



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 16-674, **Version:** 1

- a. Support a freeze in Transient Occupancy Tax contributions at the \$20.5 million level to all Development Set Aside Agency partners who receive funds under the 9% allocation.
- b. Support increasing the Development Set Aside funding for the Monterey County Business Council from 87,250 in the amount \$100,000 annually.
- c. Consider funding the Economic Development Department up to \$100,000 for FY 2016/17 from the savings created from the freezing of TOT revenue

RECOMMENDATION:

It is recommended that the Board Budget Committee:

- a. Support a freeze in Transient Occupancy Tax contributions at the \$20.5 million level to all Development Set Aside Agency partners who receive funds under the 9% allocation.
- b. Support increasing the Development Set Aside funding for the Monterey County Business Council from 87,250 in the amount \$100,000 annually.
- c. Consider funding the Economic Development Department up to \$100,000 for FY 2016/17 from the savings created from the freezing of TOT revenue

SUMMARY:

The Economic Opportunity Committee recommends approving funding to all Development Set Aside Agencies currently under contract with the County for the next fiscal year 2016/17. In addition, the Committee is recommending that the Board of Supervisors consider a freeze of TOT allocated to the Development Set Aside Partners at the level of \$20.5 million for a period of one year to allow the committee time to recommend any further adjustments and the justification.

The EOC Administrative Subcommittee has approved and recommend forwarding to the Board of Supervisors all current Development Set Aside Partners; Arts Council for Monterey County, Monterey County Film Commission, Monterey County Convention and Visitors Bureau, be funded under the 9% allocation using the \$20.5 million TOT revenue level while the Monterey County Business Council be increased from their \$87,250 level to \$100,000 annually.

Last year the Economic Development Department received \$200,000 in funding and is respectfully requesting the Budget Committee consider funding the Economic Development Department \$100,000 specifically for economic development services and supplies for the 2016/17 fiscal year using revenue savings created by the TOT freeze for the Development Set Aside partners.

Offsetting revenues should exceed the total amount requested by the Economic Development Department for the fiscal year 2016/17 respectively.

The Development Set Aside partners have agreed with the freeze for one year and requested a CPI adjuster if this were to be enforce for five years.

OTHER AGENCY INVOLVEMENT

None.

FINANCING

There is an impact on the general fund as a result of this action amounting to an increase of \$12,750 to the Monterey County Business Council and to an additional \$100,000 in appropriations for the Economic Development Department's Economic Opportunity Admin Appropriation Unit 001-8221-DEO001.

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Approved by: Jaime Ayala, Budget Analyst