330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

County of El Dorado

Legislation Details (With Text)

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Title:	Chief Administrative Office recommending the Board approve the allocation of $600,000 from the promotions account to be awarded to organizations to carry out activities for the promotion of tourism, entertainment and business and leisure travel in the County of El Dorado. FUNDING: Hotel and Motel Tax (HMT).		
Sponsors:			
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Attachments:	1. FY 09-10 Promotions Program memo.pdf - Adobe Acrobat Pro.pdf, 2. 09-1012 B - Promotion Program Account.pdf, 3. 09-1012 C - Promotion Program Budget.pdf, 4. 09-1012 D Promotions Account PPT.pdf, 5. 09-1012 E Promotions Boiler Plate.pdf, 6. 09-1012 F Promotions RFQ.pdf - Adobe Acrobat Pro.pdf, 7. Email from J. Collins, 8. Letter from B. Gorman att'd 7-28-09.pdf		

Date	Ver.	Action By	Action	Result
7/28/2009	1	Board Of Supervisors	Approved	Pass

Chief Administrative Office recommending the Board approve the allocation of $600,000 from the promotions account to be awarded to organizations to carry out activities for the promotion of tourism, entertainment and business and leisure travel in the County of El Dorado.

FUNDING: Hotel and Motel Tax (HMT).

BUDGET SUMMARY:		
Total Estimated Cost		$
Funding		
Budgeted	$600,000	
New Funding	$	
Savings	$	
Other	$	
Total Funding Available	$600,000	
Change To Net County Cost		$

Fiscal Impact/Change to Net County Cost: The amount of $600,000 has been budgeted for Promotions Program via a competitive awards process for the 2009-10 awards funding cycle. There is no net county cost.

Background:El Dorado County first enacted a hotel/motel tax of 8% of the room charge in 1965. In 1992, by Ordinance No. 4262, the Board of Supervisors raised the county hotel/motel tax from 8% to

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10%, effective January 1, 1993. This 2% increase was not submitted for voter approval at that time because the law as it then existed did not require voter approval for such an increase. The 10% rate has been collected since January 1993.

In 1995, the California Supreme Court decision in the case of Santa Clara Local Transportation Authority v. Guardino (1995) 11 Cal 4th 220, cast doubt on whether the 2% increase was valid without voter approval. More recent court decisions have continued to suggest that Ordinance 4262 may require voter ratification.

Measure V, as placed on the ballot November 5, 2002 and later defeated, sought voter approval for a 2% increase in the hotel/motel tax on the occupants of lodgings in the unincorporated area of the county enacted by the Board of Supervisors in 1992. **Measure V** required a simple majority vote to pass and was defeated (28,427) 54.8% No vote to (24,436) 45.1% Yes.

A community coalition comprised of the Veterans Affairs Commission, Joint Chambers Commission, Friends of Our Community, Whitewater Rafting Association, Farm Trail, Arts Council, Agriculture Council, and the Visitors Authority advocated for ballot measure, **Measure H** which went before the voters on March 2, 2004. **Measure H** passed majority voter approval (27,200) 59.7% Yes to (18,354) 40.2% No vote.

April 20, 2004, the Board conceptually approved a new process for the distribution of promotional funds for the purpose of marketing and advertising to visitors the attraction of El Dorado County.

July 19, 2004, the Board adopted the General Plan within which includes the Economic Development Policy 10.1.6.4.

> *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.*

September 28, 2004, the Board approved recommendations received from the Measure H Committee and the temporary Promotions Program Committee.

As taken from the Agenda Item Transmittal memo dated September 21, 2004.

