

December 3, 2025

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

202502097

Subject: **Special Events Funding**

REFERENCE DOCUMENT #202500771

On April 23, 2025, the City Council referred the following for a report:

MOTION, submitted by Councilmember Walsh, **WE MOVE** that the Administration creates a standing policy to create a dedicated funding stream for special events as a part of the annual budget process. This process should include setting aside an amount of funding equivalent to at least 15.1% of our ticket revenue every fiscal year into a to-be-established “Special Events Restricted Account” so there is a dedicated, annual source for special events funding.

WE FURTHER MOVE that at least 10% of the Special Events Restricted Account be used every year to support a Special Events Accelerator to help seed the next great Cincinnati event.

WE FURTHER MOVE that the Administration provide a report recommending how the funding will be allocated yearly to ensure that events of all kinds are being represented and supported.

WE FURTHER MOVE that any legal definitions that need to be updated to make this policy directive a reality be included in the report for further action.

This report responds to the above Council motion related to Special Events funding and the City’s Admissions Tax revenue.

Background and History

Per Section 309 – Admissions Taxes of the Cincinnati Municipal Code (CMC), the City of Cincinnati levies a three percent (3%) tax on amounts paid for admission, including the amounts paid for resale of admission, within city boundaries, defined as a charge paid for the right or privilege to enter into a temporary or permanent place or event in any tour or itinerant form of amusement within the City of Cincinnati. Persons or organizations collecting and remitting admissions tax are required to obtain an Admissions Tax License, submit monthly and annual Admissions Tax Returns, and remit admissions tax to the City of Cincinnati.

On January 24, 2024, the City Council approved Ordinance No. 0021-2024 to amend certain Cincinnati Municipal Code provisions of the Admissions Tax. These changes required the addition of marketplace facilitators, or third-party resellers, as vendors to collect and remit tax to the City.

Admissions Tax is receipted as General Fund revenue and defrays a portion of current expenses and other General Fund expenditures of the City of Cincinnati. This revenue is categorized into three buckets: Athletics (Football, Baseball, etc.), Entertainment (Stage Plays, Concerts, etc.), and Recreation (Golf Courses, Country Clubs, etc.). Budgeted admissions tax revenue estimates for FY 2026 are \$10,205,500.

Historic Admissions Tax Revenue

The table below shows historic Admissions Tax revenue data for Fiscal Years 2014 through 2019. This six-year period captures data prior to the COVID-19 pandemic. Total revenue for this period was \$34.9 million, an average of \$5.8 million per year.

Pre-COVID-19 Admissions Tax Revenue

Fiscal Year	Admissions Tax Revenue
2014	\$5.3 million
2015	\$5.4 million
2016	\$6.6 million
2017	\$5.8 million
2018	\$5.8 million
2019	\$6.0 million

Fiscal Year 2016 was both the highest grossing year of the period, and the largest year-to-year growth primarily related to Baseball admissions. F.C. Cincinnati also played its first games in the City during this Fiscal Year.

Admissions Tax revenue was greatly impacted by the COVID-19 pandemic. A two-year drop in revenues is demonstrated in the table below:

COVID-19 Admissions Tax Revenue Impact

Fiscal Year	Admissions Tax Revenue
2020	\$4.8 million
2021	\$1.2 million

Revenues have steadily increased since Fiscal Year 2021, as entertainment in the City has rebounded from the COVID-19 pandemic. Admissions Tax revenues have increased each Fiscal Year since 2021, for a four-year total of \$40.1 million, or an average annual revenue of \$10.0 million. This time period also reflects the opening of a new entertainment venue on The Banks, the Andrew J. Brady Music Center. FY 2025 was the first full year in which the Admission Tax provisions were amended to include marketplace facilitators, or third-party resellers, as vendors to collect and remit tax to the City.

Post COVID-19 Revenues

Fiscal Year	Admissions Tax Revenue
2022	\$7.7 million
2023	\$8.9 million
2024	\$11.5 million
2025	\$11.8 million

Special Events Expenditures

Special Events Fund 314 was established to administer, promote, and conduct special activities of general public interest and benefit within the City of Cincinnati. Expenditures can be made by the City Manager or their designee; permitted receipts of revenue include private donations, bequests, contributions, or grant monies. The table below shows expenditures from Special Events Fund 314 from Fiscal Year 2014 through Fiscal Year 2025.

