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COUNTY OF SONOMA

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June 3, 2009

TO: Board of Supervisors
FROM: County Administrator's Office
SUBJECT: FY 2009-10 Advertising Budget

Transient Occupancy Tax (TOT)

Transient Occupancy Tax of 9% is charged on all hotels, motels, bed and breakfasts, inns, and campgrounds in the unincorporated area of the county. This tax is paid on a quarterly basis. Per Board policy, the proceeds of this tax are distributed between the General Fund (25%) and the Advertising Fund (75%). The Advertising Fund finances Economic Development and the Advertising budgets. The Advertising budget also funds a portion of Regional Parks operations and maintenance costs and other departmental projects.

Transient Occupancy Tax History

The chart below summarizes TOT revenues for the past eight years, and includes quarterly collections and delinquencies. In FY 2008-09, based on the recent collection report, revenues have decreased 6.8% (\$540,000) less than the prior year's total collections. Total collections include one-time delinquent TOT payments totaling \$123,500.

Because of the decline in tourism, the existing revenue base (not including delinquent amounts) is expected to decrease by 5% in FY 2009-10.

TOT COLLECTIONS

Fiscal Year	General Fund	Advertising Fund	Total	Percent Change
FY 00-01	\$1,419,633	\$4,258,899	\$5,678,532	20.9
FY 01-02	\$1,377,891	\$4,133,674	\$5,511,565	-2.9
FY 02-03	\$1,356,225	\$4,068,676	\$5,424,901	-1.6
FY 03-04	\$1,316,006	\$3,948,019	\$5,264,025	-3.0
FY 04-05	\$1,387,624	\$4,162,874	\$5,550,498	5.4
FY 05-06	\$1,551,633	\$4,654,899	\$6,206,532	11.8
FY 06-07	\$1,640,301	\$5,703,502	\$7,164,670	15.4
FY 07-08	\$1,996,885	\$5,990,665	\$7,987,550	11.5
FY 08-09 Est	\$1,861,665	\$5,584,994	\$7,446,659	-6.7

Budget Policy Workshop

On April 14, 2009, the Board accepted a status report on FY 08-09 TOT collections and provided policy direction to fund and administer the FY 2009-10 program. At that time, TOT current receipts were estimated to be 6.7% lower than the prior year's actual collected revenues. FY 09-10 budgeted revenues included a 5% additional decrease from current year non-delinquent collections. The future years' forecast include a 4% annual increase.

After considering available revenues and financing sources, the Board directed staff to:

- 1) Fund existing advertisers at FY 08-09 level;
- 2) Maintain FY 08-09 support to county departments;
- 3) Adjust down by 5% the contribution to the Sonoma County Tourism Bureau while still maintaining funding ratio parity with other participating agencies, for a total of \$1,447,000;
- 4) Maintain reserves at 5% of total available TOT sources for economic uncertainty;
- 5) Continue \$50,000 for contingency and \$149,975 for parks operation and maintenance; and
- 6) Given the recent economic downturn, retain the remaining projected discretionary fund balance of approximately \$1.2 million until new revenue from new lodging facilities is realized to provide maximum funding flexibility.

In addition, the Board instructed staff to streamline the application process and notify current participants that FY 2010-11 awards may be significantly reduced or eliminated if the county's fiscal challenges continue.

Advertising Sources and Uses – Attachment 1

The projected available ending fund balance for FY 08-09 is \$1.9 million. Attachment 1 presents the estimated available resources and summarizes the full recommendations of uses developed after funding requests were received, in accordance with the Board direction above. It also includes \$222,000 in recurring add backs restorations for Regional Parks (as described on the next pages). The estimated ending fund balance for FY 09-10 is \$896,000.

Collections – Attachment 2 (Chart)

The most current March to June 2009 quarter collections are 23% lower than the prior year's same quarter, which has been attributed to reduced travel spending resulting from the current economic recession. New revenues are anticipated starting with FY 2010-11 from four new hotel projects and one expansion project. Attachment 2 compares quarter-to-quarter collections for FYs 06-07, 07-08 and 08-09.

Advertising Program – Attachment 3 (Detail)

Letters announcing the opening of the application period, and notifying of FY 2010-11 potential funding reductions, were mailed to current and past recipients of Advertising funds. Instructions on how to request FY 09-10 funds were made available to download from the County Administrator's Office Internet web site Advertiz@sonoma-county.org.

