

## **Columbus Ticket Fee Answers to Frequently Asked Questions (August 2018)**

### **What is it?**

The Columbus ticket fee is a proposed fee charged on tickets for events and admissions to venues within the City of Columbus. This includes season tickets and tickets purchased through subscription series. Also known as a “user fee” it will be paid by the consumer, or the user.

### **What will the money collected from the fee be used for?**

The revenue collected will be invested back into the community by providing needed funds for grants and capital improvement dollars to the nonprofit arts and cultural entities funded by the Greater Columbus Arts Council, and for capital improvements to Nationwide Arena.

### **Why is it needed?**

Multiple independent research studies in the last decade demonstrate that the position of Columbus’s arts, culture, and entertainment sector in relation to its peer cities is extremely weak. Per capita spending on arts and culture here is below peer cities like Cleveland and Pittsburgh, and arts and cultural organizations receive significantly less public funding than their counterparts across the country. Similarly, Nationwide Arena is nearly 20 years old, and while the structure is sound, renovations or improvements have largely been deferred since its opening. In comparison with other major league arenas, Nationwide currently ranks last in capital improvements. Moreover, every other city competing for Amazon’s HQ2 and other major employers maintain downtown arenas and have vibrant arts and cultural offerings

This additional public funding is needed to insure sustainability for these vital components of our community and continue their significant impact on our economy, employment, education, and quality of life. Revenue generated from a 7% ticket fee will keep Columbus arts, cultural, and entertainment attractions well-cared for, with high-quality productions and exhibitions, and position the organizations and venues to continue to play a leading role in attracting residents, businesses, and visitors to the region.

### **Why was this funding mechanism chosen?**

Thirteen different public funding options for providing sustainability and critical capital support for Columbus arts and cultural organizations were reviewed and vetted. Thorough research and financial analysis was done to determine the amount of money required to sustain these entities in the manner needed to support the growing Columbus economy and tourism industries. This solution – at 7% – generates the needed amount of money, has support from key stakeholders, is a model allowed by Ohio law, and is already adopted in 63 other cities in the state.

### **How will it be implemented?**

After the public forums the Greater Columbus Arts Council will make a proposal to City Council with recommendations based on community input. The City Attorney’s office will draft the legislation and release it to City Council to review, ideally in September, and City Council will determine a public hearing schedule to give the community an opportunity for voice their comments. Based on those hearings, City Council will determine the timing for voting on the legislation.

**When will the legislation language be available, and will it spell out all the details?**

Once the legislation is released publicly, the legislative process begins and all concerned parties can review it. The legislation will define “admission” and “ticket” for the purposes of collecting the fee. The Auditor’s Office will be responsible for issuing a more-specific set of rules and regulations regarding administrative details of implementing and collecting the fee.

**To which events and venues would the fee be applied?**

The fee would be applied on a ticket or admission to any event at Ohio Stadium, Nationwide Arena, Schottenstein Center (with the exception of college and high school sporting events), Franklin County Convention Center, Ohio State Fairgrounds, Columbus Zoo and any concert, performance, movie, event or admission to any for-profit or nonprofit event or organization in the City of Columbus. The Greater Columbus Arts Council may make recommendations to further define the list of eligible admissions and events in their proposal to City Council.

**How much will a 7% percent ticket fee generate?**

Research indicates the estimated total revenue from admissions and tickets in Columbus is \$197.3 million annually. Each percent of the ticket fee would generate approximately \$2 million. The largest single contributors to revenue are the Columbus Blue Jackets, and concerts at Nationwide Arena, Schottenstein Center and Ohio Stadium.

**Will the fee apply to memberships?**

The fee will apply to any memberships (or other classifications) that include admission benefits.

**Are there any exemptions?**

At this time, all K-12 and college sporting events, at any venue, are exempt. Also exempt are admissions to events for the exclusive benefit of: religious institutions; persons in U.S. military forces; Columbus Public Schools; any municipal police or fire department; City of Columbus; State of Ohio; or any political subdivision.

**Who collects the fee?**

The entities selling the tickets and admissions collect the fee at the time of sale. The City of Columbus will provide an accounting and invoicing structure for the selling entities to submit the collected fees on a regular schedule determined by the Auditor’s Office.

**When is the effective date, and will it apply to the date of sale or the event date?**

The proposed effective date is January 1, 2019. Tickets sold prior to that date will not have the fee applied, regardless of the event date.

**How will the Greater Columbus Arts Council distribute funding to arts and cultural organizations?**

The Greater Columbus Arts Council will distribute the funds from the ticket fee to arts and cultural organizations and individuals through its current grant programs. Distribution of dollars within the grant programs is still being determined but will include funds for facilities for anchor institutions as well as increases to available funds in all grant programs for nonprofit arts and cultural organizations and artists.