



## Legislation Text

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**File #:** 23-0159, **Version:** 1

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Chief Administrative Office recommending the Board approve and authorize the Chair to:

- 1) Sign Resolution **024-2023**, and incorporating Committee Bylaws, to create a Citizens' Oversight Committee to review and report on the revenue and expenditure of funds from voter approved Measure S - a 4% increase in Transient Occupancy Tax in the unincorporated area of the Tahoe Area; and
- 2) Direct the Clerk of the Board to commence the application process for the selection of five (5) Committee Members, pursuant to Board Policy I-5 and return to the Board no later than March 1, 2023, for the appointment of said Members.

**FUNDING:** General Fund - Transient Occupancy Tax.

### **DISCUSSION / BACKGROUND**

On April 25, 2022 (Legistar 22-0498), the Board authorized staff to place two measures on the November 2022 ballot. The first measure requested voters to support a 2% Special Tax increase (requiring a 2/3 supermajority voter approval of the unincorporated West Slope) to the County's Transient Occupancy Tax (TOT) rate, from 10% to 12%, on visitors of vacation home rentals, hotels and motels in the unincorporated portion of the West Slope of El Dorado County. Based on Fiscal Year 2021-22 TOT figures, the 2% increase would generate approximately an additional \$340,000 annually. The additional revenue would be dedicated solely to maintenance of existing roads in the unincorporated portion of the West Slope.

The second ballot measure requested voters to support a 4% Special Tax increase (requiring a 2/3 supermajority voter approval of the unincorporated Tahoe Area) to the County's TOT tax rate, from 10% to 14%, on visitors of vacation home rentals, hotels and motels in the unincorporated portion of the Tahoe Area of El Dorado County. Based on Fiscal Year 2021-22 TOT figures, the 4% increase would generate approximately an additional \$2,500,000 of revenue annually. The additional revenue would be dedicated solely to snow removal and maintenance of existing roads in the unincorporated portion of the Tahoe Area.

On June 21, 2022 (Legistar 22-1123) the Board approved reconsideration of the Board's previous action from April 25, 2022 (Legistar 22-0498) based on substantial new evidence. Substantial new evidence included initial feedback from the public that there was no non-government entity willing to champion the West Slope Ballot Measure, as well as a desire to have a requirement for a citizen oversight committee included in the language of the measures. In addition, staff requested the Board consider a minor revision to the Ordinances for the measures to change the effective date from "immediately" to "January 1, 2023" to allow adequate time to prepare for the implementation of the Ordinances if approved by the voters.

On June 28, 2022 (Legistar 22-1161) the Board reconsidered the action taken on April 25, 2022 (Legistar 22-0498) and directed staff to return to the Board with revised language to include a citizen oversight committee in the language of both ballot measures, to revise the Ordinances for the measures to change the effective date from "immediately" to "January 1, 2023", to explore adding a

concise title to both ballot measures, and to explore making the language for both ballot measures as concise as possible.

On July 19, 2022 (Legistar 22-1238) the Board rescinded Resolution 062-2022, signed Resolution 112-2022 to include the above requested revisions for the November 2022 election to place a ballot measure requesting voters to support a 2% Special Tax increase to the County's TOT rate in the unincorporated portion of the West Slope, rescinded Resolution 063-2022 and signed Resolution 113-2022 to include the above requested revisions for the November 2022 election to place a ballot measure requesting voters to support a 4% Special Tax increase to the County's TOT rate in the unincorporated portion of the Tahoe Area.

On November 8, 2022, 81.83% of the voters in the Tahoe Area voted to approve Measure S - the 4% Special Tax increase to the County's TOT rate in the unincorporated portion of the Tahoe Area. The West Slope Measure failed.

The voter approved measure requires the formation of a Citizen's Oversight Committee. Specifically: *"There shall be a five (5) person Citizens' Oversight Committee of members of the public to review and report on the revenue and expenditure of funds from the tax adopted by this chapter. Within 60 days of the effective date, January 1, 2023, the Board of Supervisors shall adopt a resolution establishing the composition of the committee and defining the scope of its responsibilities and shall appoint the members of the committee."*

On December 13, 2022 (Legistar 22-2266) the Board authorized the Chair to sign Ordinance 5171 as approved by the voters. Approval of Measure S in November's Election amended Section 3.28.030 of Chapter 3.28 of the County Code of Ordinances to include a 4% Special Tax increase to the County's TOT rate in the unincorporated portion of the Tahoe Area.

Staff are recommending the Board approve the Resolution, incorporating Committee Bylaws, to create a Citizen's Oversight Committee to review and report on the revenue and expenditure of funds for Measure S.

## **ALTERNATIVES**

N/A

## **PRIOR BOARD ACTION**

Legistar 18-0372 (3/13/18)  
Legistar 18-0930 (6/01/18)  
Legistar 19-1755 (12/10/19)  
Legistar 22-0498 (4/25/22)  
Legistar 22-1123 (6/21/22)  
Legistar 22-1161 (6/28/22)  
Legistar 22-1238 (7/19/22)  
Legistar 22-2266 (12/13/22)

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

Department of Transportation, Clerk of the Board, County Counsel, Elections, Auditor, Treasurer Tax Collector, and Surveyor

## **FINANCIAL IMPACT**

The Citizen's Oversight Committee will require staff time to coordinate with the appointed members,

organize and post meetings, develop agendas, etc. The financial impact associated with this is unknown at this time and will depend upon the makeup of the Committee, the scope of their review, and the frequency of meetings. Staff will return to the Board should additional resources or funding be necessary to support the Committee.

#### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Obtain Chair's signature on the Resolution and return a signed copy to the Chief Administrative Office; and
- 2) Commence the application process for the selection of five (5) Committee Members, pursuant to Board Policy I-5 and return to the Board no later than March 1, 2023, for the appointment of said Members.

#### **STRATEGIC PLAN COMPONENT**

This recommendation is in alignment with the County's Strategic Plan, including the Good Governance Strategic Plan Component - Establish sound fiscal policies and enable trust and transparency by ensuring accountability, efficiency, flexibility, innovation, and excellence in all operations.

#### **CONTACT**

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