Completed requests were due in the County Administrator's Office on May 15, 2009 at 5:00 p.m. Funding is not being recommended for The River Choir, as it is not an existing program participant; and for the one-time \$20,000 repeated request from Sonoma Valley Visitor's Bureau for a Sonoma Valley advertising billboard.

STAFF RECOMMENDATIONS FOR ADVERTISERS' REQUESTS:

The detail of recommended funding levels for each of the advertisers is located in column 4 of Attachment 3. We recommend that participants receive the same funding amounts they received in FY 08-09, not including one-time awards.

REGIONAL PARKS:

TOT baseline funding for Regional Parks is approximately \$2.1 million. Funding includes \$1.9 million for baseline operations and maintenance (O&M). Up to \$172,400 in new TOT allocation above General Fund Interest Earnings (GFIE) financing, usually allocated to cover the O&M cost of parks opened in the new budget year, may be used to maintain at risk baseline services due to budget reductions, and \$15,000 for promotion activity (included in Category J designation).

ECONOMIC DEVELOPMENT (ED):

TOT funding for the ED totals \$1.9 million. Funding includes \$1.2 million for ED’s core activities and \$1.5 million for the Sonoma County Tourism Bureau (SCTB). The funding designation for SCTB is based on projected tourism lodging activity. Accordingly, the county contribution reflects a 5% decrease.

AFFORDABLE HOUSING (AH) CONTRIBUTION:

FY 09-10 revenues are estimated to not meet FY 09-10 baseline requirements, thus no new designation is included for the final budget. In addition, to adhere to the Board’s established policy to dedicate the use of 50% of expected revenues from new facilities for AH related expenses, approximately \$442,000 is recognized as rebudgeted unspent funds, after the \$100,000 that was approved by your Board to be transfer to the Permit and Resources Management Department to finance the cost of implementing the county’s Housing Element plan.

ADVERTISING (TOT) ADD BACKS:

In addition to the recommended funding levels, staff recommends the following restorations,

- | | | |
|---|--|----------|
| 1 | Regional Parks -- Reinstatement extra help hours by 4,700 hours for Park Ranger Assistants, Park Aides, Lifeguards, and Grounds Worker I. The elimination of these extra help hours equates to a 12% reduction in extra help hours, or about 9,000 hours. As a result of this reduction, the public will experience reduced park hours at inland parks, smaller swimming areas on weekdays, a general reduction in staff presence for patrol and visitor services, especially during off-season months, and decreased cleanliness and upkeep of facilities including restroom cleaning. [Dept. Appeal A] | \$88,879 |
| 2 | Reinstatement Major Maintenance accounts by 22%. Without this restoration, major maintenance (which includes roof replacements, major trail work, road repaving, etc.) will be reduced by a total of 35%. A reduction at this level means repairs will be limited to emergency health and safety concerns only and to those needed to protect park facilities. The cost of major maintenance projects increases each year the repairs are not made. [Dept. Appeal B] | 47,600 |
| 3 | Reinstatement park and grounds maintenance accounts by 27% to complete regular repairs. Without this restoration, parks and grounds maintenance will be reduced by a total of 34%. A reduction at this level means landscaping at the County Center, Los Guillicos, and Valley of the Moon Children’s Home will be reduced, and repairs and upkeep associated with maintaining athletic fields, addressing vandalism and responding to trail maintenance will be focused primarily on health and safety issues. [Dept. Appeal C] | 85,342 |

TOT Total \$221,821

Attachments

- Attachment 1 – Advertising Fund Sources and Uses.
- Attachment 2 – Quarter-to-Quarter TOT Collections.
- Attachment 3 – Funding Recommendations for Advertisers.
- Attachment 4 – Current Advertising and Promotions Policy (for reference only)

Requested Board of Supervisors’ Action

Approve the Final Advertising Budget for FY 09-10

**Final Budget
Recommendation
FY 09-10**

BEGINNING OPERATING FUND BALANCE (Estimate)	1,944,921
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SOURCES

Interest	100,000
TOT Existing Facilities (75%)	4,605,563
TOT New Fac. since 7/02 (75%)	656,963
Delinquent - Existing (75%)	15,000
Delinquent - New (75%)	15,000

Total Revenues	5,392,525
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USES

