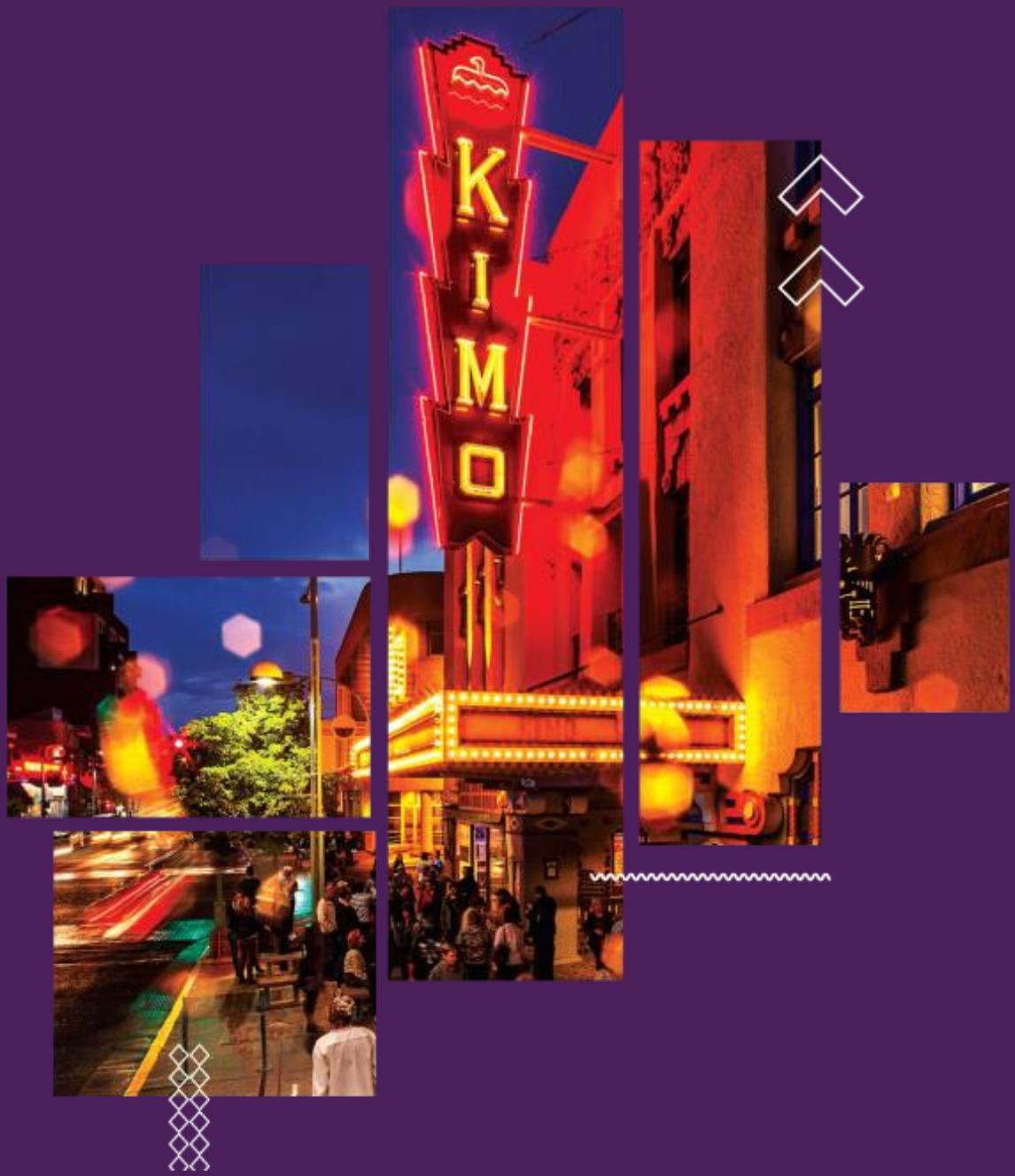


National Destination Funding Models & Trends

February 10, 2026



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CHANGE YOUR PERSPECTIVE

Destination Funding

8% Private, 92% Public

Private

- Membership/Partnerships
- Private Grants
- Event Revenue
- Contract Services
- Licensing, Naming Rights
- Voluntary District (Voluntary TID)

