



Hotel Motel Tax

June 2020



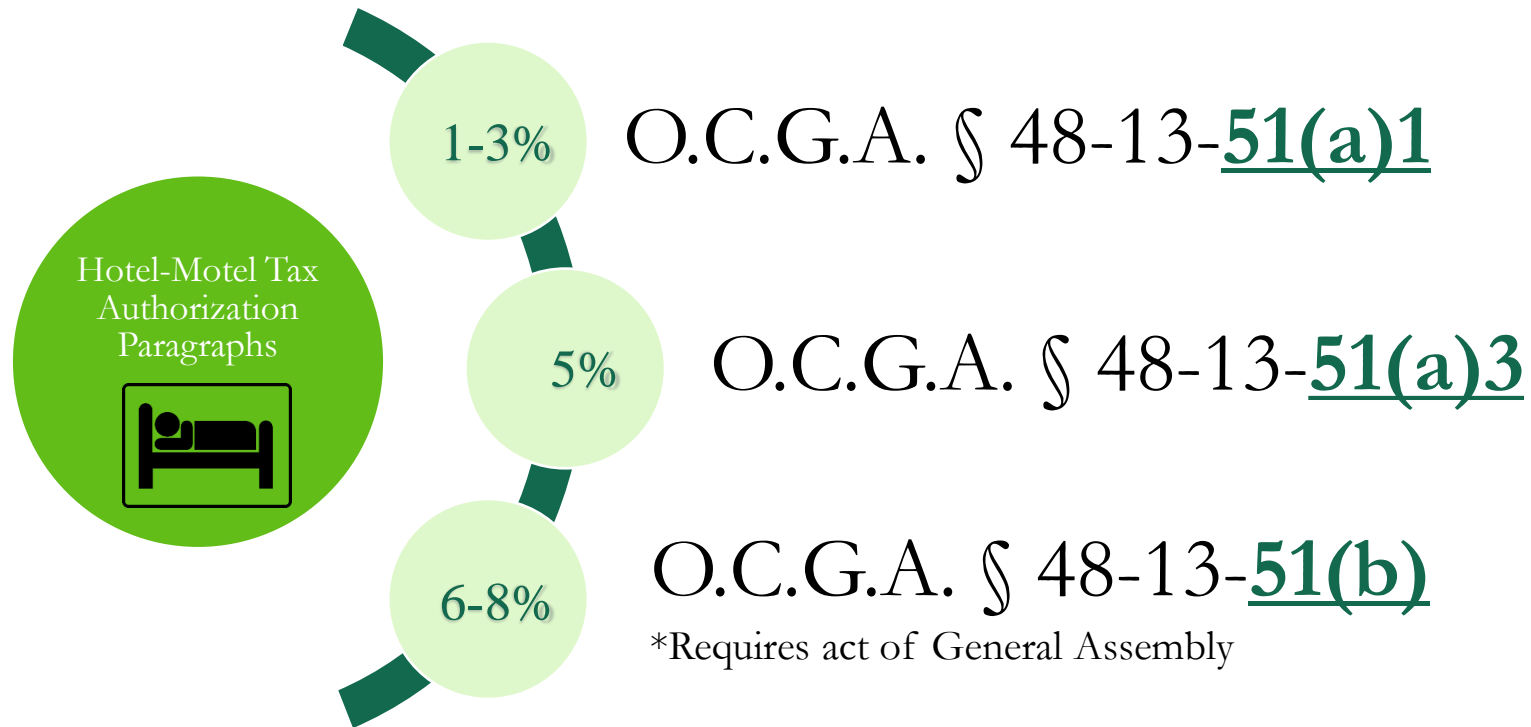
Hotel Motel Tax in Georgia

- ❑ Hotel-Motel Tax is addressed through **Georgia Law** in OCGA Title 48, Chapter 13, Article 3 (Ch. 13 Paragraphs 50-56)
- ❑ HB248 in the **1975** legislative session first permitted counties and municipalities to impose a hotel-motel tax of no more than 3%
- ❑by 2008, there were **24 different authorization paragraphs** and rates available to local governments wanting to impose a Hotel-Motel Tax



Changes to Hotel Motel Tax

- In 2008, HB 1168 reduced the number of authorizations for newly adopted HMT or changes in existing HMT to three (3) options



The Unique Demands of 51(b)



❑ Local government must adopt a **resolution**

- Specify the tax rate (6%, 7%, or 8%)
- Identify the tourism projects (TCT) and TPD purposes
- Specify how proceeds will be allocated

❑ A **Local Act** by the General Assembly must be passed

- Plan ahead – the General Assembly is typically only in session January-March/April
- Be in touch with a member of your legislative delegation

❑ After passage and being signed by the Governor, an **ordinance** is created and sent to DCA Office of Research



2020 HMT Collections/Projections

	275-0000-41305			
	Hotel/Motel Tax			
			Monthly	YTD
	2019	2020	Incr/Dcr	Incr/Dcr
Jan	1,528,917	1,431,773	-6.35%	-6.35%
Feb	1,294,248	1,393,290	7.65%	100.07%
Mar	1,554,533	1,619,261	4.16%	101.52%
Apr	2,574,348	1,018,456	-60.44%	78.58%
May	2,524,083	222,583	-91.18%	60.01%
Jun	2,270,829	1,135,415	-50.00%	58.07%
Jul	1,909,359	1,718,423	-10.00%	62.53%
Aug	2,071,870	1,864,683	-10.00%	66.15%
Sep	1,582,000	1,423,800	-10.00%	68.33%
Oct	1,518,315	1,442,399	-5.00%	70.48%
Nov	2,143,367	2,079,066	-3.00%	73.19%
Dec	1,653,376	1,653,376	0.00%	75.15%
Total	\$ 22,625,247	\$ 17,002,526		-24.85%



Savannah's Current Hotel Motel Tax

❑ Savannah's has a 6% Hotel Motel Tax Rate

- Atlanta 8%
- Athens-Clarke 7%
- Columbus 8%
- Macon 7%
- Albany 8%
- Richmond Hill 7%
- Tybee Island 7%

