
- State Tax (Millions) - \$8



*Source: TravelOK.com prepared by Dean Runyan Associates, Districts 44, 45 and 46 CY2020

Economic Impact of Travel – House Districts

\$100 of visitor spending
generates \$11.40 in local tax
revenue

Visitor-generated tax
revenues per household

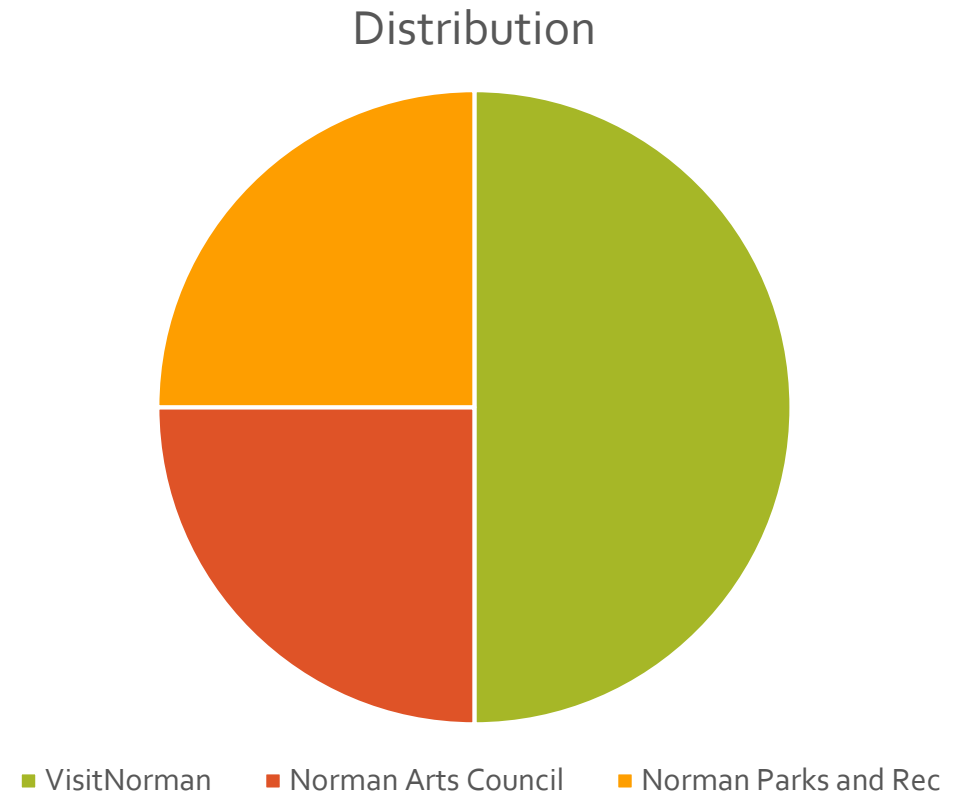
- \$390 in local tax
- \$480 in state tax revenue



*Source: TravelOK.com prepared by Dean Runyan Associates, Districts 44, 45 and 46 CY2020

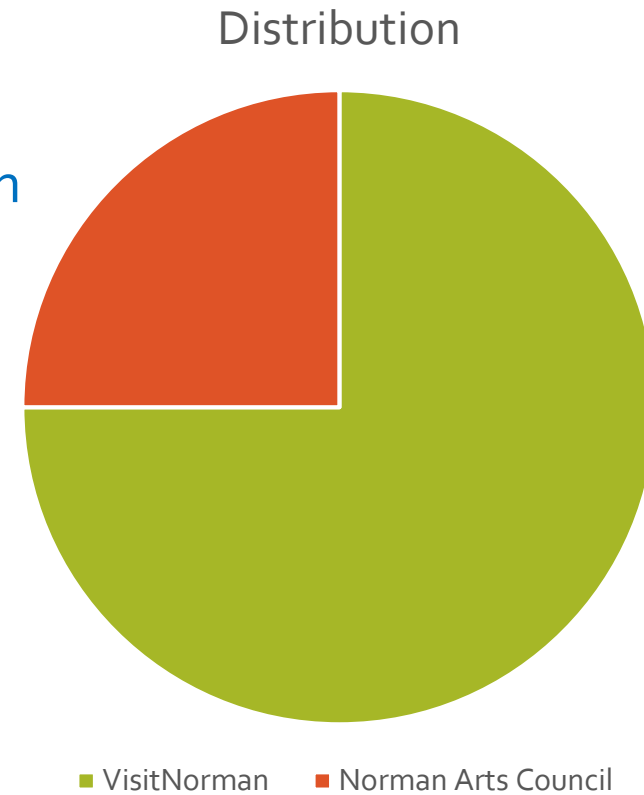
Current visitor tax – 5%

- Total Project Revenue (FY'23) - \$1.65 million
- VisitNorman - \$825,000
- Norman Arts Council – \$412,500
- Norman Parks and Rec - \$412,500



Proposed visitor tax – 8%

- Total Project Additional Revenue (FY'23) - \$1.05 million
- VisitNorman/Sports Commission - \$787,500
- Norman Arts Council – \$262,500



