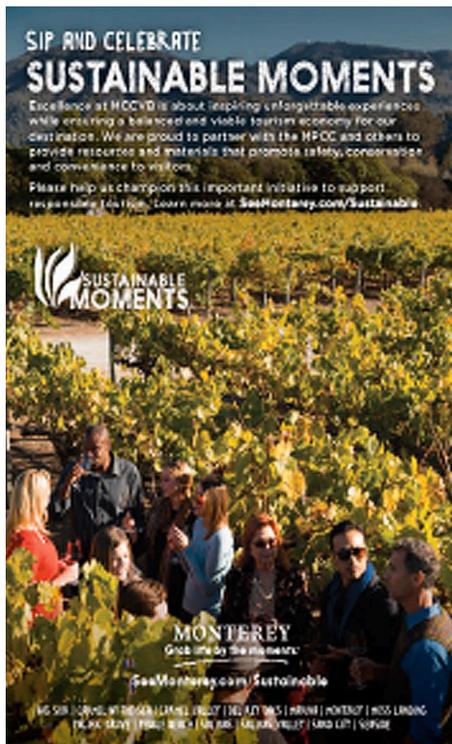
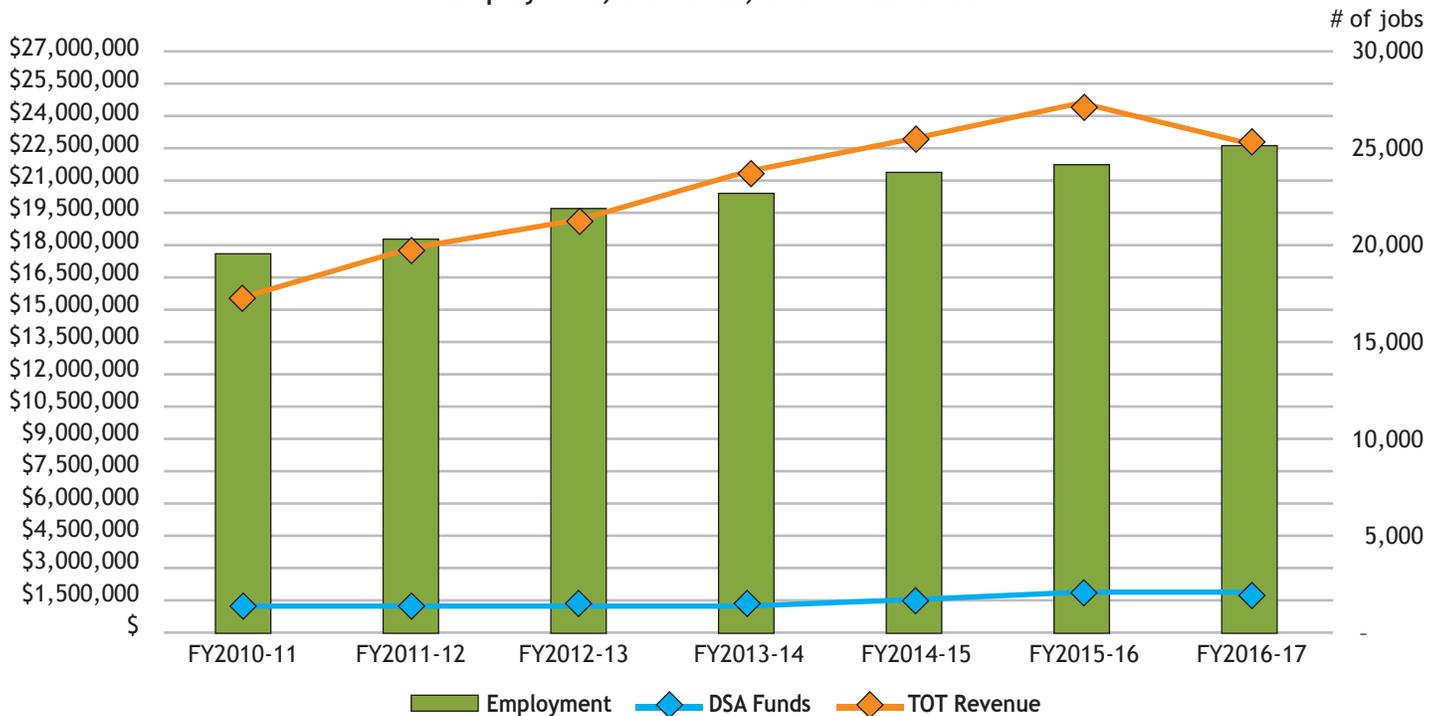


Monterey County Economic Development Department Development Set-Aside Agencies

Partners... Since 1985

Employment, DSA Funds, and TOT Revenue



2015-2016

Overnight Visitors – 4,500,000
Economic Impact – \$2.7B

Monterey County Travel Impacts, Dean Runyan Reports

MONTEREY COUNTY CONVENTION AND VISITORS BUREAU (MCCVB)

The mission of the official destination marketing organization for Monterey County is to grow overnight visitation which in turn generates Transient Occupancy Tax (TOT). The MCCVB uses state-of-the-art research and communications through Group Sales (meetings and conventions), marketing and public relations, and overnight visitor services. Their original “Grab Life by the Moments” is an award-winning campaign.