❑ Savannah is authorized under a retired paragraph

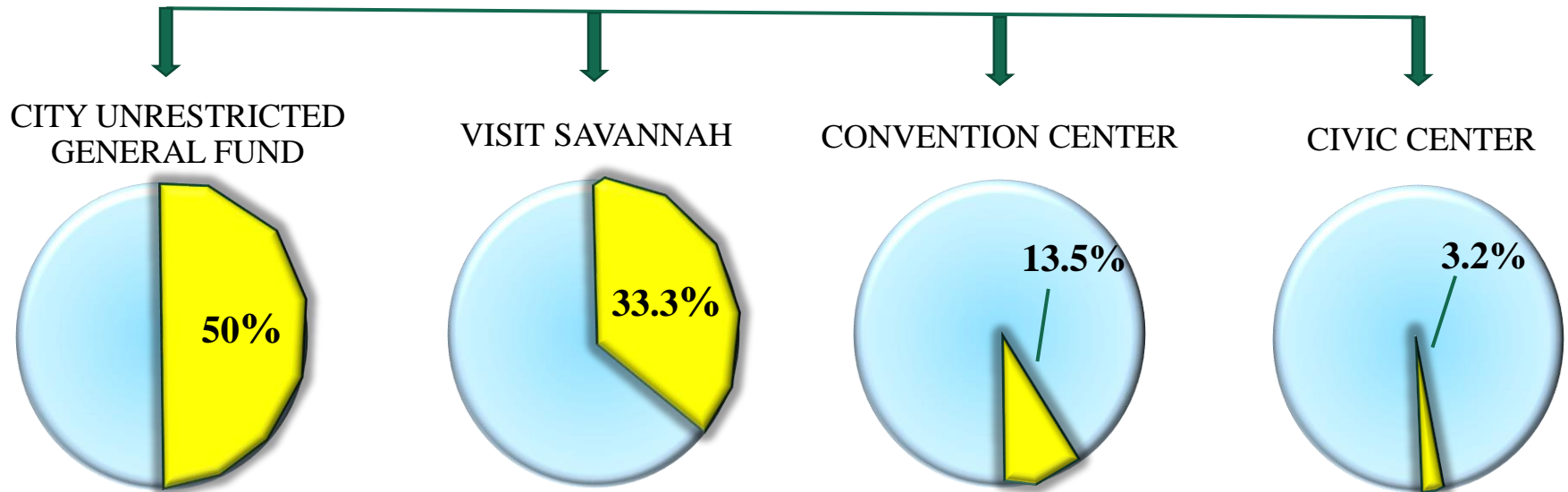
- OCGA 48-13-51(a)(3.2)

❑ In 2019 \$22,625,247 was collected in Hotel Motel Tax at the 6% rate.



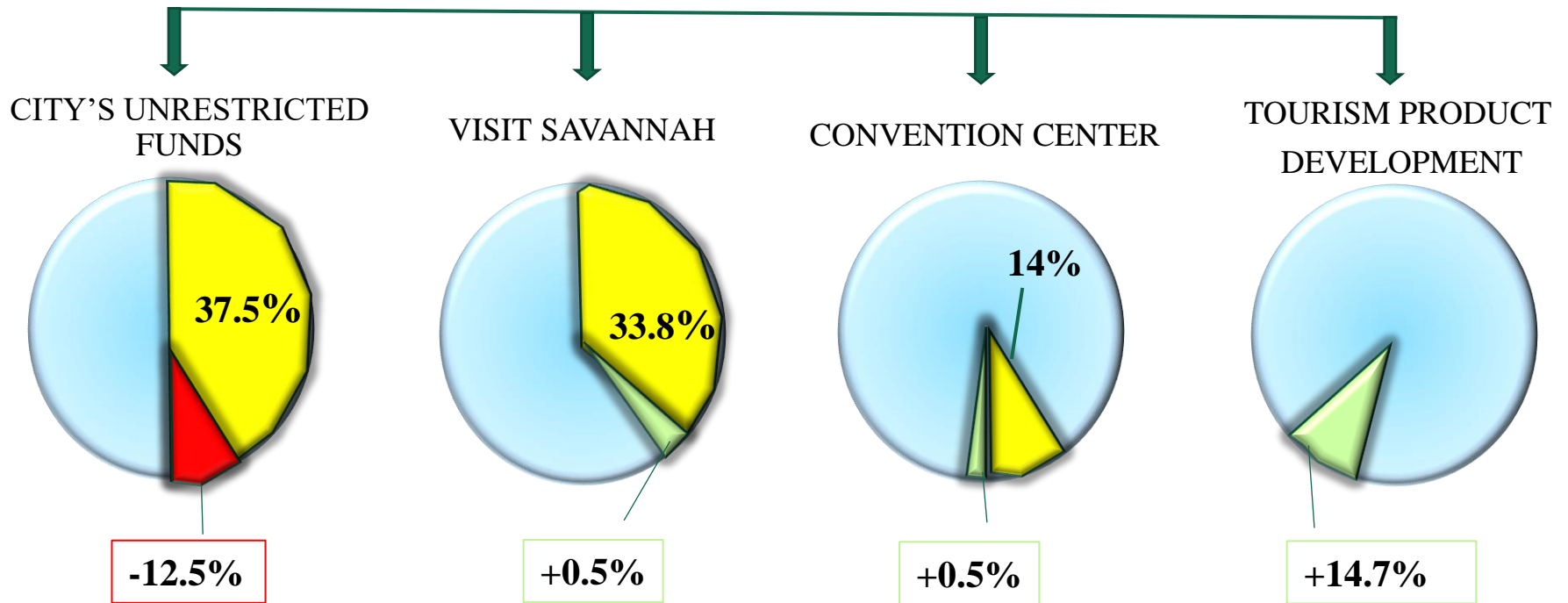
How The Funds Are Currently Distributed

6% Current Rate



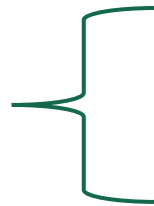
Proposed Distribution Determined by State Law

8% Proposed Rate



What Would 8% Look Like in 2021?

