

Special Promotional Programs



Description

The use of Transient Occupancy Tax (TOT) revenue is guided by the City's Municipal Code Section 35.0101, which stipulates that of the 10.5% of collected TOT revenue, 5.5% is to be applied toward general government purposes, 4.0% towards promoting the City as a tourist destination, and the remaining 1.0% towards any purposes proposed and approved by the Mayor and City Council. The Special Promotional Programs Department is funded by the 4.0% allocation of TOT revenue. The Special Promotional Programs Department provides funding for promoting the city of San Diego as a visitor destination and enhancing the economy by retaining base-sector businesses and entrepreneurs; supporting artistic and cultural programs; and provide funding for public safety and the maintenance and development of visitor-related facilities.

Special Promotional Programs

Department Summary

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
FTE Positions (Budgeted)	0.00	0.00	0.00	0.00
Personnel Expenditures	\$ -	\$ -	\$ -	-
Non-Personnel Expenditures	168,559,396	156,572,502	142,800,720	(13,771,782)
Total Department Expenditures	\$ 168,559,396	\$ 156,572,502	\$ 142,800,720	\$ (13,771,782)
Total Department Revenue	\$ 147,312,818	\$ 155,779,298	\$ 157,796,246	\$ 2,016,948

Transient Occupancy Tax Fund

Department Expenditures

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
Arts, Culture, & Community Festivals	\$ 12,939,290	\$ 13,239,560	\$ -	(13,239,560)
Discretionary Funding	28,996,035	31,155,860	31,559,250	403,390
Economic Development	1,969,291	1,027,200	1,027,200	-
Support to Other Funds	124,654,780	111,149,882	110,214,270	(935,612)
Total	\$ 168,559,396	\$ 156,572,502	\$ 142,800,720	\$ (13,771,782)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Operational Support to Other Funds Adjustment to reflect revised allocations for operating support of the Mission Bay/Balboa Park Improvement, Convention Center, PETCO Park, and Risk Management Administration.	0.00	\$ 2,979,294	\$ -
One-Time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2025.	0.00	1,050,000	-
One-Cent TOT Discretionary Adjustment to reflect an increase in the One-Cent Transient Occupancy Tax (TOT) transfer to support the General Fund.	0.00	403,390	-
Reduction of Public Art Fund Allocation Reduction of transfer to the Public Art Fund.	0.00	(85,000)	-
Reduction of Arts, Culture and Community Festivals Mayor/City Council Allocation Reduction of non-personnel expenditures for the Arts, Culture and Community Festivals Mayor/City Council allocation.	0.00	(500,000)	-
Reduction of Economic Development and Tourism Support Reduction of non-personnel expenditures for economic development and tourism support for outside organizations.	0.00	(1,000,000)	-

Special Promotional Programs

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Safety and Maintenance of Visitor-Related Facilities Adjustment to reflect revised reimbursements to the General Fund to support the safety and maintenance of visitor-related facilities.	0.00	(3,914,906)	-
Transfer of Arts Culture and Community Festivals Transfer of Arts, Culture and Community Festivals funding from Special Promotional Programs to the Cultural Affairs Division of the Economic Development Department.	0.00	(12,704,560)	-
Transient Occupancy Tax Revenue Adjustment to reflect revised Transient Occupancy Tax (TOT) revenue projections.	0.00	-	2,016,948
Total	0.00	\$ (13,771,782)	\$ 2,016,948

Expenditures by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
NON-PERSONNEL				
Supplies	\$ 1,648	\$ -	\$ -	-
Contracts & Services	102,874,086	100,421,485	83,352,019	(17,069,466)
<i>External Contracts & Services</i>	13,622,535	14,181,760	1,027,200	(13,154,560)
<i>Internal Contracts & Services</i>	89,251,550	86,239,725	82,324,819	(3,914,906)
Transfers Out	65,683,663	56,151,017	59,448,701	3,297,684
NON-PERSONNEL SUBTOTAL	168,559,396	156,572,502	142,800,720	(13,771,782)
Total	\$ 168,559,396	\$ 156,572,502	\$ 142,800,720	\$ (13,771,782)

