

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

Resolution No. 22- _____

Adopt a Resolution:

- a. Approving the funding)
recommendation for the WeatherTech®)
Raceway at Laguna Seca (WRLS))
Start/Finish Bridge and Track Resurfacing)
Projects totaling \$9,725,000, including)
Laguna Seca Recreational Area (LSRA))
Unrestricted Net Position \$1,283,905;)
Cannabis Tax Assignment \$4,406,095, of)
which \$3,000,000 is to be released as a)
temporary zero-interest (0%) loan to be)
repaid by Transient Occupancy Tax (TOT))
revenue beginning in FY 2023-24; General)
Fund Unassigned Fund Balance)
\$3,000,000; and 20% Sponsorship Match)
for the Bridge Project \$1,035,000:)
- b. Authorizing and directing the Auditor-)
Controller to:)
 - 1) Amend the Fiscal Year (FY) 2021-)
22 Adopted Budget for LSRA, Fund)
453, Appropriation Unit CAO046, to)
increase appropriations by \$1,283,905,)
where the financing source is LSRA)
Unrestricted Net Position Fund 453,)
Balance Sheet Account 3202 (4/5ths)
vote required);)
 - 2) Amend the FY 2021-22 Adopted)
Budget for the General Fund, Fund)
001, Other Financing Uses Approp-)
riation Unit CAO017, to increase)
appropriations by \$7,406,095, where)
the financing source is Unassigned)
Fund Balance, Fund 001, Balance)
Sheet Account 3101 (\$3,000,000), and)
Cannabis Tax Assignment, Fund 001,)
Balance Sheet Account 3132)
(\$4,406,095) (4/5ths vote required);)
 - 3) Amend the FY 2021-22 Adopted)
Budget for Capital Projects, Fund 404,)
Appropriation Unit PFP057, to)
increase appropriations by \$8,690,000,)
where the financing sources are)
operating transfers in from General)
Fund, Fund 001, and LSRA, Fund 453)
(4/5ths vote required);)

- 4) Effect repayment of the \$3,000,000 zero-interest (0%) loan from the Cannabis Tax Assignment, Fund 001, Balance Sheet Account 3132, beginning in FY 2023-24 and continuing until the loan is satisfied, from Fund 001, Account 4100, Transient Occupancy Tax revenues exceeding the FY 2019-20 base revenue cap set by the Board of Supervisors for determining the future annual allocation to the Monterey County Convention and Visitors Bureau, Arts Council, Film Commission, and Monterey County Business Council;)
- 5) Transfer \$8,690,000 for FY 2021-22 to Capital Projects, Fund 404, Appropriation Unit PFP057, from LSRA, Fund 453, Appropriation Unit CAO046 (\$1,283,905), and General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (\$7,406,095) (4/5ths vote required); and)
- 6) Incorporate the approved budget modifications to the FY 2021-22 Budget.)
- c. Authorizing and directing the County Administrative Office-Budget Division to:)
 - 1) reflect above approved changes in the FY 2022-23 Adopted Budget; and)
 - 2) bring forward in June 2023 adjustments to cap the contribution of TOT revenue to the Monterey County Convention and Visitors Bureau, Arts Council, Film Commission, and Monterey County Business Council in the FY 2022-23 General Financial Policies.)

WHEREAS, On October 19, 2021, the Board of Supervisors considered the Department of Public Works, Facilities, & Parks' request to approve adding the Start/Finish Bridge, Track Resurfacing, and Turn 3 Structure as near-term capital needs to the Fiscal Year (FY) 2021-22 5-Year Capital Improvement Program and the Public Works, Facilities, and Parks (PWFP)-Facilities Work Program;

WHEREAS, the Board directed PWFP staff and A&D Narigi Consulting, LLC to bring back a business plan to consider funding options for the construction phase of the Start/Finish Bridge and Track Resurfacing projects (Projects);

WHEREAS, the Projects total costs are estimated at \$10,175,000, and the Board previously provided \$450,000 for the initial design/bidding phase from Cannabis Tax Assignment, leaving an additional estimated \$9,725,000 funding required for construction of the Projects;

WHEREAS, PWFP coordinated with the County Administrative Office-Budget Division on this request and on March 30, 2022, the Budget Committee provided feedback on potential funding and financing options and recommended PWFP consider utilizing LSRA Unassigned Fund Balance, General Fund Unassigned Fund Balance derived through the Sheriff's Department's prior year budget savings, Cannabis Tax Assignment, and 20% from sponsorships, as well as discussing replenishing any use of Cannabis Tax Assignment through either redistribution of discretionary revenues, such as Property Tax, Sales & Use Tax, and Transient Occupancy Tax (TOT), or with LSRA future earnings;