6% Rate



2019 Actual Revenue	\$22.6 Million
2020 Projected Revenue	\$17 Million
2021 Projected Revenue	\$19 Million

2021 Projections			
	6%	8%	Difference
Visit Savannah	\$6,327,000	\$8,562,666	+ \$2,235,666
Convention Center	\$2,565,000	\$3,546,666	+ \$981,666
City Unrestricted Funds	\$9,500,000	\$9,500,000	-
Civic Center	\$608,000	-	- \$608,000
Tourism Product Development	-	\$3,723,999	+ \$3,723,999
Total	\$19,000,000	\$25,333,333	



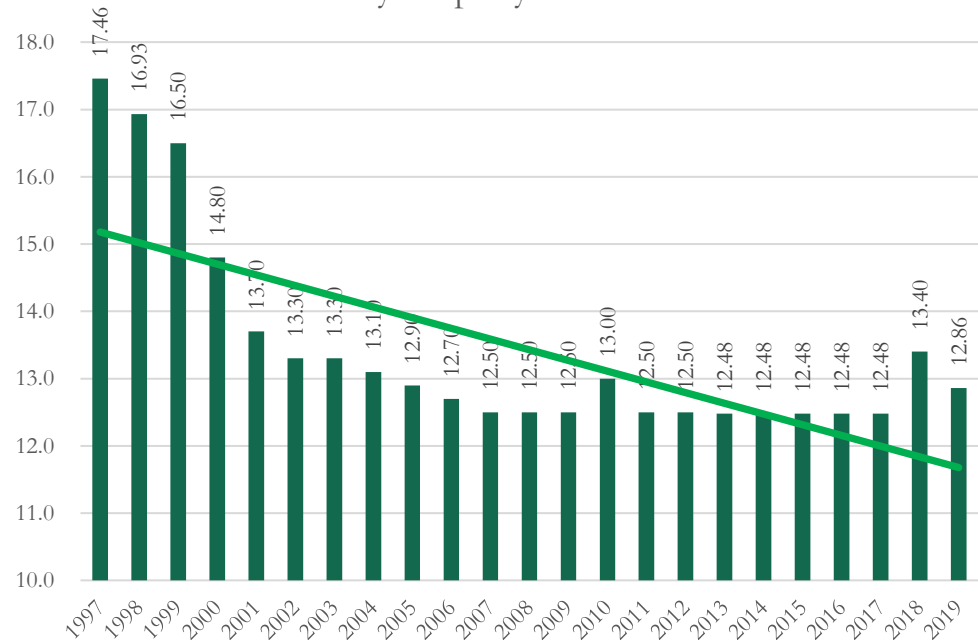
Market Competitors- Sales and Bed Taxes

	Hotel Motel Tax	Sales Tax	Hospitality Tax	Per Room Fee	Other	Taxes / \$300 Room
Atlanta, GA	8.00%	8.9%			\$5 per night	\$ 55.70
Nashville, TN	6.00%	9.3%		\$2.50		\$ 48.40
New York, NY	5.88%	8.9%	\$2.00		\$1.50 per night	\$ 47.84
Charleston, SC	6.00%	9.0%	2.00%	\$2.00		\$ 47.00
Charlotte, NC	8.00%	7.3%	1.00%			\$ 45.90
New Orleans, LA	5.00%	9.5%	1.75%	\$2.00		\$ 45.50
Savannah, GA	6.00%	7.0%		\$1.00	\$5 per night	\$ 45.00
Asheville, NC	6.00%	7.0%				\$ 39.00

City of Savannah has reduced its millage rate by **28%** since 1996.

Savannah was the only jurisdiction in Chatham County to fully **roll back its property tax rate in 2019.**

City Property Tax Rate



Tourism Product Development

Tourism Product Development contribution will fund four projects:

1. Canal District improvements
2. Waterfront improvements
3. Tide to Town urban trail system
4. Bay Street improvements



PROJECT 1

Canal District

\$25-30 million

*Creating an exciting new destination
and improving accessibility to Savannah's \$165 million arena*





Perkins & Will

Savannah Arena

09.21.2019

SAVANNAH 
savannahga.gov



Canal District Master Plan

Savannah Arena
A District
with an
Arena



Canal District Master Plan



Exciting heritage trail network will
link arena with Historic District
and create new destination