Expenditures

Cat. A Chambers of Commerce	27,500
Cat. C Agricultural Promotion	170,000
Cat. D Historical Groups	50,000
Cat. E Cultural & Community	14,600
Cat. F County Wide Events	6,000
Cat. G Cultural Organizations	10,000
Cat. H Major County Events & Org	324,420
New Sonoma Valley Requests	-
Advertisers	602,520
Cat. J Departmental Activities	48,378
Contribution to Non-Co Agency	-
Parks Baseline O & M	1,882,857
Additional O & M for New Parks	172,441
2-YR Parks Deferred Maint. Rebudget	160,000
CAO Recommended Add backs	221,821
Regional Parks	2,437,119
Economic Dev. Department	1,174,611
Sonoma County Tourism Bureau	1,447,000
Economic Development	2,621,611
Affordable Housing Rebudget	441,706
Transfer to PRMD for Housing Element	100,000
Collection & Program Admin	139,931
Contingency	50,000
Increase to Reserve	-
Total Expenses	6,441,265
Increase/(Decrease) to Fund	(1,048,739)

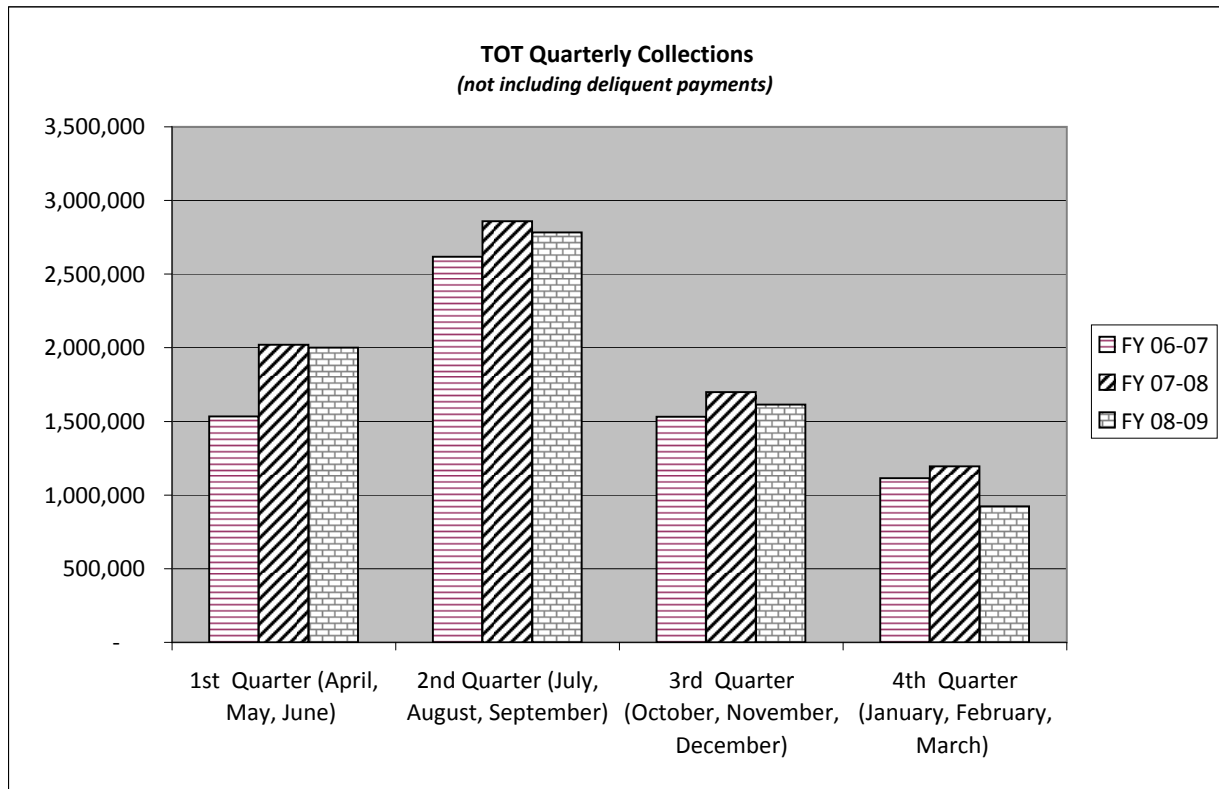
ENDING OPERATING FUND BALANCE	896,182
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Restricted Designations (not included in Operating FB)