Public

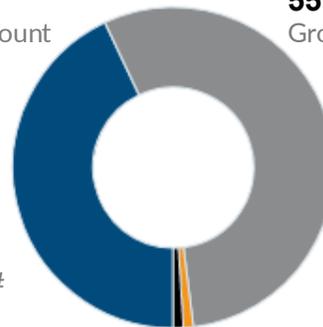
- Untethered Tax Allocations
- Tethered Tax Allocations
- Property Tax Increment Financing
- Gov't Grants (e.g., EDA)
- Sales/Hotel Tax Increment Financing
- **Assessments (TID)**

222 TIDs

Most Recent US TID:
North Central Mass
(October 2025)

43%
Fixed \$ Amount

55%
Gross Revenue %



1%
Fixed-rate based on #
of hotel
rooms

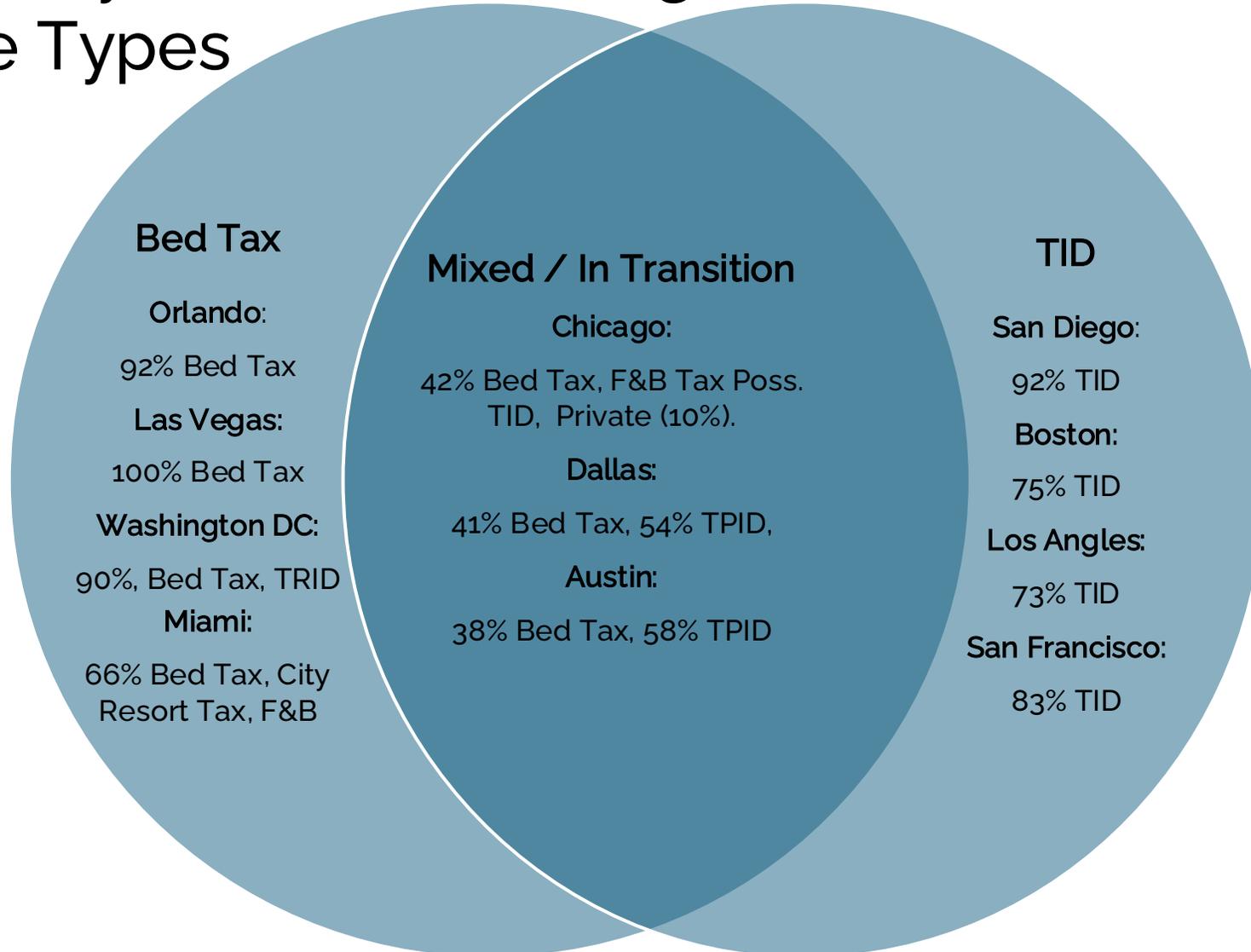
1%
Fixed-rate per
occupied room
per night that
varies by ADR

