



Legislation Text

File #: 19-0712, **Version:** 1

Planning and Building Department, Economic Development Division, recommending the Board approve and authorize the Purchasing Agent to sign five two-year Funding Agreements for the issuance of Transient Occupancy Tax funding to promote tourism, entertainment, business, and leisure travel in the County, totaling \$610,940 in Fiscal Year 2019-2020 and \$610,940 in Fiscal Year 2020-2021, for a total two-year commitment of \$1,221,880, with an option to extend beyond the two-year term based on performance and accomplishments, and authorize the Purchasing Agent to approve any amendments that do not increase the maximum dollar amount or term of the agreements, contingent upon approval by Counsel and Risk Management, with the following organizations:

- 1) \$240,920 in Fiscal Year 2019-20 and \$240,920 in Fiscal Year 2020-2021 with the El Dorado County Chamber of Commerce - El Dorado Visitors Authority;
- 2) \$150,750 in Fiscal Year 2019-20 and \$150,750 in Fiscal Year 2020-2021 with the El Dorado County Chamber of Commerce - El Dorado Film Commission;
- 3) \$110,320 in Fiscal Year 2019-20 and \$110,320 in Fiscal Year 2020-2021 with the El Dorado Hills Chamber of Commerce - California Welcome Center;
- 4) \$78,950 in Fiscal Year 2019-20 and \$78,950 in Fiscal Year 2020-2021 with the Lake Tahoe South Shore Chamber of Commerce; and
- 5) \$30,000 in Fiscal Year 2019-20 and \$30,000 in Fiscal Year 2020-2021 with the Tahoe Prosperity Center.

FUNDING: Transient Occupancy Tax. (General Fund)

DISCUSSION / BACKGROUND

Policy 10.1.6.4 of the Economic Development Element of the County's General Plan specifies that "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". For budget purposes, the "majority" of TOT has been construed to mean 51% of funds, although this figure has been adjusted upward by the Board in prior fiscal years.

On April 22, 2019 (Legistar Item # 19-0482) the Board conceptually approved re-entering into five two-year Funding Agreements for the issuance of Transient Occupancy Tax funding to promote tourism, entertainment, business, and leisure travel in the County, totaling \$610,940 in Fiscal Year 2019-20 and \$610,940 in Fiscal Year 2020-21, for a total two-year commitment of \$1,221,880 with five organizations, including: the El Dorado County Chamber of Commerce- El Dorado Visitors Authority; the El Dorado County Chamber of Commerce- El Dorado Film Commission; the El Dorado Hills Chamber of Commerce- California Welcome Center; the Lake Tahoe South Shore Chamber of Commerce; and the Tahoe Prosperity Center and discontinuing funding the El Dorado Arts Council from TOT funding.

ALTERNATIVES

The Board could choose to not enter into the Funding Agreements and provide direction to staff on

how to implement Policy 10.1.6.4

PRIOR BOARD ACTION

On April 22, 2019 the Board conceptually approved entering into five two-year agreements (Item # 19-0482) and provided direction to bring Funding Agreements back for approval.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

TOT funds associated with these agreements in the amount of \$610,940 are included in the Department's FY 2019-20 Budget request for Economic Development. Second-year funding in the amount of \$610,940 will be included in the Department's FY 2020-21 Budget request.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Economic Development

CONTACT

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