

# **November 2025 Lodging Tax Ballot Measure Endorsement**

### Q: WHAT IS THE BALLOT MEASURE ABOUT?

On November 4, 2025, City of Springfield voters will consider increasing the local lodging tax by 3 percent. This tax is generally paid by visitors staying in hotels, motels, tourist courts, and short-term rentals.

Check if the address where you are registered to vote at is inside the Springfield city limits <a href="https://cosmo.maps.arcgis.com/apps/InformationLookup/index.html?appid=5723eb98cc0c4e9d">https://cosmo.maps.arcgis.com/apps/InformationLookup/index.html?appid=5723eb98cc0c4e9d</a> a2b29c90a91d0233)

Official Ballot Language: Shall the City of Springfield, Missouri, impose an additional three percent (3%) license tax on the business of renting, leasing, or letting living quarters, sleeping accommodations, rooms, or a part thereof, in connection with any hotel, motel, tourist court, or short-term rental, derived from or paid by transient guests for sleeping accommodations for the purpose of attracting travel and tourism, including the construction of a regional convention and event center?

#### Q: WHAT WILL THE INCREASED REVENUE FUND?

Revenue will fund travel and tourism attraction efforts and the construction of a 125,000-square-foot regional convention and event center. Allocations for the current 5% lodging tax would remain at the following level:

- 47% for tourism and marketing efforts, administered by Visit Springfield, Missouri;
- 44% for debt service on bonds related to Jordan Valley Creek (expected to retire in 2028 and be reallocated toward the convention and event center);
- 4.5% for cultural tourism through the Springfield Regional Arts Council;
- 4.5% for sporting-event attraction through the Springfield Area Sports Commission.

#### O: WHEN WAS SPRINGFIELD'S LODGING TAX LAST INCREASED?

Springfield's lodging tax was established in 1979 and last increased to the current 5% in 2004. In 2023, voters approved adding short-term rentals to the list of taxed entities and approved the current revenue allocation (listed above).

### Q: HOW MUCH MONEY WILL THE TAX INCREASE GENERATE?

The current 5% percent lodging tax generates approximately \$7 million annually. The increase is expected to generate an additional \$4.4 million annually starting April 2026. The increased funding has no sunset.

#### Q: WHO WILL PAY THIS TAX?

The tax is primarily paid by visitors, not local residents, staying in hotels, motels, tourist courts, and short-term rentals for less than 30 days.



## **November 2025 Lodging Tax Ballot Measure Endorsement**

#### O: WHAT TAXPAYER ACCOUNTABILITY MEASURES EXIST IF THE TAX INCREASE IS PASSED?

Although there is no sunset associated with the funding, the City of Springfield anticipates using the "Completed as Promised" model to provide taxpayer accountability. This approach of engagement and communication has been successful in tax renewals with more than 80 percent voter support and in extending or eliminating sunsets. The Springfield Citizens' Tax Oversight Committee, which oversees multiple voter-approved taxes, also meets quarterly to review revenues and spending, reporting findings to City Council twice a year.

#### O: WHY IS THE CHAMBER SUPPORTING THIS BALLOT MEASURE?

The Chamber board believes this lodging tax will help spur economic development, support regional economic vitality, enhance quality of life for residents, and ensure Springfield and the region are destinations for tourism. Creating opportunities to bring events, conferences, sporting events and more to this area further supports existing businesses, which will certainly benefit from the economic impact of increased visitors.

This measure is also critical to secure \$30 million in state funding for the project. The appropriation should be capitalized on as this opportunity may not exist in future state budgets. The Chamber has previously supported Springfield lodging tax increases using the same thorough member-driven review process. You can read more about this process at springfieldchamber.com/votereducation.

### Q: HOW DOES SPRINGFIELD'S LODGING TAX COMPARE TO OTHER CITIES?

If approved, Springfield's total lodging tax rate (16.1%) would be in line with peer and competitor markets in the region, making us more competitive for large events.



Image provided by City of Springfield



# **November 2025 Lodging Tax Ballot Measure Endorsement**

### Q: WHY IS THIS BALLOT MEASURE NEEDED?

The lodging tax increase proposal was spurred by a \$30 million appropriation for a regional convention and event center included in the Fiscal Year 2026 state operating budget. However, the \$30 million state appropriation is currently restricted based on concerns related to anticipated state revenue. The release of these funds is at the discretion of the Governor, and although it is unclear when or if these funds will be released, there is general optimism that Springfield will receive the \$30 million if a local commitment to funding this project through increased lodging tax collections is shown.

### Q: WHY IS A CONVENTION AND EVENT CENTER NEEDED?

Conversations around creating a large-scale convention and event center have occurred for many years. Since 2006, Hunden Partners has completed four market and financial feasibility studies for the City of Springfield, each identifying opportunities for an enhanced meetings, convention and hotel package.

The latest Hunden report in July 2025 notes stagnation and an underperforming Expo Center while highlighting that regional competitors have invested in modern facilities. This report recommends developing a 125,000-square-foot multi-use convention and event center and a 400-room connected headquarters hotel as part of a walkable 1,000-room package. This type of event facility, not including the hotel, is anticipated to cost \$175 million.

## Q: WHAT IS THE ESTIMATED ECONOMIC IMPACT OF A CONVENTION AND EVENT CENTER?

Our region is estimated to lose \$125,114 per day in missed convention and events-related revenue. The construction of this facility would help leverage larger events, stimulate demand, identify Springfield as a tourism destination, position Springfield competitively with other peer markets, and encourage increased economic and cultural activity.

After four years, the facility is projected to host 164 events annually, generate 80,000 hotel room nights, and deliver \$1.35 billion in spending and \$68.7 million in tax revenue over 30 years.

The City of Springfield and Visit Springfield anticipate this facility would host major conferences, trade shows, concerts and sports events; support local events like job fairs, graduations and expos; serve as a hub for tourism-related economic activity; and serve as a catalyst for revitalization in the surrounding site area.



# **November 2025 Lodging Tax Ballot Measure Endorsement**

### O: WHAT FUNDING SOURCES EXIST FOR THE CONVENTION AND EVENT CENTER?

The 3% lodging tax increase would play a large role in the overall financing plan for the convention and event center. The anticipated financing for the project is as follows:

- \$175 million event center project financed by \$30 million FY26 state appropriation and \$145 million long-term financing structure for 30 years.
  - 1. \$30 million local match from ½-cent Spring Forward sales tax in FY2026 (approved by Springfield City Council in August 2025);
  - 2. New 3% hotel/motel tax on November 2025 ballot;
  - 3. Reallocation of city's existing hotel/motel tax currently funding Jordan Valley Creek debt obligations, totaling \$3.3 million annually and available in FY28.

The City is also exploring other revenue tools such as Transportation Development Districts and Tax Increment Financing to provide additional funding.

## Q: WHAT HAPPENS IF THE BALLOT MEASURE DOES NOT PASS?

If the measure fails, the convention and event center project would need to be re-evaluated, and Springfield could lose the \$30 million in state funds.