Oklahoma Visitor Tax Comps

Total tax collected (visitor and sales) in Norman is currently about 35th in the state (bottom third) and the proposal would move to Norman to 9th in the state

In total visitor tax collected, Norman is currently about 33rd and would be 8th with the proposed increase

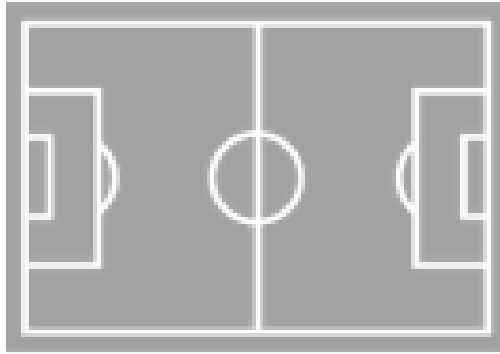
Norman Sports Commission Focus Areas



SPORTS COMMISSION

	Keypoints
Organizational Structure	<ul style="list-style-type: none"> Structure-blended sports commission underneath VN umbrella Staffing-Director, and backpack/special events coordinator Share marketing services i.e. social media, videography
Community Messaging & Marketing	<ul style="list-style-type: none"> Expand communications-CVB stakeholders, local media, & hospitality community. Broadcast our success, press releases, social media among traditional media outlets, include economic impact data Create educational forums, outlining importance of sports
Targeted National Outreach	<ul style="list-style-type: none"> Industry conferences Conduct sales trips and FAMS, include program local leaders, and or elected officials
Local Engagement	<ul style="list-style-type: none"> Expand Partnerships-OU Athletics, Parks & Rec & other community stake holders
Events	<ul style="list-style-type: none"> Creating specials events, dedicated personnel for concerts & festivals Create owned events (i.e. half-marathon)
Venue Enhancement	<ul style="list-style-type: none"> Upgrade/enhancements facilities in our community (i.e. bleachers, soccer field lighting, shade structures) location-deliver compact footprint for championship level events. i.e. YFAC

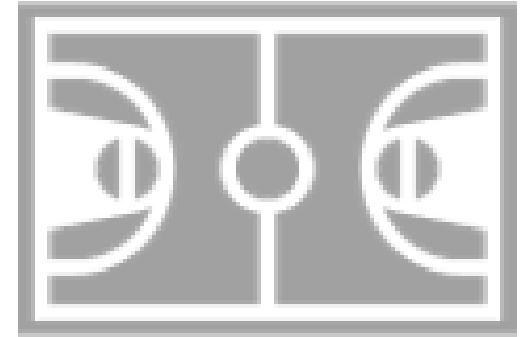
Estimated Norman Forward Economic Impact



22 flat fields



12 diamonds



8 courts

Total impact: \$65.2 million

- \$8.9 million in tax collected
- 74,800 room nights
- 122,600 total visitors

*Source: Huddle Up Group feasibility study



NORMAN ARTS HOTEL TAX GRANTS

NAC FUNDED ORGANIZATIONS IMPACT OUR COMMUNITY BY:

**Putting arts in
the classrooms of
NPS**



**Partnering with
small businesses**



**Empowering
disabled children
with performing arts**



**Providing free
concerts and
movies in our parks**



**Providing art
therapy to
Norman Veterans**



**Beautifying
Norman public
spaces**



**Generating
millions of \$\$ in
sales tax revenue**



**Producing year-round,
free arts experiences to
the ENTIRE community**

IMPACT*:

Local Sales Tax Collected - \$1.8 MILLION

State and Local Sale Tax Generated - \$4.8 MILLION

Annual Audience - OVER 1 MILLION

Percentage of Audience from Out of Town - 37%

Annual Hotel Stays - OVER 1,500

Artists Involved Annually - OVER 6,000

Annual Volunteers - OVER 1,000

Full-Time Jobs Supported - 1,500

***Calculated by Americans for the Arts for Norman, OK**

**EVERY YEAR THE
NORMAN ARTS
COUNCIL GRANTS
OUT OVER
\$306,000 TO
NORMAN ART
NON-PROFITS,
PROGRAMS &
COMMUNITY
TRADITIONS.**

ARTS DRIVE TOURISM

The arts in Norman draw an audience of over 1,000,000 people annually and many of those people are visiting from outside the community. Visitors from out of town coming to arts event in Norman spend an average of \$61 per person in the community during their visit.

ARTS STRENGTHEN THE ECONOMY

Annually the arts in Norman support an estimated 1,500 full time equivalent jobs and generate over \$1.8 million dollars in local tax revenue.

ARTS UNIFY COMMUNITIES

Communities with high concentrations of arts have higher civic engagement, more social cohesion, higher child welfare, and lower poverty rates.

ARTS IMPROVE ACADEMIC PERFORMANCE

Children who engage in the arts have higher GPAs and higher standardized test scores and lower drop-out rates.



Broad support

- Hoteliers
- Norman Arts Council
- Norman Arts Roundtable
- Norman Parks Commission
- VisitNorman
- Youth sports organizations