NATIVE WETLAND PRESERVE & EDUCATION CENTER

GRADUATE STUDENT HOUSING / LIVE-MAKE STUDIOS

THE HIVE / SCAD

TIDE TO TOWN TRAIL

CONNECTION WHERE VIADUCT MEETS CANAL

SWITCHBACK RAMP

HISTORIC RAILWAY VIADUCT AS A LINEAR PARK

VIADUCT PLAZA & GATHERING SPOT

PEDESTRIAN & BIKE BRIDGE ACROSS LOUISVILLE ROAD

SURFACE PARKING & EVENT SPACE

SAVANNAH VISITOR CENTER

PEDESTRIAN & BIKE BRIDGE CONNECTING VIADUCT TO CANAL

FOOD MARKET & POP-UP STUDIOS

BATTLEFIELD PARK PLAZA & GATEWAY / TRAILHEAD

REPLACE BOX CULVERT WITH A MORE GRACIOUS PEDESTRIAN TUNNEL

SEATING TERRACES & VIEWPOINT

CIVIC AMPITHEATRE

SAVANNAH CHILDREN'S MUSEUM

GEORGIA STATE RAILWAY MUSEUM

ELEVATED BOARDWALKS

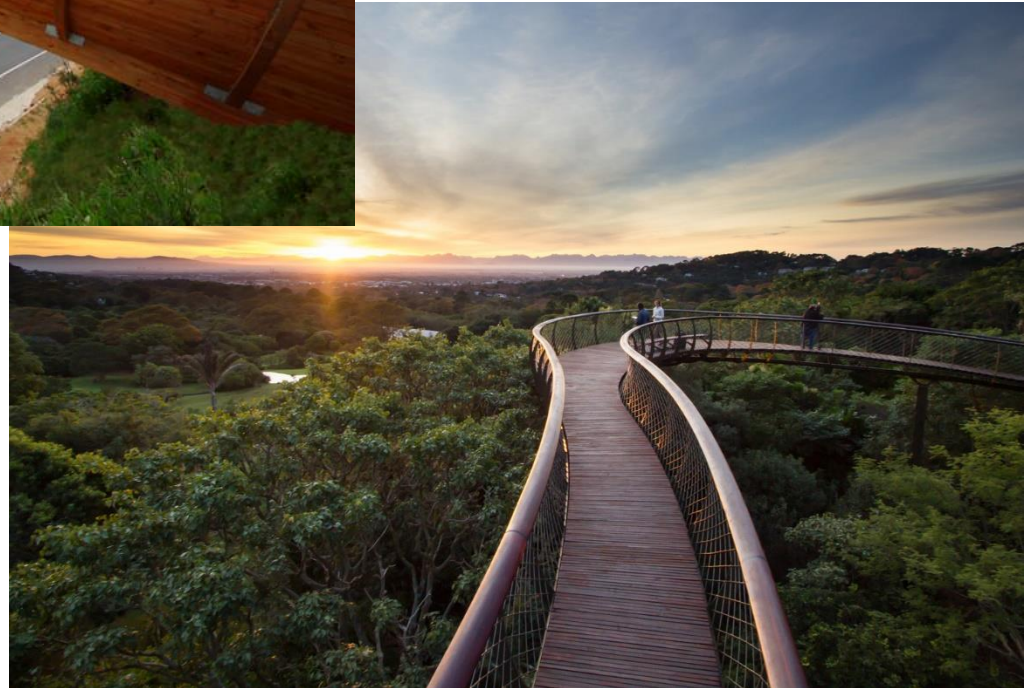
Canal District Master Plan | Design Review



Restoration/repurpose of 19th century railroad bridge into key heritage trail link