ANNUAL AMOUNT RAISED

Low	\$10,000
High	\$47,200,000
Total	\$724,800,000

25 STATES

Primary US DMO Funding – Five Types



General Fund

New York:

48% General Fund, 35% Private Source, Grants, Other

Voluntary Districts

Sedona:

100% Voluntary District

Newport Beach:

100% Voluntary District

Sales & Hotel Tax Increment Financing

- Increment is Differential Between Amount of Tax Raised in Base Year and Current Collections
- Increment Used for Tourism Purposes

Advantages:

- Diversification of payors
- Strong Linkage of Tourism Growth to DMO funding ("skin in the game")
- No New Levy
- No Diversion of Existing Revenue



STIF Case Study

- The Utah State Legislature established the Utah Tourism Marketing Performance Fund (TMPF) in 2005 – 21 tourism business types.
- Enabled the state's marketing fund to grow from \$900k to \$25m.

Funding Allocation:

- 70% for the statewide advertising efforts
- 20% to the local coop program
- 10% to the Sports Commission

Sales & Hotel TIF Case Study

- The Texas Legislature established the Project Financing Zone concept in 2013 and expanded it in 2023 to include Austin, Corpus, Houston, and San Antonio.
- Allows diversion of the increment from **state hotel tax (6%), sales tax, and mixed beverage tax** collected at hotels.
- Funds May be used for construction of convention center, arena or a qualified hotel.
- Project Financing Zone can be established for up to 30 years.





NEW MEXICO  TRUE
NEW MEXICO TOURISM
FUNDING

Agency At-A-Glance

Vision: Be the primary destination for venturesome travelers

Mission: Grow New Mexico's economy through tourism

Divisions:

- New Mexico Magazine
- Program Support
- Tourism Development
- Marketing and Promotions

FY26 Budget (Current):

Recurring: \$26.2 million

Other State Funds: \$4.8 million

Non-recurring: \$31.4 million

- **\$18MM** National and International Marketing and Advertising, includes \$2.5MM Rt. 66 Centennial, \$3.0M Litter Campaign
- **\$2MM** Marketing Excellence Bureau
- **\$1.9MM** Grants for tribal and local governments for tourism related infrastructure projects through destination forward grant program, FY26-27
- Other: **\$1MM** Las Cruces air show; **\$300K** Marketing of athletic competition for people with disabilities; **\$200K** New Mexico bowl

New Mexico's Tourism Funding Initiatives

Tourism Recovery Marketing Initiative

- New Mexico State leadership earmarked \$17 million for the Tourism Department's marketing efforts. The special appropriation for "tourism revitalization" funding boosted the New Mexico True advertising campaign to restore and the state's tourism economy after the impacts of COVID-19 shutdowns.



