

# Fiscal Year 2021-22 Transient Occupancy Tax Workshop

Board of Supervisors  
March 30, 2021



# Authority

- Authority comes from Revenue & Taxation Code 7280
- Chapter 3.28 of the County Code establishes that a tax in the amount of 10% of the rent shall be charged for stays of 30 days or less in any lodging facility, including Vacation Home Rentals, but excluding camp sites.
- Neither the tax code nor El Dorado County ordinance require any specific use of Transient Occupancy Tax (TOT) funds.



# County TOT Policy

**Pre-2020:** Policy 10.1.6.4 of the Economic Development Element of the County's General Plan

- The majority of transient occupancy tax (TOT) generated revenue shall be directed toward the promotion of tourism, entertainment, business, and leisure travel in El Dorado County."

**Now:** Budget Policy No. 13

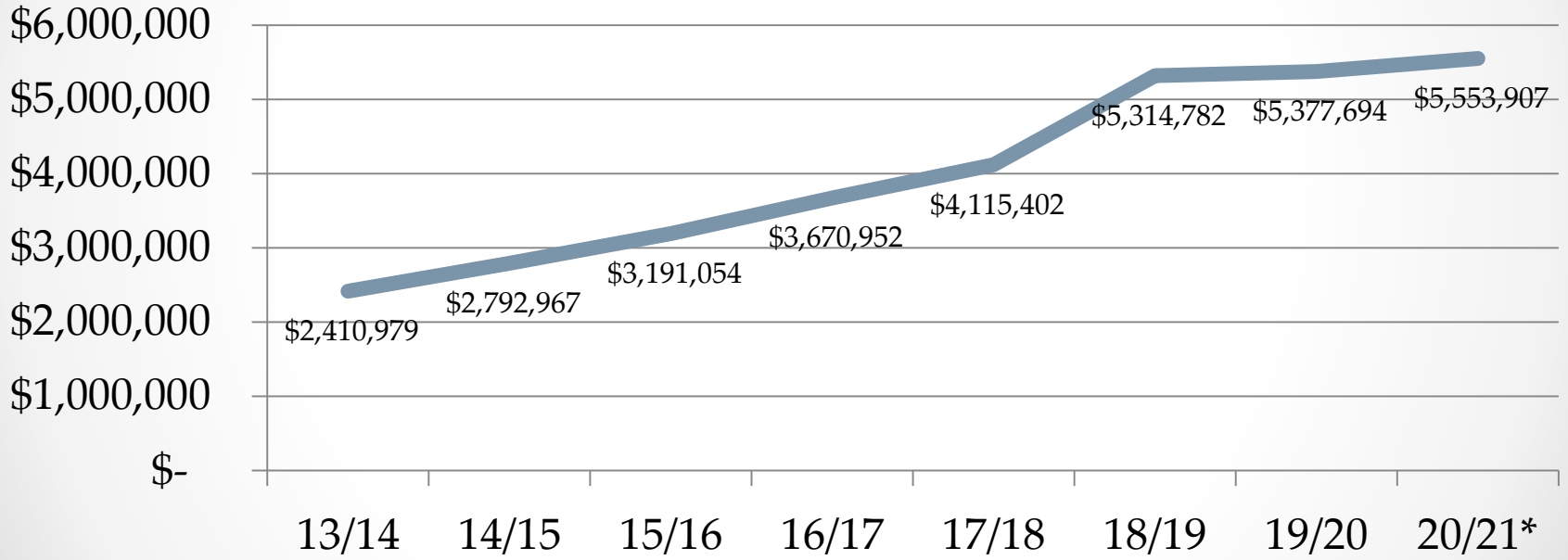
- "Transient Occupancy Tax revenue shall be directed toward the impact of tourism and economic development, with consideration for support of tourism and promotion activities within the County and for continued support for grant fund allocations to support Veteran programs..."