WHEREAS, if the 20% sponsorship match for the Bridge Project, \$1,035,000, is not secured or if costs are greater than currently estimated, additional funding will be required;

WHEREAS, as of March 22, 2022, \$14,659,049 is available in the Cannabis Tax Assignment, and if \$4,406,095 is used to fund the Projects costs, the Cannabis Tax Assignment balance would be reduced to an estimated \$10,252,954; and

WHEREAS, PWFP recommends the Board approve funding the \$9,725,000 using a combination of funds including, LSRA Unrestricted Net Position \$1,283,905, Cannabis Tax Assignment \$4,406,095, General Fund Unassigned Fund Balance \$3,000,000, and a 20% sponsorship match for the Bridge Project \$1,035,000, and requests the Board adopt a Resolution to approve the funding request for the Projects and related budget and accounting detail.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Supervisors of the County of Monterey hereby adopts a resolution:

- a. Approving the funding recommendation for the WeatherTech® Raceway at Laguna Seca (WRLS) Start/Finish Bridge and Track Resurfacing Projects totaling \$9,725,000, including Laguna Seca Recreational Area (LSRA) Unrestricted Net Position \$1,283,905; Cannabis Tax Assignment \$4,406,095, of which \$3,000,000 is to be released as a temporary zero-interest (0%) loan to be repaid by Transient Occupancy Tax (TOT) revenue beginning in FY 2023-24; General Fund Unassigned Fund Balance \$3,000,000; and 20% Sponsorship Match for the Bridge Project \$1,035,000.

- b. Authorizing and directing the Auditor-Controller to:
- 1) Amend the Fiscal Year (FY) 2021-22 Adopted Budget for LSRA, Fund 453, Appropriation Unit CAO046, to increase appropriations by \$1,283,905, where the financing source is LSRA Unrestricted Net Position Fund 453, Balance Sheet Account 3202;
 - 2) Amend the FY 2021-22 Adopted Budget for the General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017, to increase appropriations by \$7,406,095, where the financing source is Unassigned Fund Balance, Fund 001, Balance Sheet Account 3101 (\$3,000,000), and Cannabis Tax Assignment, Fund 001, Balance Sheet Account 3132 (\$4,406,095);
 - 3) Amend the FY 2021-22 Adopted Budget for Capital Projects, Fund 404, Appropriation Unit PFP057, to increase appropriations by \$8,690,000, where the financing sources are operating transfers in from General Fund, Fund 001, and LSRA, Fund 453;
 - 4) Effect repayment of the \$3,000,000 zero-interest (0%) loan from the Cannabis Tax Assignment, Fund 001, Balance Sheet Account 3132, beginning in FY 2023-24 and continuing until the loan is satisfied, from Fund 001, Account 4100, Transient Occupancy Tax revenues exceeding the FY 2019-20 base revenue cap set by the Board of Supervisors for determining the future annual allocation to the Monterey County Convention and Visitors Bureau, Arts Council, Film Commission, and Monterey County Business Council;
 - 5) Transfer \$8,690,000 for FY 2021-22 to Capital Projects, Fund 404, Appropriation Unit PFP057, from LSRA, Fund 453, Appropriation Unit CAO046 (\$1,283,905), and General Fund, Fund 001, Other Financing Uses Appropriation Unit CAO017 (\$7,406,095); and
 - 6) Incorporate the approved budget modifications to the FY 2021-22 Budget.
- c. Authorizing and directing the County Administrative Office-Budget Division to:
- 1) Reflect above approved changes in the FY 2022-23 Adopted Budget; and
 - 2) Bring forward in June 2023 adjustments to cap the contribution of TOT revenue to the Monterey County Convention and Visitors Bureau, Arts Council, Film Commission, and Monterey County Business Council in the FY 2022-23 General Financial Policies.

PASSED AND ADOPTED on this 26th day of April 2022, by roll call vote:

AYES:

NOES:

ABSENT:

(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original resolution of said Board of Supervisors duly made and entered in the minutes thereof Minute Book ___ for the meeting on April 26, 2022.

Dated: April , 2022
File ID: RES 22-
Agenda Item No.:

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

By: _____
Deputy