Monterey County Film Commission

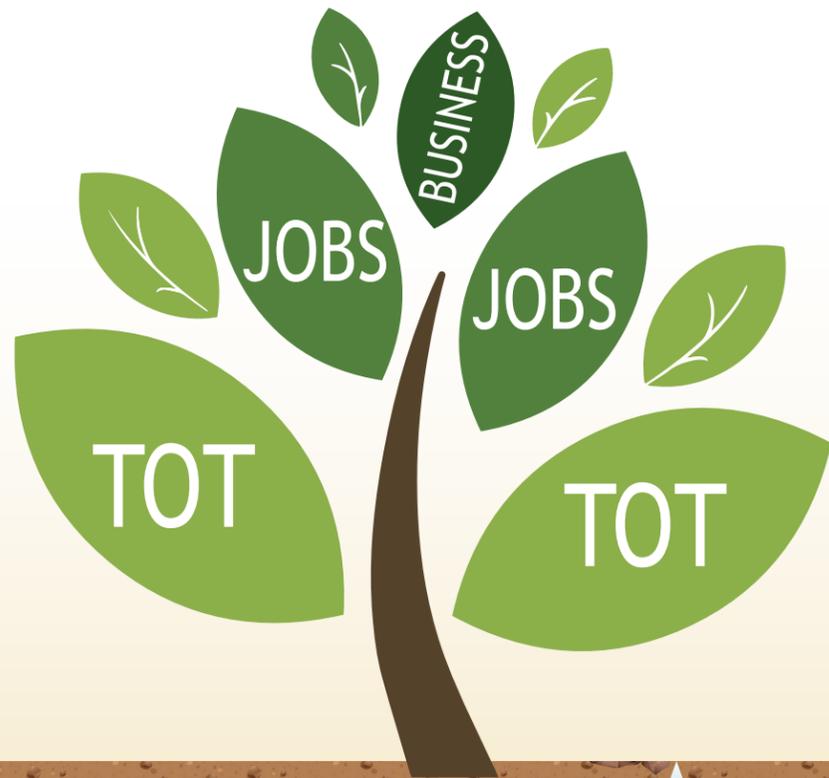
promotes county locations, crew and businesses to make it easy for producers such as Emmy and Golden Globes-winning *Big Little Lies* to choose our region from start to finish. Each year an average of \$4 million comes to the county from productions including movies, TV, commercials, videos, new media and ads.



Arts Council for Monterey County

triples DSA funding through grants and earned revenue to produce award-winning programs that diversify our economy, empower every student to succeed and create more vibrant communities of greater appeal to residents, businesses and visitors of all ages and backgrounds.