Pedestrian bridge crossing Louisville Road

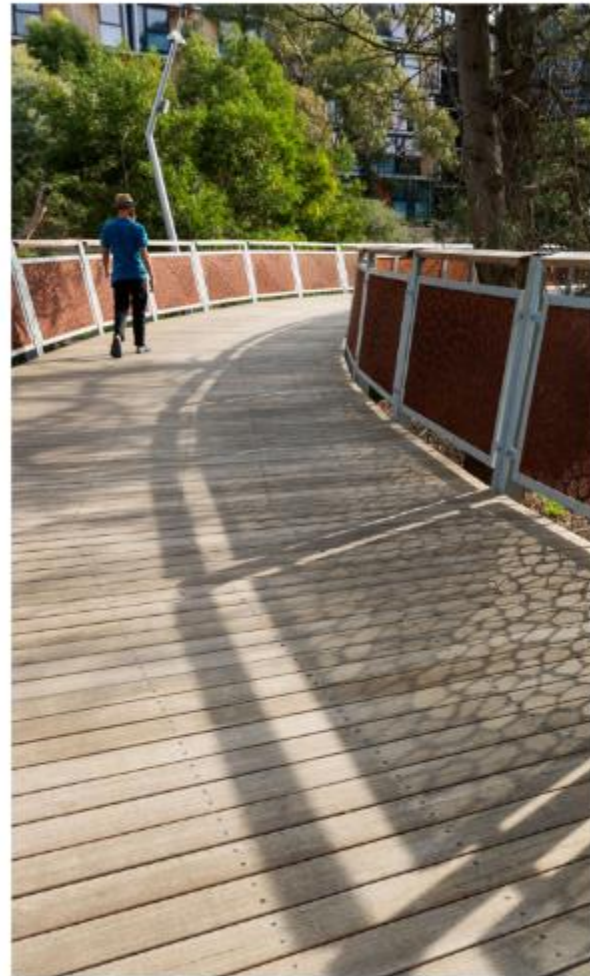


Louisville Road Viaduct



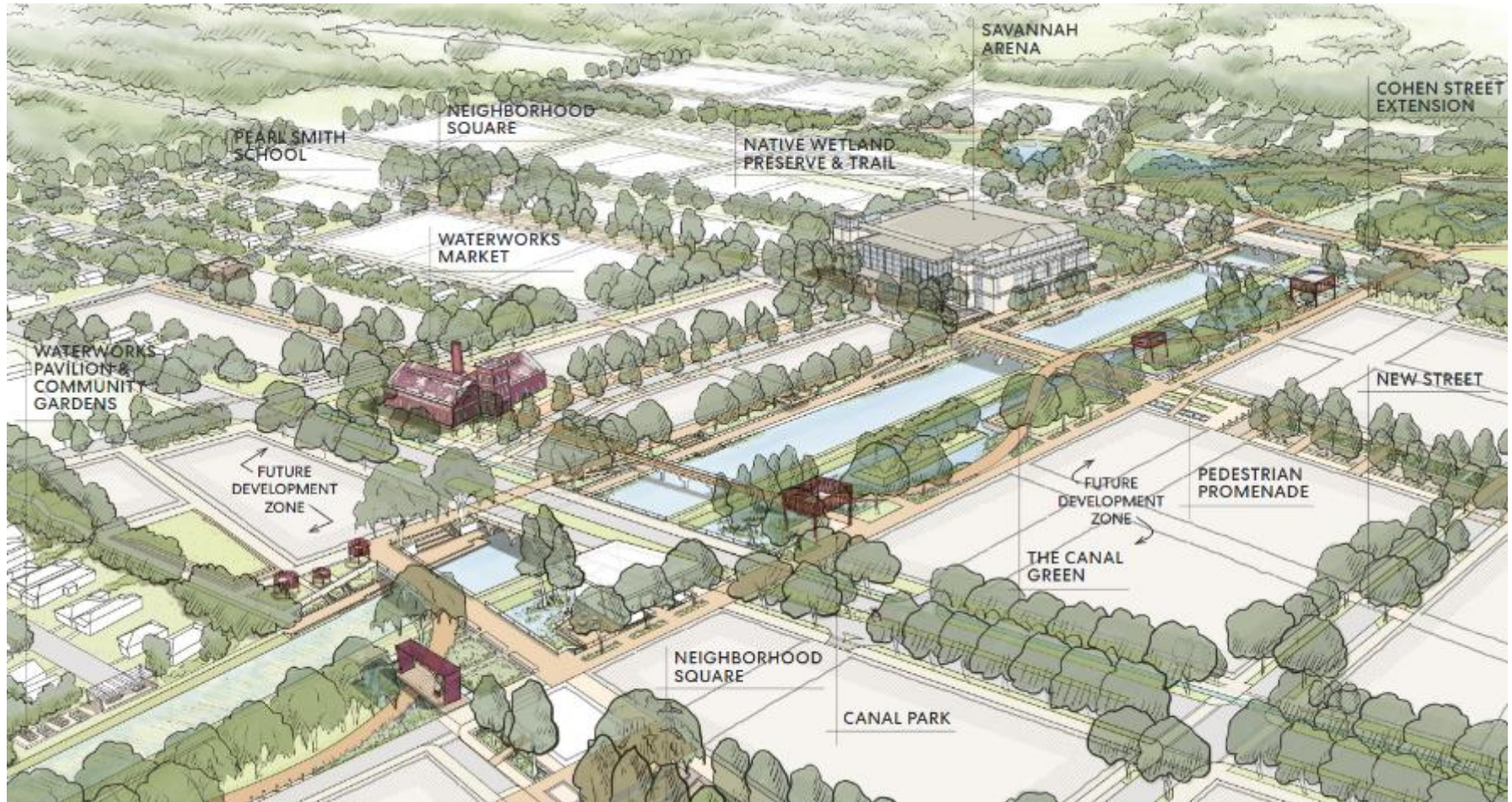
District Character:

Pedestrian Experience

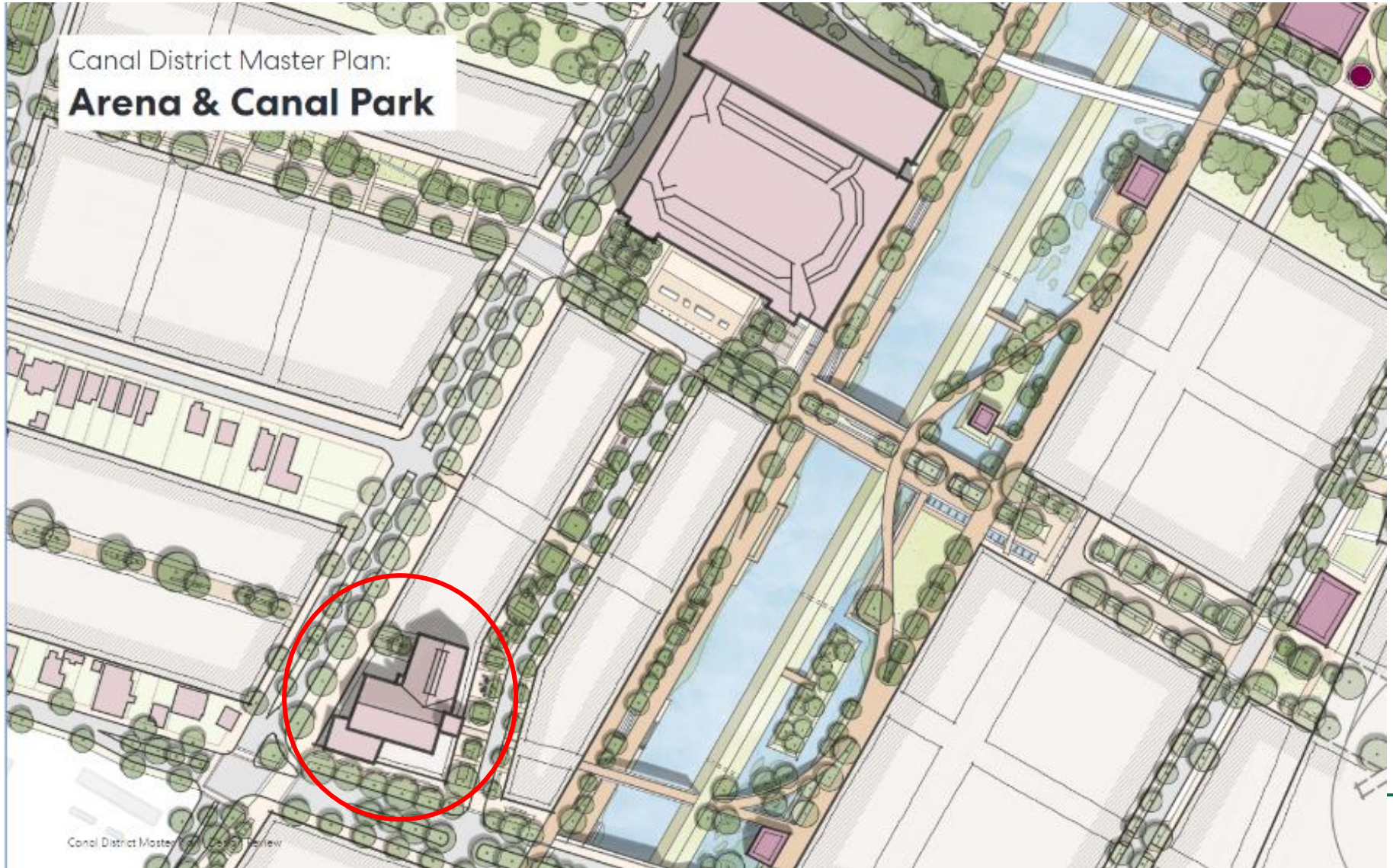




A New Destination just 1,300 feet from our Historic District



Conversion of Historic Water Works into Fresh Food Marketplace



Existing Conditions:

Water Works



District Character:
Water Works



Restoration of historic Springfield Terrace (Pearl Lee Smith) School building



Project 2

Waterfront Redevelopment

\$15 million



RIVER STREET

FOCUS AREAS

RESIDENT AND GUEST EXPERIENCE!

