

Yes on E : Arts for Everyone, No New Taxes

Ballot Measure: Hotel Tax Allocations Initiative Ordinance

Cosponsored by:

Supervisor Aaron Peskin

Supervisor Norman Yee

Supervisor Katy Tang

Supervisor Malia Cohen

Supervisor Rafael Mandelman

The Board of Supervisors voted unanimously in support of this measure and it has earned the endorsement of Mayor London Breed.

Summary:

This ballot measure aims to secure arts funding to the Grants for the Arts and the SF Arts Commission. It will allocate a **portion of the projected revenue increase** of the Hotel Tax to fund development of cultural equity programs for underserved communities, arts programming, and funding for Cultural Districts and Cultural Centers in San Francisco.

Key Highlights of the Measure:

- **Without raising taxes** or taking funding away from other city services, this measure would restore funding that was established in 1961 to fund arts and culture in San Francisco.
- The San Francisco Hotel Tax generates roughly \$400 million each year, with an 8% base tax and a 6% surcharge tax. This ordinance would subject **a portion (1.5%) of the growth of the 8% base tax to specific allocations**, and the remaining 6.5% of the 8% base tax would continue to go into the General Fund.
 - That 1.5% is tied to the projected growth of the Hotel Tax revenue, set at 4.5% average each year.
 - The Hotel Tax revenue increases significantly almost every year, from \$170 million in 2005 to \$440 million in 2017. The **projected growth is set at 4.5%**, and this measure defines a floor/ceiling cap of 10% growth so that

there are clear parameters for this funding source and so that it is not based on a set amount.

- Under this measure, the following allocations will be distributed:
 - \$16.3 million to the Grants for the Arts to distribute for general operating costs
 - \$6.4 million to the Arts Commission for Cultural Equity Endowment
 - \$3.8 million to the Arts Commission for Cultural Centers
 - \$3 million to the Mayor’s Office of Housing & Community Development for Cultural Districts
 - \$2.5 million to the Arts Impact Endowment
- The Hotel Tax has proved to be **a stable revenue source** for the City, only dipping twice in its 50+ year history, during tough economic times.
- A broad coalition of artists and arts organizations, representing cultural equity, Cultural Centers, Cultural Districts, and civic institutions, have partnered with the City of San Francisco, including the Mayor’s office, on a ballot measure to restore the historical connection of arts and culture funding from the Hotel Tax.

This coalition includes*:

Actors’ Equity Association	San Francisco Ballet
Alonzo King Lines Ballet	San Francisco Film Society
Asian Pacific Islander Cultural Center	San Francisco Performances
American Conservatory Theater	San Francisco Opera
Arts for a Better Bay Area	San Francisco Shakespeare
Calle 24 Latino Cultural District	San Francisco Symphony
Chinese Cultural Center SF	SFJAZZ
Compton’s Transgender Cultural District	SFMOMA
Contemporary Jewish Museum	SOMArts Cultural Center
Exploratorium	SOMA Pilipinas
Root Division	Theatre Bay Area
Japantown Cultural Heritage and Economic Sustainability Strategy	Yerba Buena Center for the Arts

**This is a partial list*