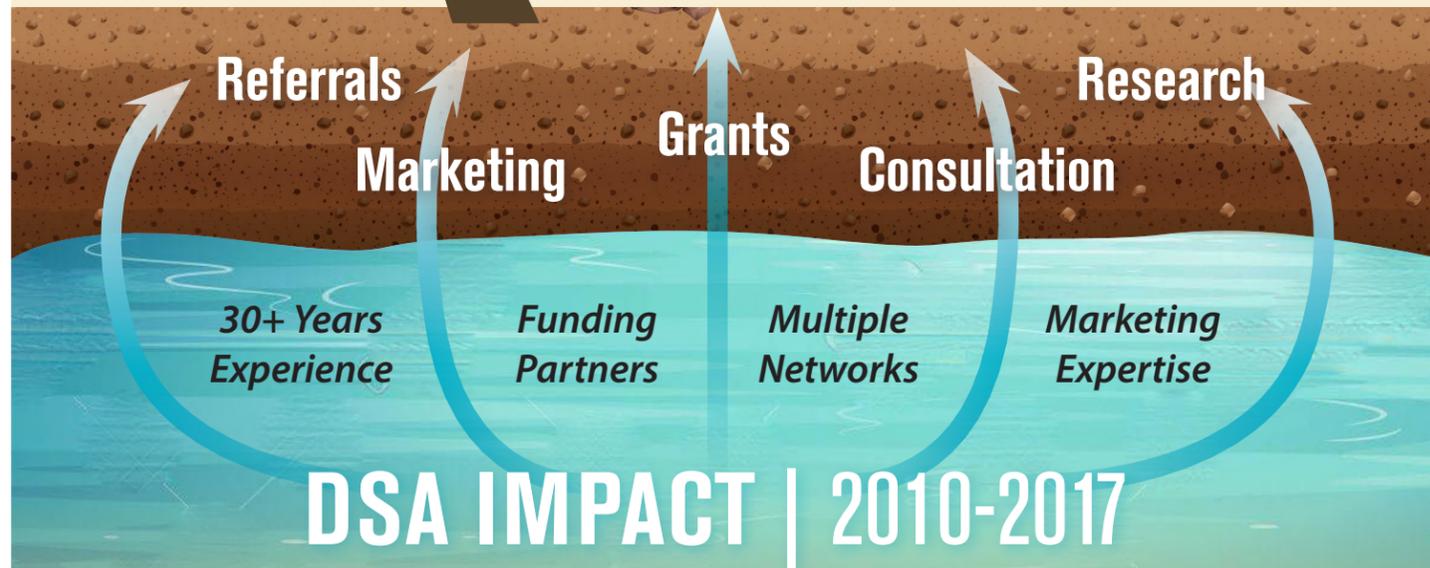
ECONOMIC VITALITY



10% Growth 1,195 **Businesses**

30% Growth 25,000 **JOBS**

66% Growth \$25,000,000 **TOT**



DSA IMPACT | 2010-2017

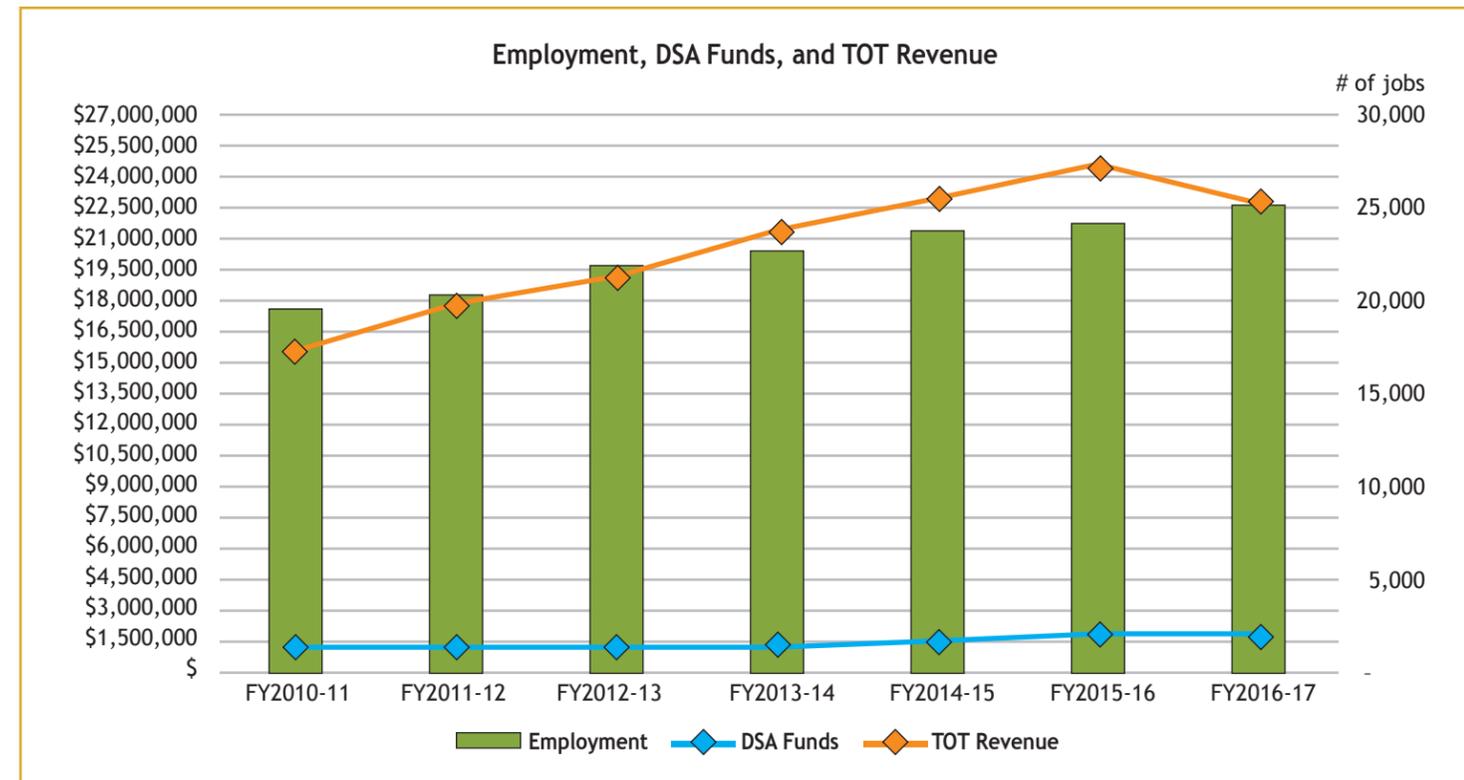
MONTEREY
Grab life by the moments.