- Activities and Events
- Historic Preservation
- Visual Identity
- Smart Transportation Design
- Pedestrian Safety
- Bicycle Safety
- Vehicular Functionality



RIVER STREET

Illustrative Plan



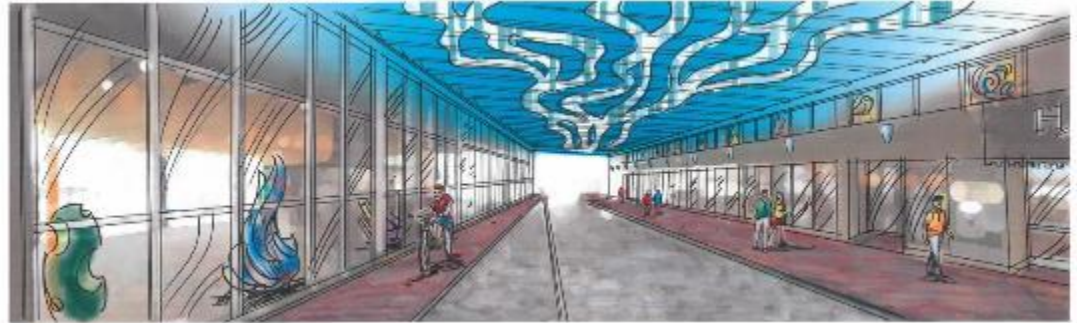
RIVER STREET

Hyatt Regency
Savannah



Existing Condition

STAINLESS STEEL WITH LED
BACKLIGHTING REPRESENTS
SAVANNAH RIVER + DELTA



RIVER OF LIGHT

LIGHT REFLECTS OFF OF
GLASS ADDING TO THE EFFECT

PROGRAMMABLE LED
LIGHT TUBE IN EXISTING
RECESSED
- SOLID COLOR OR MULTIPLE
COLORS SLOWLY MOVING FROM
ONE END TO THE OTHER



