



Agenda Date: 12/12/2006
Agenda Placement: 9C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Britt Ferguson for Nancy Watt - County Executive Officer
County Executive Office
REPORT BY: Britt Ferguson, Assistant County Executive Officer, 253-4406
SUBJECT: Appointment of Special Projects Fund Ad Hoc Committee Members

RECOMMENDATION

County Executive Officer requests the Board:

1. Affirm or revise the policy decisions regarding the use of Special Projects Fund resources made at its December 5th meeting, including the creation of an ad hoc Special Projects Fund Committee of the Board of Supervisors; and
2. Appoint two of its members to serve as the Ad Hoc Special Projects Fund Committee.

EXECUTIVE SUMMARY

At its meeting on December 5, 2006, the Board made a number of policy decisions regarding the Special Projects Fund, including:

1. Each year, except during times of fiscal distress, transfer General Fund resources to the Special Projects Fund in an amount equal to 12.5% of the prior calendar year's actual TOT revenue received by the County.
2. The primary focus of Special Projects Fund expenditures will be on programs or services related to parks and open space, visitor management and arts and culture.
3. The Board will establish an ad hoc committee of two Supervisors to make a recommendation to the full Board on guiding principles, goals, criteria, processes and procedures and other policy issues related to the use of Special Projects Fund monies. The ad hoc Special Projects Fund Committee will begin its work as soon as possible and meet with, and seek input from, representatives of organizations and agencies interested in parks and open space, visitor management, arts and culture, transportation and economic development.

The action being requested today is for the Board to affirm or revise the above policy decisions and appoint two Supervisors to the ad hoc Special Projects Fund Committee.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	General Fund and Special Projects Fund
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This reflects a policy decision by the Board to allocate General Fund resources to the Special Projects Fund to address needs in certain areas.
Is the general fund affected?	Yes
Future fiscal impact:	This action will provide policy direction to include in each fiscal year's budget a transfer of General Fund resources to the Special Projects Fund. Over the next 10 years, the estimate amount to be transferred in each year is between \$900,000 and \$1.5 million.
Consequences if not approved:	There would be no policy direction concerning the transfer of General Fund resources to the Special Projects Fund and what the money in the Special Projects Fund is to be spent on.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In November of 2004, Napa County voters approved an increase in the Transient Occupancy Tax (TOT) rate charged to visitors renting hotel and motel rooms in the unincorporated area. The increase, from 10.5% to 12%, took effect on January 1, 2005. Though the increased revenue resulting from this increase in the TOT was not legally dedicated to any specific purpose, the Board determined that the receipt of additional discretionary revenue provided an opportunity to consider County investments in projects or programs that were a Board priority. To that end, as part of the FY2005-06 County Budget process, the Board established a Special Projects Fund and approved the transfer of \$650,000 from the General Fund to the Special Projects Fund to finance programs in two areas: (1) visitor management; and (2) parks and open space. In the FY2006-07 Budget, the Board approved the transfer of an additional \$900,000 from the General Fund to the Special Projects Fund. In terms of actual expenditures, thus far, the Board has approved a two-year, \$500,000 agreement with the Napa Valley Convention and Visitor's Bureau (NVCVB) to fund the development of a County-wide destination brand strategy and agreed to allocate approximately \$300,000 a year to cover parks operating costs, at least through FY2008-09. The Board has also discussed the possible need to use Special Projects Fund money to help cover the cost of purchasing Skyline Park, if the State agrees to sell that property to the County.

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At its December 5th meeting the Board also affirmed its \$500,000 commitment to the preparation of the destination brand strategy and to funding parks and open space operating costs through FY2008-09.

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SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Maiko Klieman