ARTS COUNCIL
for MONTEREY COUNTY

MONTEREY COUNTY
FILM COMMISSION

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Arts Council for Monterey County triples DSA funding through grants and earned revenue to produce award-winning programs that diversify our economy, empower every student to succeed and create more vibrant communities of greater appeal to residents, businesses and visitors of all ages and backgrounds.

DSA Agencies Benefit All County Residents

GROWTH In 2015-2016 alone, the TOT increased 8% over the prior year—thanks in large measure to DSA partner efforts. DSA agencies proactively support county goals of business retention and expansion, growing and attracting business in ways that promote economic development that helps promote the county’s vision to enhance the well-being and prosperity of County residents. DSA activities prioritize workforce development and growth of small businesses—hospitality, film production and the creative industries and beyond—to protect and enhance our region’s unique assets: world-renowned natural resources, innovative educational institutions and a rich array of arts, culture and heritage programs throughout the region.

LEVERAGE DSA partner agencies create a strong return on the county’s investment year after year by achieving goals, raising additional revenue and setting Monterey County apart as one of the most appealing places in the world to live, work or play. DSA agencies help attract the types of visitors and businesses that support the county’s economic pillars and contribute positively and substantially to a diversified and healthy economy.

BALANCE Overall, the Development Set Aside Agency activities lead to broad-based and sustainable economic development with special programs providing additional resources to residents and businesses in rural areas such as North County and South County. Additional funds raised by the partners are used to invest in programs that earn tax revenues and grow the general fund in ways that support a positive way of life for residents and visitors alike.

RELIABILITY Each agency is a nonprofit with a 30-year history of successfully managing contracts with the county. Each agency carries the required liability policy protecting the county. Each agency has an audit or review each year with the IRS 990 available on line. Each agency is led by a professional with a representative board of directors that provide oversight and support.

RESPONSIVENESS In addition to exceeding the goals of their annual work plans, DSA agencies frequently respond to special opportunities or needs such as the CVB responding to the Big Sur bridge collapse with an innovative public relations campaign to help residents cope with the crisis and help potential visitors plan to return as soon as possible. The MCFC responded to the producers’ needs for the Emmy award-winning *Big Little Lies* series and the ACMC responded to the community need to reduce youth violence with a NACO award-winning arts as healing intervention program.



“Big Sur” Film Crew



Creekbed Mural, Ord Terrace Elementary, Seaside

DSA FUNDING BACKGROUND

The first allocation in 1988 came from the general fund as set in a five year plan based on the Consumer Price Index. “The base amount shall be set at \$2.25 million with subsequent years using the San Francisco Consumer Price Index rate on December 31, 1998 with Economic and Agricultural Development 13.0%, Film Industry Promotion 4.5%, Cultural Arts Programs 19.0% Cultural Heritage Grant Programs 7.5% and Tourism Promotion Projects 56.0%”.

Periodically, the length or terms of the contract were revised. Each time, however, the Economic Development Department, Economic Development Commission and the Monterey County Board of Supervisors reaffirmed the overall value of the DSA agencies and the efficacy of allocating funds to support their approved work plans. “With the rich heritage and array of cultural activities that are offered in Monterey County, the arts are a tool for economic development as well as a resource that enhances the quality of life for the residents.” (Monterey County Development Set-Aside Program, 1990, p. 5)

In 1993, the Supervisors agreed with hospitality industry leaders to increase the potential allocation by tying the funding to a percentage of the Tourism Occupancy Tax collected the prior year. With this new formula, a higher than expected revenue from tourism could provide additional resources the following year without risk to general funds in the event that revenues were lower.

In 2003, economic conditions—compounded by the national and state problems—were so severe, the county eliminated the formula and drastically reduced the total allocations. As soon as the national economy began to stabilize, however, the county again reaffirmed the value of the partner agencies and recreated the current formula to again to ensure greater stability and increase the potential impact of the partner agencies. (2008)

Today, the formula is: From Total TOT Revenue from the prior fiscal year, 6% is allocated to the Monterey County Visitors and Convention Bureau; 1.98 % to the Arts Council for Monterey County and .98% to the Monterey County Film Commission. This allocation formula works well. Though this current formula is 20% less than the one that was used in the early 2000s, DSA agencies now have the capacity to leverage enough additional funding to continue to increase revenue from TOT and positively impact jobs, business growth and the economic health and vitality that benefits everyone in our county.



Folklorico Dance Lesson at LIFE Afterschool, East Salinas



Big Little Lies at Fisherman’s Wharf, Courtesy HBO



Courtesy SeeMonterey.com, photo by JDVK