Tourism Event Growth & Sustainability Program (TEGS)

- Funding through the expanded special appropriation, the TEGS program launched to be a tourism event grant to preserve and expand events as tourism drivers. In its first year the program awarded \$177,000 in sponsorships, marketing promotion and technical assistance to 16 events statewide. Funding more than doubled in FY2024, underscoring the program's success in sustaining and supporting New Mexico's cherished tourism events.



Destination Forward Grant Program

- Introduced in FY2024, through a special appropriation from the Legislature, the tourism department launched a tourism infrastructure grant. The program offers competitive grants for projects like visitor facilities, attractions, wayfinding, and renovations to enhance the visitor experience. Since FY2024 the Legislature has funded the effort around \$1.9 million annually.



Route 66 Centennial

- The New Mexico Legislature appropriated \$2.5 million in 2024 to help communities along historic Route 66 prepare for the highway's 2026 centennial anniversary. In its first round, NMTD awarded more than \$1.5 million in grants to nine Route 66 communities for centennial-related marketing, infrastructure, and events. A second round of grants delivered an additional \$1.6 million to Route 66 projects, with a focus on promotional campaigns and event sponsorships.

Insights from Albuquerque Funding Approach & Programs



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CHANGE YOUR PERSPECTIVE





Destinations International Community Vitality Wheel

1. VISIT

If you built a place where people want to visit, then you have built a place where people want to live.

2. LIVE

And if you built a place where people want to live, then you have built a place where people want to work.



4. INVEST

And if you built a place where business and residents will invest, then you have built a place where people will want to visit.

3. WORK

And if you built a place where people want to work, then you have built a place where business and residents will invest.



ALBUQUERQUE DESTINATION MASTER PLAN



Addressing needs of residents, visitors and stakeholders



Illustrating the power of tourism and the community shared value



Identifying visitors who fit our destination



Ensuring alignment on the destination's vision and competitive position



Identifying products, amenities, infrastructure, programming and experiences to achieve our community's vision



Identifying key themes for community alignment to tourism development goals



ALBUQUERQUE DESTINATION MASTER PLAN

The DMP centers around eight priorities to guide the destination and Visit Albuquerque as an organization through the next decade. The priorities include:



Destination
Development



Events & Festivals



Downtown
Development
& Activation



Infrastructure
& Transportation



Workforce
Development



Venues & Facilities



Funding



Measurements
& Metrics

➤ FUNDING SOURCES

Public Revenue:

Lodgers' Tax and Hospitality Fees

- Lodgers Tax 5%
 - Hospitality Fee 1%
 - *(Receive approximately 42% of total)*
-

Albuquerque Tourism Marketing District

Established in July 2022

- 2% Assessment Fee
 - Approximately \$7 million annually
-

Private Revenue:

Partnership Related Dues and Activity

- Cash & In-kind – approximately 8% of total budget
-

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DESTINATION DEVELOPMENT

TOURISM GRANTS PROGRAM

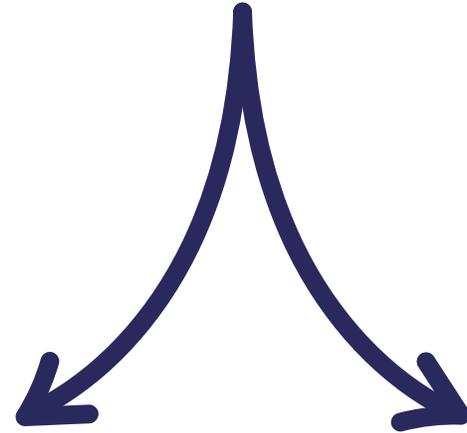
- Awarded \$500,000 in 2025 to 28 grantees for projects that will support the growth of a **diverse and thriving tourism economy** in the city.
- Made possible thanks to **revenue generated by the Albuquerque Tourism Marketing District (ATMD)**.



