

Program Title: Transient Occupancy Tax

Program Description: Sacramento County imposes a Transient-Occupancy Tax (TOT) in the amount of 12.0 percent of the rent charged at hotels, motels, and similar structures for short-term lodging. The Board of Supervisors makes allocations from this budget for artistic, cultural, civic, and other activities which enhance the image and quality of life of the community.

Reduction: \$1,000,000 GF (Current Year)

Total Budget	2009-10 Annual Reduction	Revised Budget	% Reduced	Total Program FTEs	Reduction in FTEs	% Reduced
\$8,545,193	\$1,000,000	\$7,545,193	11.7%	0.0	0.0	0%

Program Impact: The impact of shifting \$1 million of Transient-Occupancy-Tax revenue from recipient organizations to the General Fund will severely impact the recipient organizations ability to operate. The elimination of funding will result in staffing and program reductions or elimination for organizations that contribute to the quality of life in the community. In addition, elimination of funding will directly or indirectly impact the ability of those organizations whose focus is generation of Transient-Occupancy-Tax revenue, such as the Sacramento Convention and Visitors Bureau.

Shifting \$1 million to the General Fund would leave approximately \$20,000. If the Board acts to shift \$1 million of Transient-Occupancy-Tax revenue it is recommended that the remaining funds, (assuming Proposed Final Budget funding levels for the economic development organizations, Sports Commission and funding support for Sports Commission events previously scheduled remains intact), be established in an Economic Development Special Projects Fund. This Fund will be used to support unfunded County costs supporting projects that will create jobs and County revenue.