# Regional TOT Rates

City/County	Tax Rate	FY 2018-19 Revenue
Placerville	10%	\$231,529
South Lake Tahoe	12% (14% in Redevelopment area)	\$21,681,477
Mariposa County	12% (+1.5% in TBID)	\$15,067,772
Shasta County	10%	\$1,134,941
Placer County	8% (West Slope), 10% (Tahoe)	\$21,734,032
Folsom	8%	\$2,377,895
Sacramento County	12%	\$6,699,000
El Dorado County	10%	\$5,314,782

# Historical Revenue

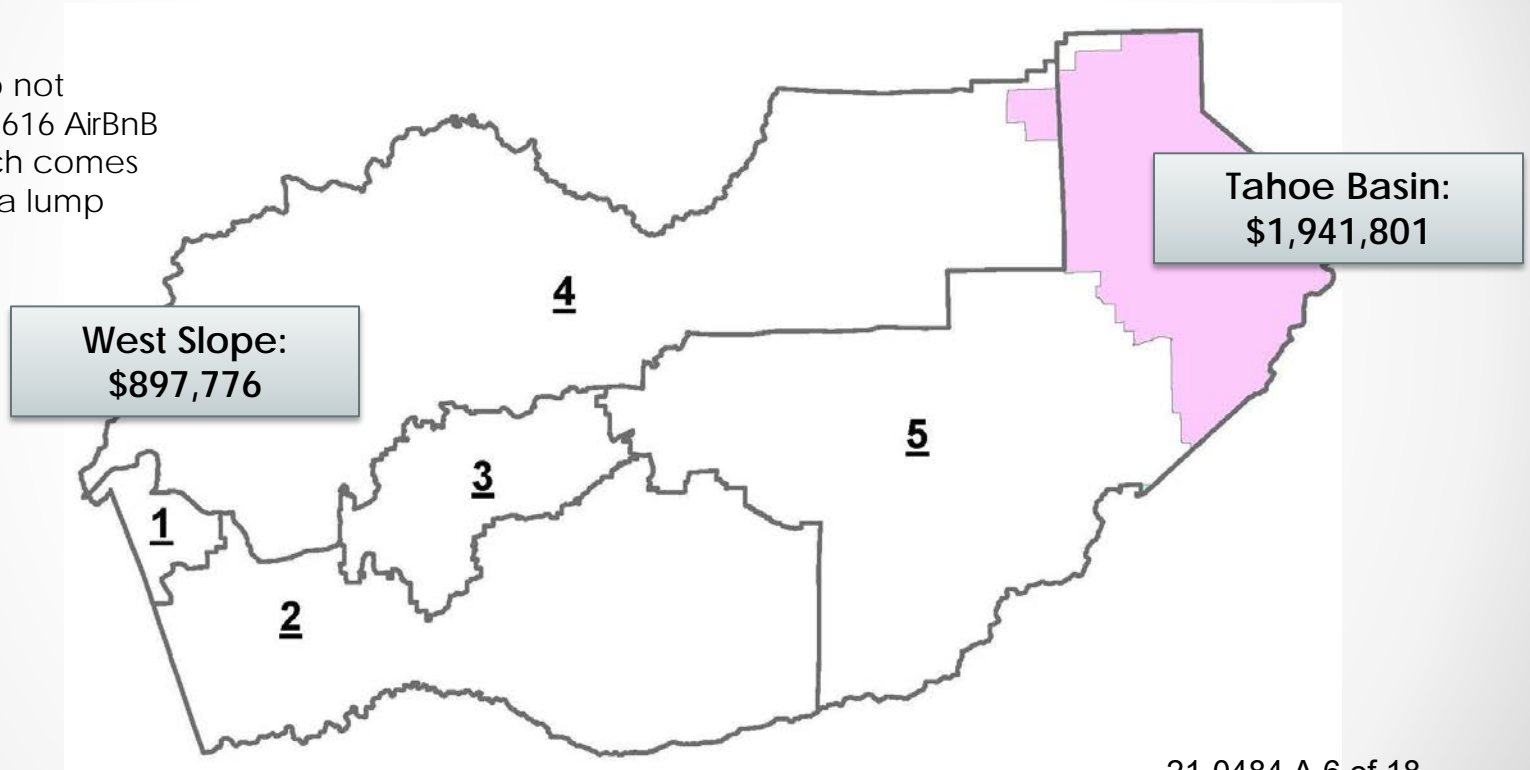
## Actuals Since FY 2013-14



\*Midyear Projection  
21-0484 A 5 of 18

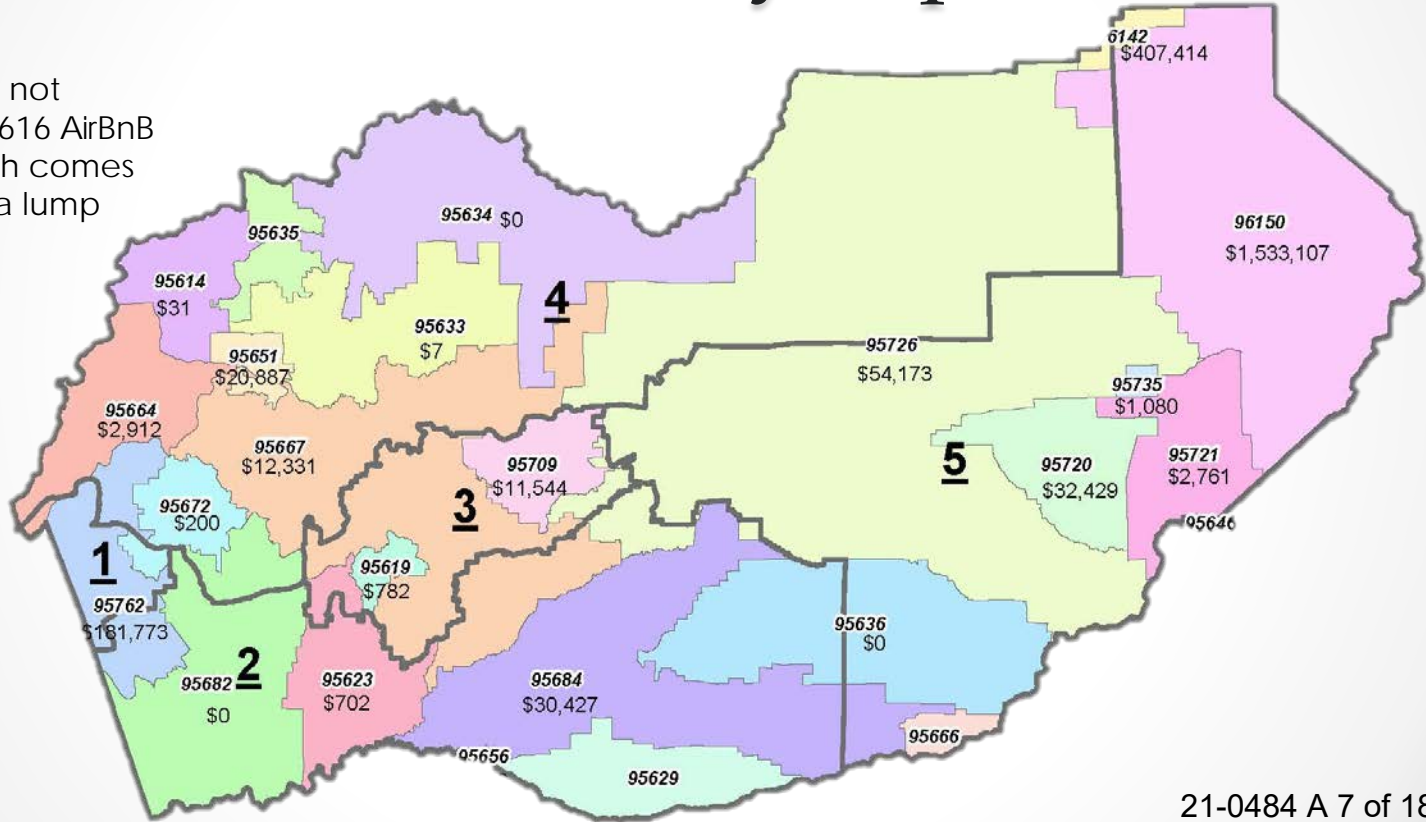
# 2020 Revenue by “Slope”

Note: Totals do not include \$2,458,616 AirBnB payment, which comes in quarterly as a lump sum.