Revenues by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
Transfers In	\$ 147,147	\$ -	\$ -	-
Transient Occupancy Tax	147,165,671	155,779,298	157,796,246	2,016,948
Total	\$ 147,312,818	\$ 155,779,298	\$ 157,796,246	\$ 2,016,948

Special Promotional Programs

Special Promotions

Organization / Program	FY2024 Actual	FY2025 Budget	FY2026 Draft
ARTS, CULTURE, AND COMMUNITY FESTIVALS			
Arts, Culture, and Community Festivals			
Creative Communities San Diego	\$ 1,936,333	\$ 2,040,912	\$ 1,717,304
Organizational Support	10,009,550	10,163,648	9,589,606
Impact	425,000	500,000	500,000
Arts, Culture, and Community Festivals Subtotal	\$ 12,370,883	\$ 12,704,560	\$ 11,806,910
Other			
Cultural Affairs	\$ 4,152,631	\$ 2,876,948	\$ 2,039,432
Arts, Culture, and Community Festivals - Mayor/City Council Allocations	483,407	450,000	-
Arts, Culture, and Community Festivals - Public Art Fund	85,000	85,000	-
Other Subtotal	\$ 4,721,038	\$ 3,411,948	\$ 2,039,432
TOTAL ARTS, CULTURE, AND COMMUNITY FESTIVALS	\$ 17,091,921	\$ 16,116,508	\$ 13,846,342
CAPITAL IMPROVEMENTS			
Capital Improvements			
Convention Center	\$ 12,092,175	\$ 12,099,510	\$ 12,097,441
Mission Bay Park/Balboa Park Improvements	738,000	-	-
PETCO Park	9,256,227	7,788,625	9,291,125
Capital Improvements Subtotal	\$ 22,086,402	\$ 19,888,135	\$ 21,388,566
TOTAL CAPITAL IMPROVEMENTS	\$ 22,086,402	\$ 19,888,135	\$ 21,388,566
ECONOMIC DEVELOPMENT PROGRAMS			
Economic Development and Tourism Support			
Economic Development and Tourism Support	\$ 764,434	\$ -	\$ -
Economic Development and Tourism Support Subtotal	\$ 764,434	\$ -	\$ -
Other			
Business Expansion, Attraction, and Retention (BEAR)	\$ 1,058,091	\$ 847,200	\$ 847,200
Economic Development Program Administration	146,767	180,000	180,000
Other Subtotal	\$ 1,204,857	\$ 1,027,200	\$ 1,027,200
TOTAL ECONOMIC DEVELOPMENT PROGRAMS	\$ 1,969,291	\$ 1,027,200	\$ 1,027,200
SAFETY AND MAINTENANCE OF VISITOR RELATED FACILITIES			
Safety and Maintenance of Visitor-Related Facilities			
Discretionary Transient Occupancy Tax Support to General Fund	\$ 28,996,035	\$ 31,155,860	\$ 31,559,249
Mission Bay Park/Balboa Park Improvements	709,824	862,937	904,333
Convention Center	8,984,041	4,066,084	4,150,586
PETCO Park	4,672,361	-	1,342,278
Risk Management	-	93,000	103,689
Major Events Revolving Fund	150,000	-	-
Special Events and Filming Department	1,380,168	1,495,775	1,505,105
TOT Administration and Promotional Activities	88,052,152	86,239,725	82,324,819
Safety and Maintenance of Visitor-Related Facilities Subtotal	\$ 132,944,580	\$ 123,913,381	\$ 121,890,059
TOTAL SPECIAL PROMOTIONAL PROGRAMS BUDGET	\$ 174,092,195	\$ 160,945,224	\$ 158,152,167
SUMMARY			
ARTS, CULTURE, AND COMMUNITY FESTIVALS	\$ 17,091,921	\$ 16,116,508	\$ 13,846,342
CAPITAL IMPROVEMENTS	22,086,402	19,888,135	21,388,566
ECONOMIC DEVELOPMENT PROGRAMS	1,969,291	1,027,200	1,027,200
SAFETY AND MAINTENANCE OF VISITOR-RELATED FACILITIES	132,944,580	123,913,381	121,890,059
TOTAL SPECIAL PROMOTIONAL PROGRAMS BUDGET	\$ 174,092,195	\$ 160,945,224	\$ 158,152,167