Special Events Fund 314 Expenditures

Fiscal Year	Fund 314 Expenditures
2014	\$105,790
2015	\$87,598
2016	\$423,836
2017	\$7,103
2018	\$13,908
2019	\$10,437
2020	\$252,812
2021	\$0
2022	\$0
2023	\$13,207
2024	\$82,960
2025	\$28,948

Resources are not annually budgeted or appropriated to Special Events Fund 314. Most expenditures are authorized via ordinance and represent small, specific events, often off-set by donations or specific fund-raising efforts. Recent examples of approved expenditures in this category include the Department of Economic Inclusion (DEI)'s annual Business Enterprise Expo, Girls in Government events hosted by City Council, Social Services Day, and the Black Developers Conference.

The major exceptions represented in the table above include \$501,196 in actual expenditures for Major League Baseball All-Star Game Weekend activities in Fiscal Years 2015 and 2016, \$232,228 in costs associated with BLINK, and \$104,838 in Fiscal Year 2014 for reimbursements for Police salaries for the Flying Pig and Taste of Cincinnati Events.

Starting in Fiscal Year 2024 the City Manager's Office has set aside \$70,000 of its General Fund operating budget to assist small special events with their costs. These events are typically new or organized by a non-profit organization in need of additional financial support. All funding through this program is subject to an application process and funding guidelines, including:

- An event operating budget of below \$100,000.
- The event takes place within City limits.
- The event manager is in good standing with the City.
- The event manager identifies a City goal to be accomplished.
- No event shall receive more than \$5,000 in a given Fiscal Year through this funding program.

City Manager's Office Special Event Support

Fiscal Year	Special Event Awards
2024	\$20,400
2025	\$21,240

In recent Fiscal Years, the City Council has appropriated additional resources to Special Events as an investment in the local economy. These investments include \$1.0 million of American Rescue Plan Act (ARPA) resources for BLINK in Fiscal Year 2023, \$2.5 million for the Sundance Film Festival in Fiscal Year 2025, \$500,000 for the America's River Roots Festival across Fiscals Years 2025 and 2026, \$400,000 for the Forbes 30 Under 30 event in Fiscal Year 2025, and \$250,000 to support the Greater Cincinnati Sports Commission in Fiscal Year 2025. The Approved FY 2026 Operating Budget also includes resources for Asianati (\$50,000), Black Tech Week (\$200,000), and MidWest Con (\$50,000).

Recommendations

Admissions Tax revenue is a key resource used for General Fund expenditures. A guaranteed annual set aside of General Fund resources in the annual fiscal year budget to fund special events would be detrimental to balancing the budget especially with expected General Fund budget deficits for the foreseeable future.

The Administration recommends that Special Events funding be an annual flat amount as opposed to a percentage calculation of Admissions Tax revenue for administrative efficiency. Transferring a fixed amount provides the City Council stability for future special events planning as Admissions Tax revenue can be volatile. Ticket sales to athletic events can be dependent on team success and ticket sales for concerts and stage plays can be dependent on touring acts. The City's ability to invest in the local economy would not be limited by the outcomes of sporting contests or the tour schedule of popular acts. Ticketed events often serve as an indicator of the strength of the local economy. When Admissions Tax revenues are higher, it is expected that other revenue sources such as the earnings tax would also be higher. An investment in Special Events serves as an impetus to spur economic activity.

The Administration recommends amending the Stabilization Funds Policy to include a transfer of funds to a Special Events Support reserve account in the General Fund as part of the Stabilization Funds Policy Waterfall Mechanism and defined Carryover. The annual transfer would be made at up to \$500,000 and included among the items to fund after the Recommended Aggregate Reserve Balance is met for the Stabilization Funds. Other items in this category include the Affordable Housing Trust Fund (up to \$5.0 million), the Unfunded Pension Obligation (up to \$2.0 million), and the Operating Budget Contingencies Account (up to \$500,000). Fund would be utilized to support special events with one-time operating support to enhance the vibrancy of the City and generate positive economic impact. Using a reserve account will allow funds to be spent as needed or remain in the reserve account as available balance to use in future Fiscal Years if not spent in the year in which funds were transferred to the reserve account. The Administration would look to the City Council to determine priorities and parameters for the use of funds from the Special Events Support reserve account.

The Administration will submit an Ordinance to formally amend the Stabilization Funds Policy and create the new Special Events Support reserve account. The Administration recommends the special events funded annually include an economic impact, or a return on investment. City funding should also factor in the recipient event's ability to leverage other resources from local community partners to create a shared pool of resources. Reinvesting special events funding into the community in the form of large events can create a positive feedback loop that spurs the local economy through future times of uncertainty or economic downturn.

cc: William "Billy" Weber, Assistant City Manager
Cathy B. Bailey, Interim Assistant City Manager
John Brazina, Interim Assistant City Manager
Steve Webb, Finance Director
Andrew Dudas, Budget Director