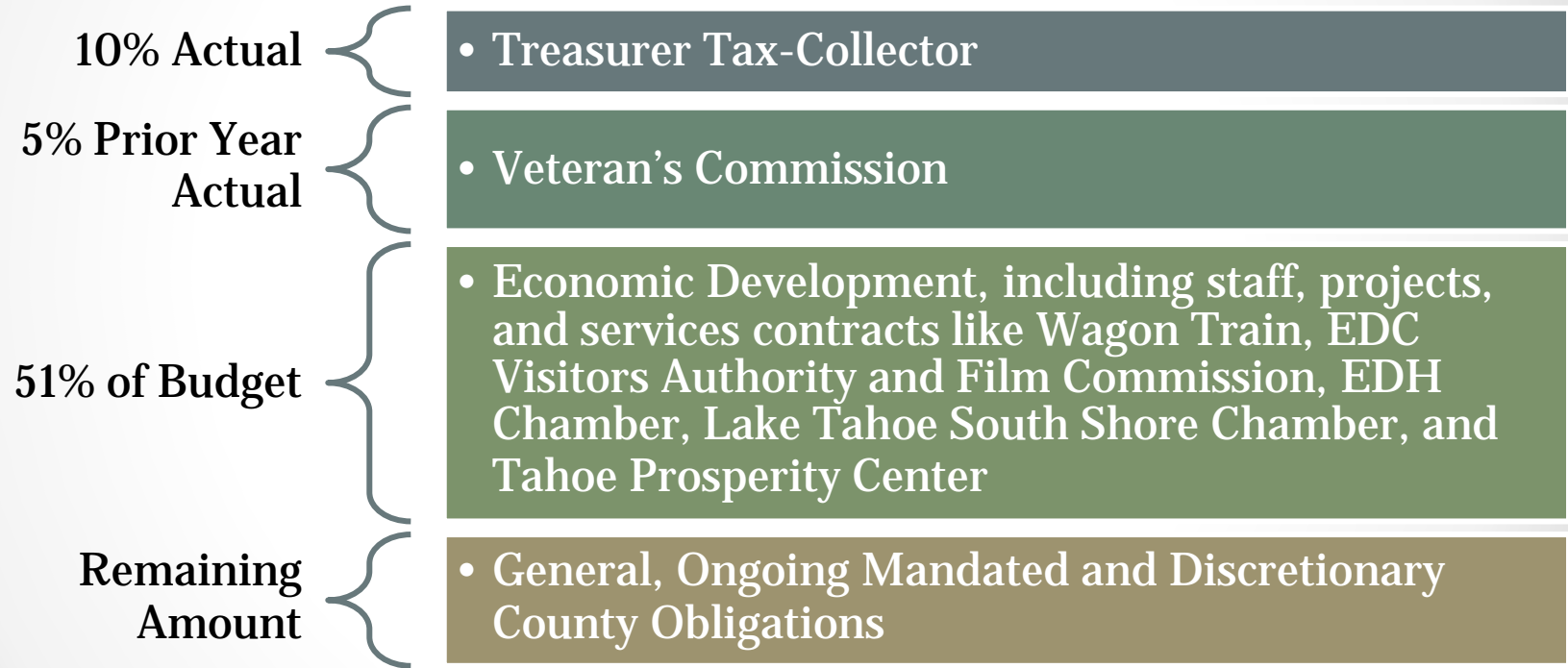


# 2020 Revenue by Zip Code

Note: Totals do not include \$2,458,616 AirBnB payment, which comes in quarterly as a lump sum.



# Historical Expenditure





# TOT Collection

- Historically, the Treasurer-Tax Collector always projected and budgeted TOT revenue in the operating budget.
- Beginning in FY 2009-10, the budget noted that the Treasurer-Tax Collector's Department receives 10% of the total receipts of from the Hotel/Motel Tax to cover costs of administration and enforcement.
- The flat amount of \$373,500 covers the cost of 2 staff, related admin, contracts for Host Compliance, HdL and Hearing Officer in the Treasurer-Tax Collector's Department.