EUR	313,659
Parks O&M Reserve	149,975
LT Receivables	15,000

Advertising Final Budget Hearings Attachment 2

	FY 06-07	FY 07-08	FY 08-09	Change From PY
<u>Collections</u>				
1st Quarter (April, May, June)	1,533,671	2,020,988	2,001,407	-1%
2nd Quarter (July, August, September)	2,618,118	2,858,247	2,783,413	-3%
3rd Quarter (October, November, December)	1,531,727	1,697,970	1,613,999	-5%
4th Quarter (January, February, March)	1,114,135	1,194,560	924,279	-23%
Total Collections/Budget	6,917,651	7,771,765	7,323,098	-6%
<u>Delinquent Payments</u>				
1st Quarter (April, May, June)	79,325	10,482	12,968	
2nd Quarter (July, August, September)	125,190	650	89,477	
3rd Quarter (October, November, December)	44,781	109,340	(204)	
4th Quarter (January, February, March)	(2,277)	95,314	21,319	
Total Delinquents/Budget	247,019	215,786	123,560	-42.7%
Total Collection	7,164,670	7,987,550	7,446,659	-6.8%
Amount Budget	6,561,207	7,074,955	8,204,235	15.96%
Amount Collected Over/(Under) Budget	603,463	912,596	(757,576)	-9.2%



ADVERTISING SPECIAL REVENUE FUND

Sub-Object		FY 2008-09		FY 2009-2010	
		(1) Adopted Budget	(2) Policy Direction	(3) Requests	(4) Recommended
75 -- OTHER CHARGES					
8103 -- C OF C-GEYSERVILLE	A	-	2,500	1,500	1,500
8104 -- C OF C-FORESTVILLE	A	-	1,500	1,100	1,100
8108 -- C OF C-SONOMA VALLEY	A	13,200	13,200	13,200	13,200
8110 -- C OF C-RUSSIAN RIVER	A	7,000	7,000	7,000	7,000
8111 -- C OF C-MONTE RIO	A	-	2,500	500	500
8116 -- C OF C-GREATER LARKFIELD/MARK WEST	A	4,200	4,200	4,200	4,200
A- Chambers of Commerce		24,400	30,900	27,500	27,500
8304 -- SO CO WINE GROWERS	C	170,000	170,000	170,000	170,000
C- Agricultural Promotion		170,000	170,000	170,000	170,000
8401 -- HIST RECORDS COMM	D	5,000	10,000	5,000	5,000
8405 -- SO CO LANDMARK COMM	D	45,000	45,000	45,000	45,000
D - Historical Groups		50,000	55,000	50,000	50,000
8137 -- CLOV-RAM SALE	E	500	500	500	500
8147 -- MONTE RIO CHAMBER EVENTS	E	-	1,200	900	900
8188 -- THURSDAY NIGHT MARKET ASSOC.	E	1,200	1,200	1,200	1,200
8227 -- OCC COMM CHOIR	E	1,200	1,200	1,200	1,200
8238 -- ACTORS THEATER FOR CHILDREN	E	1,200	1,200	1,200	1,200
8239 -- RUSSIAN RIVER CHAMBER	E	7,200	7,200	7,200	7,200
8240 -- S R SYMPHONIC CHORUS	E	1,200	1,200	1,200	1,200
8276 -- INDEPENDENCE DAY CELEB	E	1,200	1,200	1,200	1,200
8408 -- CASA GRANDE FISH HATCHERY	E	-	-	1,200	0
NEW- THE RIVER CHOIR					
E- Cultural, Artistic, and Community		13,700	14,900	15,800	14,600
8149 -- PET-HOLIDAYS	F	3,000	3,000	3,000	3,000
8277 -- SOCIETY FOR ADV OF ARTS/FILM	F	3,000	3,000	3,000	3,000
F - Countywide Events		6,000	6,000	6,000	6,000
8173 -- SANTA ROSA PLAYERS	G		-	2,500	2,500
8193 -- SONOMA CITY OPERA	G	2,500	2,500	2,500	2,500
8209 -- REDWOOD ARTS COUNCIL	G	2,500	2,500	2,500	2,500
8219 -- SO VLY CHORALE	G	2,500	2,500	2,500	2,500
G - Cultural Organizations		7,500	7,500	10,000	10,000
8131 -- APPLE BLOSSOM	H	5,000	5,000	5,000	5,000
8134 -- BURBANK ROSE	H	7,000	7,000	7,000	7,000
8163 -- SONOMA COMMUNITY CENTER	H	5,500	-	0	0
8203 -- CINNABAR THEATRE	H	14,000	14,000	14,000	14,000
8204 -- CULTURAL ARTS COUNCIL	H	50,000	50,000	50,000	50,000
8220 -- SUMMER REPERTORY THEATRE	H	15,000	15,000	15,000	15,000
8221 -- SYMPHONY ORCHESTRA	H	10,000	10,000	10,000	10,000
8234 -- SEB-CENTER FOR THE ARTS	H	14,700	14,700	14,700	14,700
8271 -- HARVEST FAIR	H	32,160	32,160	32,080	32,080
8273 -- HEALTH & HARMONY FESTIVAL	H	15,000	15,000	15,000	15,000
8286 -- SPRECKLES PERFORMING ARTS	H	16,000	16,000	16,000	16,000
8291 -- HISTORICAL MUSEUM FOUNDATION	H	33,640	20,000	33,640	33,640