> *April 20, 2004, the Board conceptually approved a new process for the distribution of promotional funds for the purpose of marketing and advertising to visitors the attraction of El Dorado County. The Board agreed to continue the practice of allocating approximately 50% of the Hotel/Motel Tax Revenue to the County's Promotion Program. The allocation of $500,000 was included in the FY 2004-05 County Budget. Of this amount, $370,000 was earmarked for contractual services provided by non-profit agencies.*
>
> *At its meeting of June 21, 2004, the Board also approved the award for the portion of funds identified for contractual services. This award process was conducted in compliance with all federal, state, and local policies and laws. The process provided for a free and open competition, with each bidder being treated in a fair and equitable manner. Applicants were rated on all the performance goals in the submitted proposal, quality of programs proposed, and the leveraging of County funds with other revenues.*
>
> *The recommended awards outlined above comes from the review of the Promotions Program Committee which included representation from the County Departments of Agriculture, Chief*

Administrator's Office (Economic Development & Purchasing), D.O.T. and Sheriff Departments. This has been identified as a temporary committee established to review the submitted proposals and recommend applicants for funding to the Board of Supervisors. Once the Economic Development Advisory Board is seated, as required by the General Plan, the responsibility of review and recommendations would rest there. Until such time this Body is seated, it was recommended that the Measure H Committee review the final recommendations of the temporary Promotions Program Committee and provide any additional recommendations to the Board of Supervisors. The above recommendations are the consolidated recommendations of both committees.

Due to the unique nature of the proposed projects by Friends of El Dorado County Veterans memorial Monument, the contract and funding has been extended to a two-year contract with $37,667 available in FY 2004-05 and $18,833 in FY 2005-06. This was done to ensure adequate time to design and implement a project that may require County development review and agreements to be completed. Additional projects related to the veterans Memorial Hall were included in the 2004-05 Capital Improvement Projects of the General Services Departmental budget, and the CAO's Office is working with the Veterans Commission to implement an ongoing process to support the improvements of the Hall.

Beginning April 2007, Chief Administrative Officer's Economic Development staff was directed to refine the annual Promotions Program RFP awards process. These refinements included: a bifurcated review panel composed of EDAC members who were free of conflict of interest issues and issue area and industry experts from outside El Dorado County; incorporate nationally recognized awards process metrics and scoring "Best Practices"; and finally bring transparency and impartiality to the annual Promotions Program RFP awards process.

Reason for Recommendation: Reaffirmation of the 2009-10 Promotions Program and its award cycle process will initiate the continuation of collaborative marketing and promotions programs on behalf of business in El Dorado County.

The Promotions Program is designed to create a self-sustaining, long-term marketing and advertising Promotion Program on behalf of Arts, and Culture, Agri-Tourism, Business, Film and Tourism industries, using innovative and comprehensive strategies developed and implemented by partnerships among private, public, and non-profit entities throughout the County. The Promotion strategy identifies four key principles:

1. Sustainable marketing of the County's business and tourism amenities;
2. Promotion of the County's culture and environment t through the arts and film;
3. Community-based partnerships that will leverage County revenues, thereby enhancing greater program outcomes; and
4. Strategic vision for long-term promotional programming.

The approved FY 2009-10 Budget appropriates $600,000 to be awarded through the RFP process. Procurement and Contracts will issue the RFP and collect the responses. The proposal responses will then be mailed to the reviewers for outside evaluation and returned to Office of Economic Development for tabulation and development a set of recommendations to be brought before the Board prior to the new program year, October 1, 2009. Applications will be reviewed based upon the following Evaluation Criteria:

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1. Responsiveness to El Dorado County, Office of Economic Development's stated objectives.
2. Integration of proposed promotional program with applicant's marketing plan.
3. Facilitation of collaborative approach.
4. Description of the anticipated results of the project and how results will be measured and evaluated.
5. Financial capacity to carry out the proposed project in a credible manner.
6. Leveraging of other dollars demonstrated by letters of commitment from other entities of their support through matching dollars to the marketing plan of program of work.
7. Submittal of proposal on appropriate forms using appropriate format.
8. Bonus Points shall be awarded to organizations that can demonstrate previous successful program implementation and ROI to the county.
9. Bonus Points shall be awarded for past performance of organizations that can demonstrate county-wide economic impacts. Suggestion, use either industry association recognized ROI models or SRRI IMPLAN econometric modeling.

Approval will enhance and strengthen El Dorado County's strategy for growing our economy through targeted and proactive investments in organizations and entities that are innovative in promoting and attracting visitors and businesses to El Dorado County.

Action to be taken following Board approval: The Procurement and Contracts Division will prepare contracts, with input and guidance from the CAO's Office of Economic Development regarding final development of each awardees programmatic reporting metrics, with the awarded entities for execution by the Chair.

Contact: Sam Driggers