# Veterans TOT Funding

- Beginning in 2013:
  - 5% of prior year actuals allocated to Veterans
  - Additionally, \$15,000 in General Fund for House Council
- Funding received in FY 2019-20:
  - Commission: \$265,736
  - House Council: \$15,000
- Funding received in FY 2020-21:
  - Commission: \$175,069 (\$131k initially + \$41K est. pending award)
  - House Council: \$15,000
  - New Sr. VSR Position for 2020-21: \$90,670

# Veterans TOT Funding

- FY 2019-20 expenditures (\$265,739)
  - \$116,000 awarded via Veterans Commission
  - \$130,739 Veterans Mini-Grant Program (Community Foundation)
  - \$19,000 toward an Extra-Help Student Intern position

# Veterans TOT Funding

- \$116,000 VA Commission
  - \$10k Friends of the Veterans Monument
  - \$35k Los Rios Colleges Foundation (Folsom Lake College Veterans Success Center)
  - \$5k Los Rios Colleges Foundation (Folsom Lake College)
  - \$12k Only Kindness
  - \$25k Snowline Hospice of El Dorado County
  - \$18k Lake Tahoe Community College District
  - \$8k Military Family Support Group
  - \$3k Sierra Chaplaincy

# Veterans TOT Funding

- \$130,739 Veterans Mini-Grant Program (Community Foundation)
    - Round One (7/9/2020)
      - \$ 3,057 - The Elders Community Fund
      - \$ 1,500 - Sierra Community Access TV
      - \$ 3,500 - EDC Fire Safe Council
      - \$ 1,500 - Progress House
      - \$ 3,500 - Windows to my Soul
      - \$ 3,500 - Operation Rebound DeCelle Memorial Relay
      - \$ 3,500 - Arts and Culture El Dorado
      - \$ 3,500 - Military Family Support
- \$23,557

# Veterans TOT Funding

- Round two (11/12/2020)
    - \$ 648 - El Dorado Post 119 - American Legion
    - \$ 3,000 - Calvary Chapel Divide Food Ministry
    - \$ 3,500 - EDC Fire Safe Council
    - \$ 1,500 - The Light Candle
    - \$ 3,500 - EDC Food Bank
    - \$ 3,500 - Cold Spring Church
    - \$ 3,500 - SLT Cancer League
- \$19,148

# Veterans TOT Funding

- Veterans Mini Grant Program
  - Administered by the El Dorado Community Foundation
  - 5% Admin Fee
  - Grant cycle administered twice a year
  - Mini-grants available up to \$3,500
  - Applications reviewed and grants awarded by the Veterans Affairs Commission.
  - The difference in funds allocated vs granted – Veterans TOT Fund
    - \$106,132.10 balance

# FY 2021-22 Revenue and Status of the TOT Reserve

- Designated Reserve: \$1.85 million
  - Made up of prior years' TOT fund balance
  - Has previously been set aside for economic development projects and business incentives, such as broadband
  - Additional \$450,000 set aside for North County Broadband grant match
- Anticipated \$1.6 million fund balance at the close of the current fiscal year (2020-21)
- Total Undesignated Reserve anticipated at current year-end: \$3 million
- Assuming \$5 million in TOT revenue in FY 2021-22



# March 9, 2021 Board Direction

\$5,000,000	• REVENUE ASSUMPTION
Impacts: \$638,500	• Treasurer Tax Collector (\$373,500) • Sheriff Search and Rescue (\$265,000)
Econ Dev: \$1,306,152	• Economic Development (\$1,242,900) • GSEC (\$63,252)
Vets: \$280,700	• Veteran's Commission (\$175,000) • Add'l Position (\$90,700) • House Council (\$15,000)
Promotions: \$620,940	• Wagon Train (\$10,000) • El Dorado County Chamber of Commerce (\$240,920) • El Dorado County Chamber of Commerce - Film Commission (\$150,750) • El Dorado Hills Chamber of Commerce (\$110,320) • Lake Tahoe South Shore Chamber of Commerce (\$78,950) • Tahoe Prosperity Center (\$30,000)
\$2,153,708	• REMAINDER TO BE ALLOCATED

# Requests for Funding