ADVERTISING SPECIAL REVENUE FUND

Sub-Object		FY 2008-09		FY 2009-2010	
		(1) Adopted Budget	(2) Policy Direction	(3) Requests	(4) Recommended
8305 -- SO VLY VISITORS BUREAU	H	12,000	12,000	32,000	12,000
8305 -- SO VLY VISITORS BUREAU (One-time)		20,000	-		
8308 -- SO VLY FILM FESTIVAL	H	10,000	10,000	10,000	10,000
8311 -- KRCB-TV CHANNEL 22	H	15,000	15,000	15,000	15,000
8310 -- SO VLY MUSEUM OF ART	H	10,000	10,000	10,000	10,000
8312 -- LUTHER BURBANK CENTER	H	65,000	65,000	65,000	65,000
H - Major County Event and Cultural Organization		350,000	310,860	344,420	324,420
7756 -- AFFORDABLE HOUSING	D	548,832	-	441,706	441,706
8403 -- REG PKS	D	15,000	15,000	15,000	15,000
8406 -- ST CAPITOL EXHIBIT & STATE FAIR	J	8,000	8,000	8,000	8,000
8410 -- SONOMA COUNTY LIBRARY	J	25,378	25,378	25,378	25,378
J- Departmental Activities		597,210	48,378	490,084	490,084
ADVERTISERS BUDGET		1,218,810	643,538	1,113,804	1,092,604
6500 -- SERVICES - COLLECTIONS	D	13,390	13,390	13,390	13,390
6630 -- AUDIT/ACCOUNTING SERVICES - AUDIT	D	75,000	75,000	75,000	75,000
8633 -- UNCLM-OT-SP REV TO GENERAL - CAO	D	50,533	145,309	51,541	51,541
Administration Costs		138,923	233,699	139,931	139,931
8630 -- PARKS 2YR MAINT REBUDGET	D	365,000	0	160,000	160,000
8633 -- SP REV TO GENERAL - Parks	D	1,413,003	1,882,857	1,882,857	1,882,857
8633 -- SP REV TO GENERAL - Parks over GFIE		472,306	172,441	172,441	172,441
8633 -- SP REV TO GENERAL - ADD BACKS				221,821	221,821
8633 -- SP REV TO GENERAL - PRMD				100,000	100,000
Contributions to Depts.		2,250,309	2,055,297.56	2,537,119	2,537,119
9000 -- CONTINGENCY DESIGNATION		50,000	50,000	50,000	50,000
BUDGET APPROPRIATIONS/EXPENSE (see FAMIS)		3,658,042	2,982,535	3,840,854	3,819,654
030015 ECONOMIC DEVELOPMENT DEPT - NET COST		1,165,292	1,174,611	1,174,611	1,174,611
030031 SCTB CONTRIBUTION (Part of ED's NET COST)		1,537,000	1,447,000	1,447,000	1,447,000
ADV FUND - ED NET COST		2,702,292	2,621,611.00	2,621,611	2,621,611
ECONOMIC UNCERTAINTY		44,848	-		
CHANGE IN RESERVES		44,848	-	0	0
GRAND TOTAL OF USES		6,405,182	5,604,146	6,462,465	6,441,265

Adopted July 8, 1986
Revised October 2, 2001
Revised October 8, 2002
Revised August 12, 2003
Revised February 3, 2004
Revised April 18, 2006
Revised April 18, 2007

ADVERTISING & PROMOTIONS POLICY

I. SOURCE OF FUNDS

The Transient Occupancy Tax (Hotel/Motel Tax or Bed Tax) is authorized under State Revenue and Taxation Code Section 7280 as an additional source of non-property tax revenue to local government. This tax is levied in Sonoma County at a rate of 9%. The code does not require any specific use of the Transient Occupancy Tax (TOT). Funds developed as a result of the TOT may be utilized for General Fund, Advertising Fund, or other purposes.

