



Legislation Text

File #: 23-1355, **Version:** 1

Chief Administrative Office recommending the Board:

- 1) Find that the continued support for the Take Care Billboard Campaign provides a public benefit by providing education to limit the environmental impacts of tourism through billboard advertisements targeted at visitors coming into the Lake Tahoe area; and
- 2) Approve and authorize the Chair to sign Agreement 7516 with Tahoe Fund to provide a funding contribution for the Summer 2023 and Winter 2023-24 Take Care Billboard Campaigns for effective upon execution for a one-year period, in the amount of \$10,000.

FUNDING: Discretionary Transient Occupancy Tax (TOT).

DISCUSSION / BACKGROUND

TOT, or Hotel/Motel Occupancy Tax, is a tax imposed on the daily rental price of a room in a lodging facility, including vacation home rentals, when used by visitors staying in the unincorporated portions of El Dorado County for a period of 30 days or less. Neither the tax code nor El Dorado County Ordinances require any specific use of TOT funds that are collected through the 10% TOT rate that was established in 2004; however, TOT funds have been directed to promote tourism and economic development and mitigate the impacts of tourism.

On April 13, 2021, with Legistar Item 21-0599, the Board approved a Funding Agreement with Tahoe Fund for the provision of funding the Summer 2021 Billboard Campaign, a 16-week visitor education effort from May 24, 2021, to September 12, 2021. The Board authorized payment of \$5,000 for this Community Funding Request, utilizing General Fund Community Funding appropriations.

On October 12, 2021, with Legistar Item 21-1605, the Board approved a Funding Agreement with Tahoe Fund for the provision of funding the Winter 2021-22 Billboard Campaign, a 16-week visitor education effort from December 13, 2021, to April 4, 2022. The Board authorized payment of \$5,000 for this Community Funding Request, utilizing General Fund Community Funding appropriations.

On July 19, 2022, with Legistar Item 22-1281, the Board approved a Funding Agreement with Tahoe Fund for the provision of funding the Summer 2022 Billboard Campaign, an 18-week visitor education effort from May 23, 2022, to September 25, 2022. The Board authorized payment of \$5,000 for this Community Funding Request, utilizing General Fund Community Funding appropriations.

On April 18, 2023, with Legistar Item 23-0627, the Board approved a Funding Agreement with Tahoe Fund for the provision of funding the Winter 2022-23 Billboard Campaign. The Board authorized payment of \$5,000 utilizing TOT funding.

The Summer 2023 and Winter 2023-24 Billboard Campaign are scheduled to run. Digital billboards during this period are placed at various locations along Interstate 80 and U.S. Highway 50, with the purpose of targeting travelers coming into the Tahoe area. The digital billboards display messages aimed at helping to protect the environment and safety of the community and have the ability to display important messages focused on specific issues or holidays.

On April 18, 2023, with Legistar Item 23-0771, the Board provided direction to include \$10,000 of TOT funding be used in Fiscal Year (FY) 2023-24 for Tahoe Fund's Billboard Campaigns. On June 13, 2023, with Legistar Item 23-1120, the Board approved the FY 2023-24 Recommended Budget which included \$10,000 of TOT for Tahoe Fund's Billboard Campaigns that will occur during FY 2023-24.

The proposed Funding Agreement 7516 supports Tahoe Fund's endeavor, which seeks to limit the environmental impacts of tourism in South Lake Tahoe, by helping fund the digital billboard along U.S. Highway 50, near Rancho Cordova. The use of TOT funds for this Funding Agreement aligns with the Board's Budget Policy (B-16). Policy B-16, Section II, Item No. 13, states that "Transient Occupancy Tax revenue shall be directed toward the impact of tourism and economic development, with consideration for support of tourism and promotional activities within the County and for continued support for grant fund allocations to support Veteran programs within the County."

The Funding Agreement 7516 had been drafted with the assistance of the Planning and Building Department prior to approval of the FY 2023-24 Recommended Budget. Chief Administrative Office staff are preparing a template agreement for the other Board-approved TOT funded tourism impact activities for the Board to consider in August, as was done in FY 2022-23.

ALTERNATIVES

The Board may choose not to approve the proposed funding contribution.

PRIOR BOARD ACTION:

See Discussion/Background above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management have approved the proposed Funding Agreement.

FINANCIAL IMPACT

Funding for this agreement is included in the FY 2023-24 Recommended Budget. There is no change to Net County Cost associated with this item; however, if the Board declines to approve this agreement there will be \$10,000 in TOT funding available for allocation.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) The Clerk of the Board will obtain the Chair's signature on two (2) original copies of the Funding Agreement; and
- 2) The Clerk of the Board will forward one (1) fully-executed original Funding Agreement to the Chief Administration Office, Procurement and Contracts Division, for further processing.

STRATEGIC PLAN COMPONENT

Good Governance: Evaluate requests and recommendations based on complete assessment of the best available information, with the goal of reaching well informed decisions.

CONTACT

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