Funding Types

Innovator

- up to \$100,000
- 1:1 funding match
(must show cash match)
- 1 letter of support



Incubator

- up to \$10,000
- no match required
- 2 letters of support

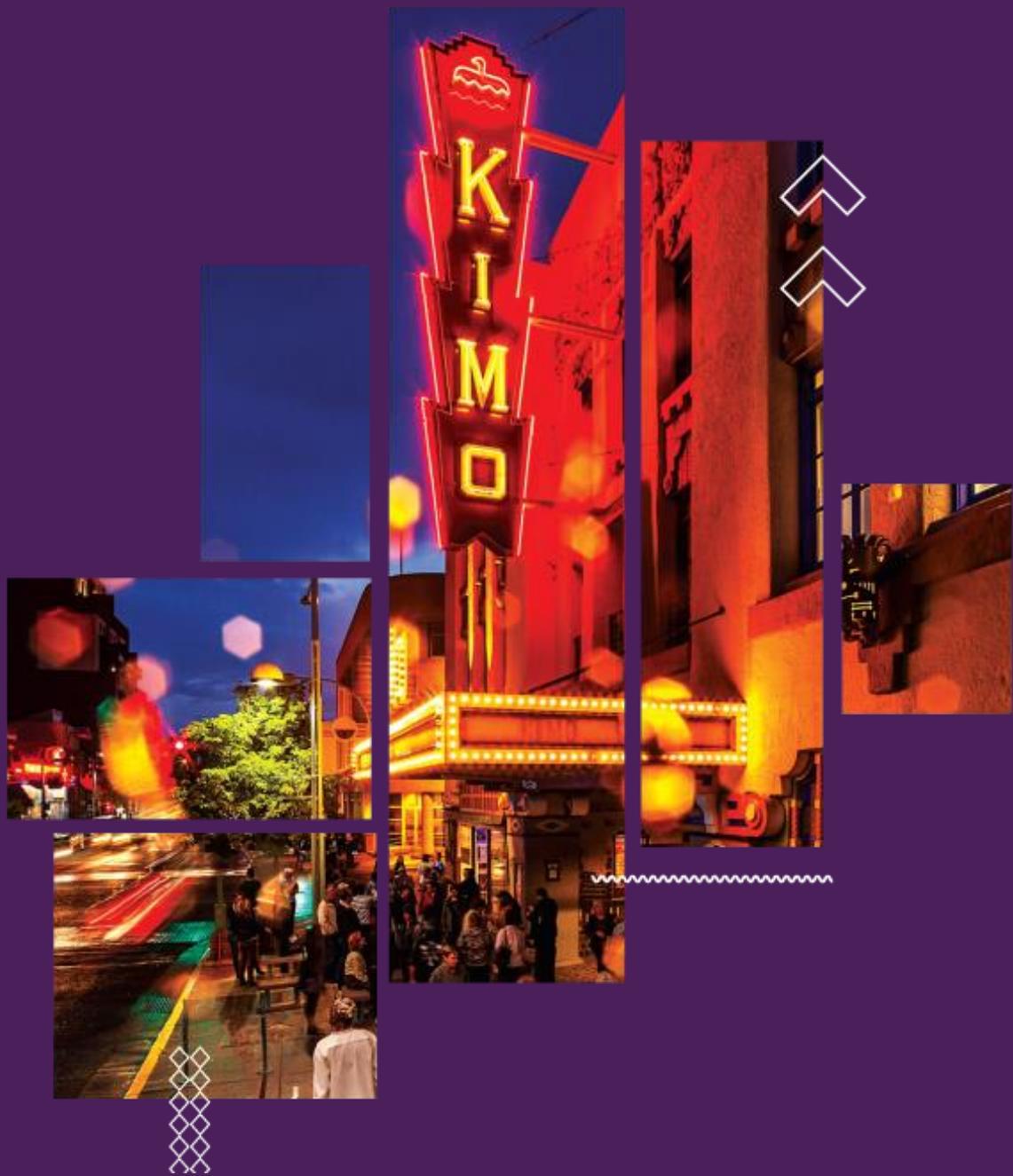


Grant Priorities



Alignment
with Destination Master
Plan

Focus on Shoulder
Season:
November-March



THANK YOU



. VISIT .

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