OPP. FOR
ROTATING ART
PIECES IN
BAUROOM

NEW BRICK
PAVING BOTH
SIDES

OPPORTUNITIES FOR
ART IN EXISTING
GLASS PANELS ABOVE -
- REPLACE GLAZES
WITH MODERN
SCENES

KALEIDOSCOPE

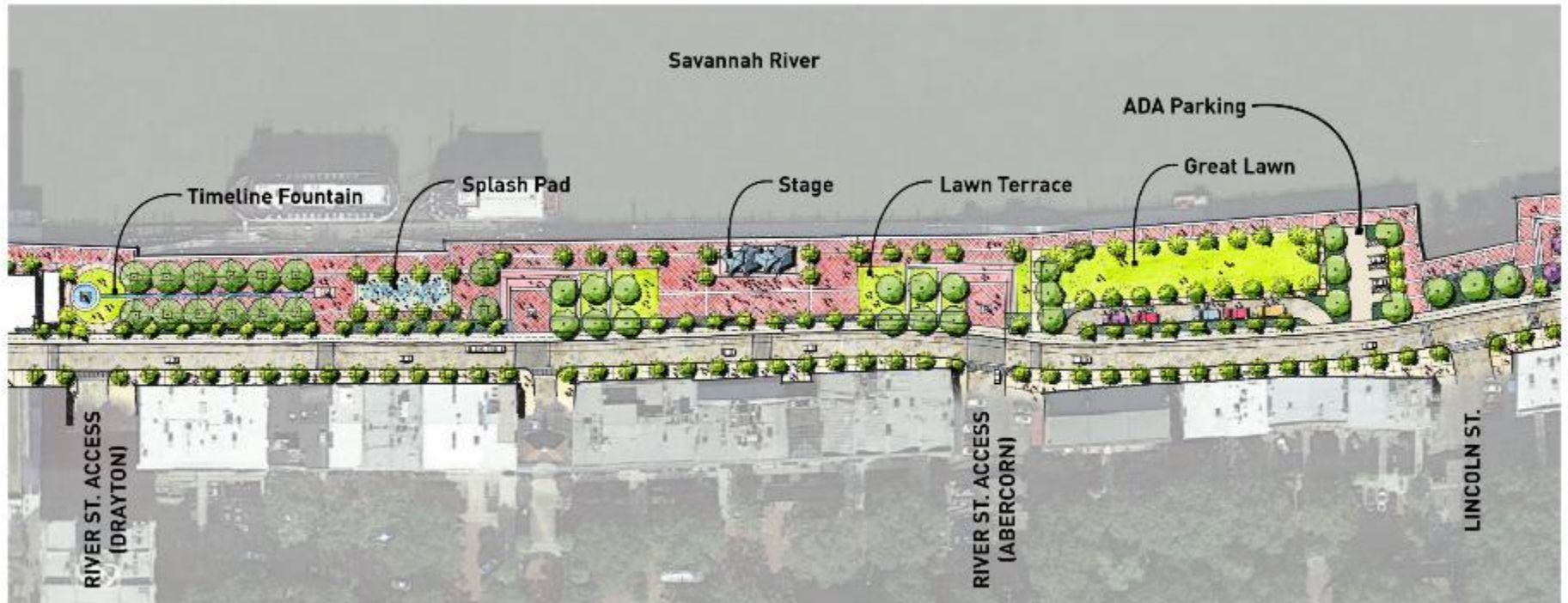


RIVER STREET



RIVER STREET

Illustrative Plan

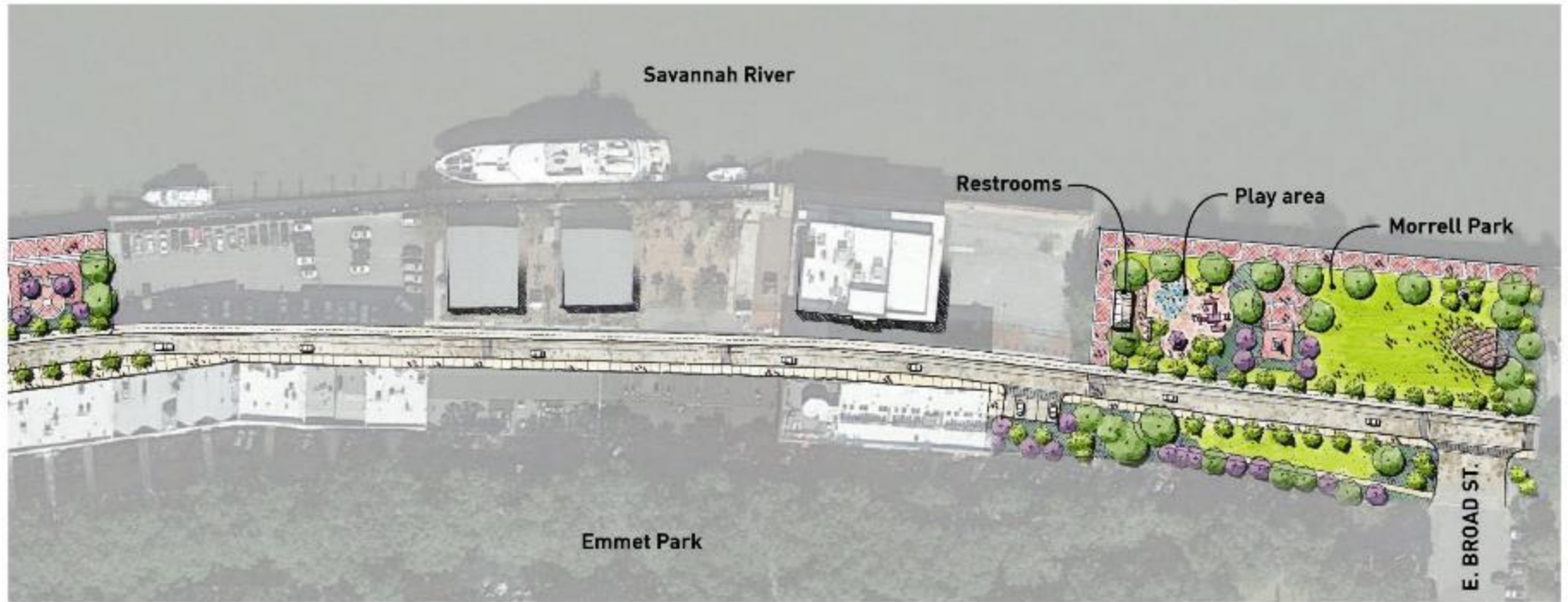


RIVER STREET



RIVER STREET

Illustrative Plan



Cost

River Street Streetscape	\$ 15,000,000
Convert parking lots 1 and 2 into riverfront dining; add concession area and bathroom	\$ 2,000,000
Redesign and reorient stage on Rousakis Plaza	\$ 2,000,000
Install new landscaping and hardscaping along the north side of River Street	\$ 1,250,000
Provide two water features along Rousakis Plaza	\$ 2,400,000
Install new lighting along Rousakis Plaza and River Street	\$ 1,500,000
Install new play area, restrooms and stage in Morrell Park	\$ 1,250,000
Create food truck zone and ADA drop-off in parking lot 3	\$ 500,000
Provide café seating on southside of River Street	\$ 500,000
Plant palm trees along the south side of River Street	\$ 100,000
Install crosswalks	\$ 2,000,000
Undertake utility work	\$ 1,500,000



Project 3

Tide to Town:

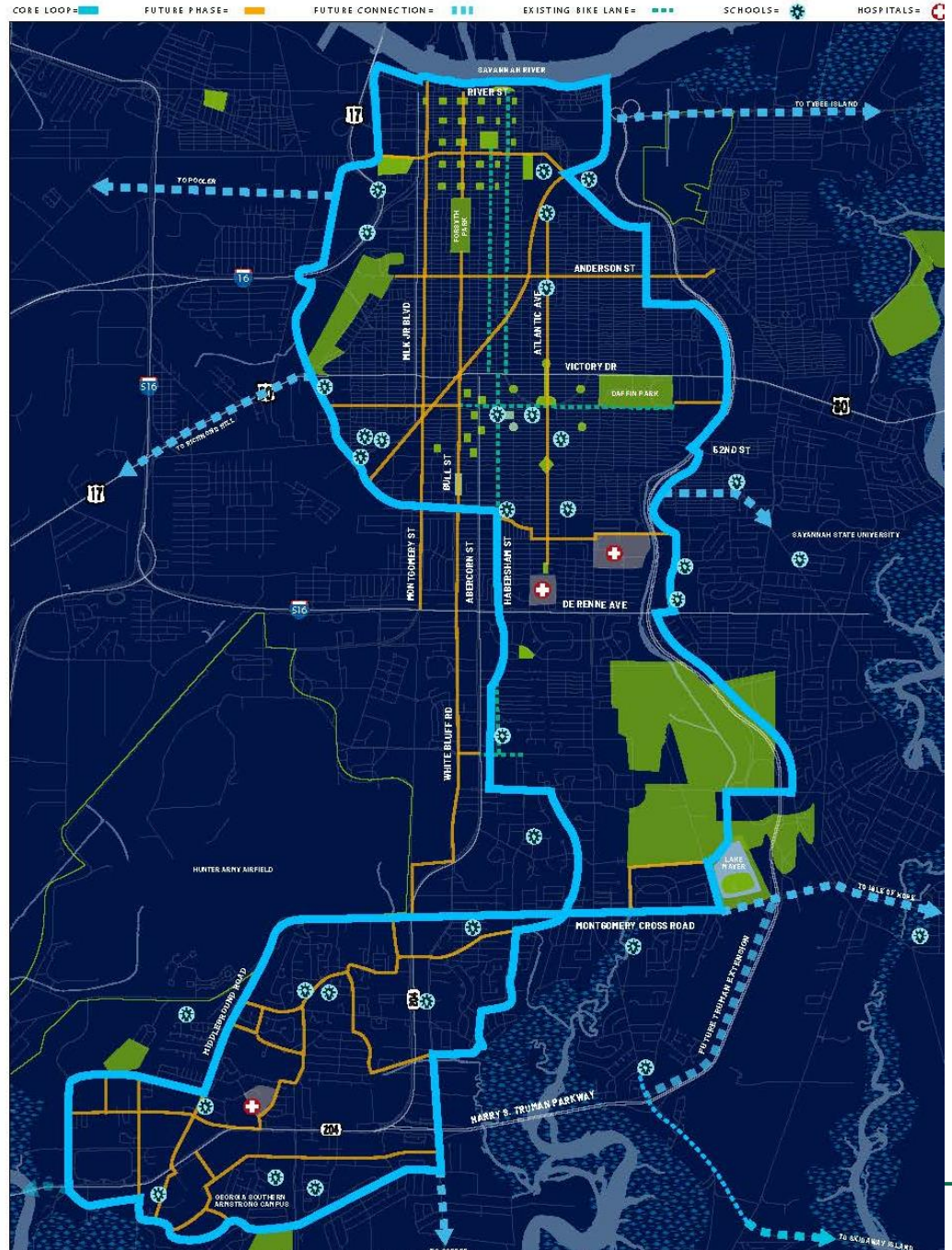
\$10 Million





Work is well under way on first phase linking Lake Mayer to Daffin Park.

New funding, combined with \$1M SPLOST allocation, will allow the City to make significant progress on other segments.



Tide to Town: Truman Linear Trail Segment



Project 4

West Bay Street / Dorothy Barnes Pelote Bridge

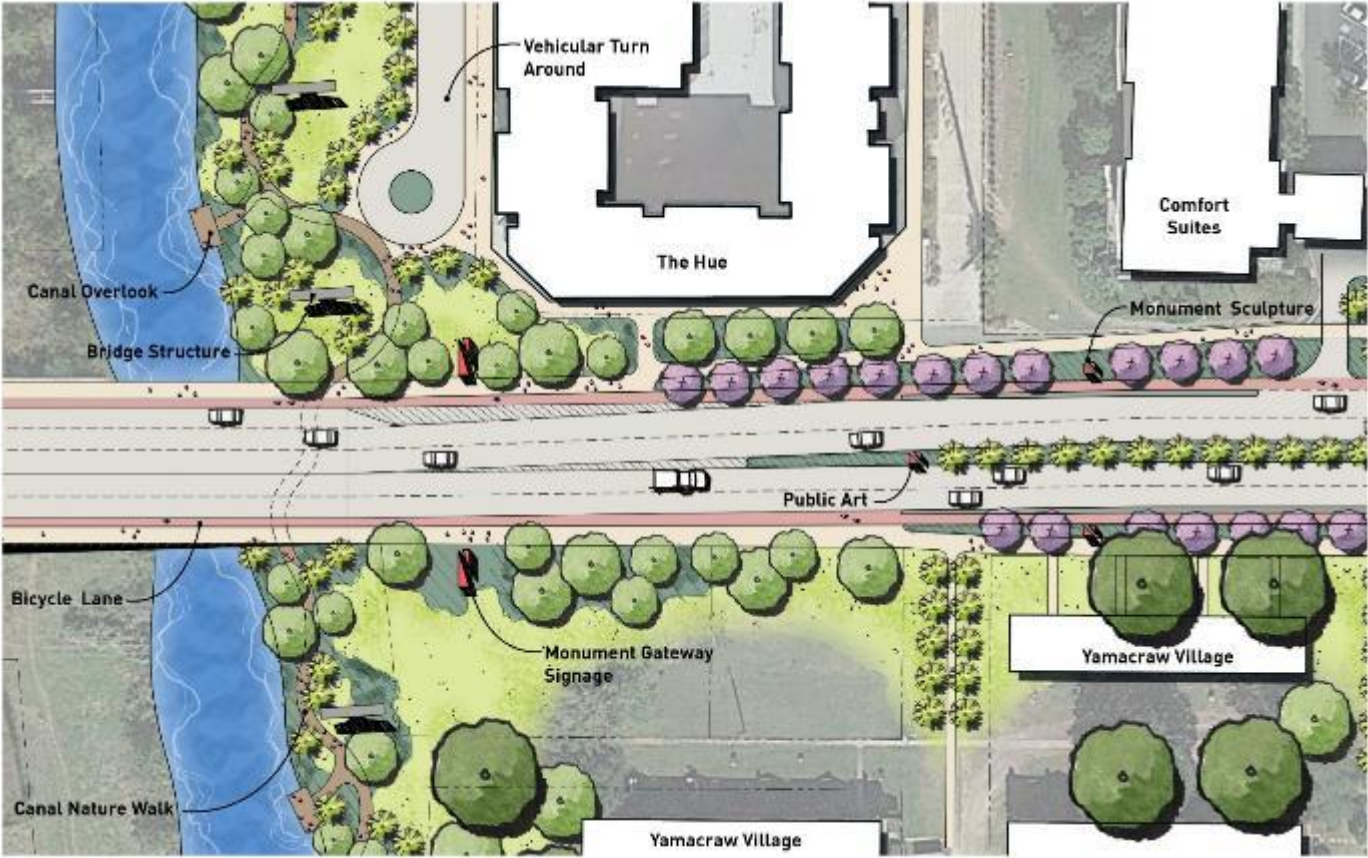
\$5 Million

A new western gateway into Savannah's Historic District



West Bay Street

Illustrative Enlargement



Dorothy Barnes Pelote Bridge

Gateway Project



Sculptural Shade Structure

Existing Bridge Structure

5' Bicycle Lane



Questions