The Sonoma County Board of Supervisors has established a policy stating that the funds will be used, in part, to finance advertising and promotional activities. These activities must also be consistent with Government Code Section 26100, which states that advertising funds may be utilized for the following purposes:

- a. Advertising, exploiting, and making known the resources of the county
- b. Exhibiting or advertising the agricultural, horticultural, viticultural, mineral, industrial, commercial, climatic, educational, recreational, artistic, musical, cultural, and other resources or advantages of the county
- c. Making plans and arrangements for a world's fair, trade fair, or other fair or exposition at which such resources may be exhibited
- d. Doing any of such work in cooperation with or jointly by contract with other agencies, associations, or corporations

II. POLICY STATEMENT

Based upon a level of funding to be established each year:

- A. It is the Board's intent and desire to promote a series of promotional, community, and cultural, activities through use of the Advertising funds. The Board of Supervisors wishes to promote tourism, agriculture, and industry in the County through regional and national advertising (Funding Tier 1), support the community's spirit and its art/cultural programs (Funding Tier 2),; and to promote other special events as deemed consistent with the Board's Advertising and Promotions Policy.
- B. The Board has established the following general principles which shall govern the allocation of advertising funds.
 1. The Board may provide advertising funds to private non-profit organizations whose purpose is to promote cultural activities, historical preservation activities, promotional activities which enhance tourism and industry, and/or local community events which encourage a sense of community.

2. Organizations approved for Advertising funds in the year prior to the application period and which continue to comply with terms and guidelines of policy will receive priority consideration for funding in the current application cycle. New applications will be considered based on compliance with policy, demonstrated need, and availability of funding within category limits.
3. Any event promoted by clubs, fraternal organizations, societies, human service organizations, and other similar type organizations, and for which the proceeds of the event will be used to fund other activities, **are not** eligible for advertising funds.
4. Any unanticipated-revenues in excess of expenditures resulting from an **event** funded with advertising funds will be deducted from any future advertising funding.
5. The funds made available for the Advertising program shall be used primarily for advertising and promotions cost. For purposes of this policy:
 - a. "Advertising" shall be taken to mean the cost of advertisements in radio, television, newspapers and magazines, printing of newsletters, direct mail, posters and handbills, internet and other paid advertising, the purpose of which is to draw an increased attendance at an event.
 - b. "Promotions" shall be taken to mean costs of communication primarily directed outside of the County for which the purpose is the further recognition of Sonoma County and/or regional areas, events and/or activities in order to achieve favorable media attention and/or large audience exposure. Examples of communication may include attendance at trade shows, public relations activities, in-county familiarization tours and marketing programs.
6. As part of the application process, all organizations who apply for advertising funds will be required to provide the County with: (1) a year-end financial statement, (2) program report containing results and benefits of their prior year activities and events, whether or not they received advertising funds the prior year, (3) detail on advertising/promotion campaign, both type and region, for which advertising funds are being requested, and (4) documentation including "scope of work" for any professional service contracts included in agency request for funding from County.
7. Costs for staff salaries, overhead, travel expenses (such as transportation, lodging and/or meals) and fixed assets **are not** allowable advertising and promotions reimbursable expenses. (Departmental and EDB activities as indicated in section B.1-2 and J. 2b. are exempt from this provision.)
8. County funds are not to be used for individual business promotion or advertisement. Any business name mentioned in county funded materials must be a sponsor or direct participant in the event or promotional effort. **Any listing of service or product providers or co-sponsors must be inclusive.** Any advertising space or time purchased by an individual business must be clearly and separately identified as paid advertising.
9. Only one (1) application may be submitted per agency/IRS tax number. Refer to Category I-Multiple Events for application criteria.

III. ACTIVITIES ELIGIBLE FOR ADVERTISING AND PROMOTIONS FUNDS

A. Chambers of Commerce (Tier 1)

1. Funding may be provided to Chambers of Commerce serving unincorporated areas of Sonoma County. Allocation of funds will be based upon a 10% match of membership dues and private cash contributions that are discretionary revenue to the Chamber and are not associated with a particular event, function or position, up to a maximum of \$12,000 per chamber.

B. Promotional Organizations (Tier 1)

1. The Board of Supervisors has designated an Economic Development Board to provide business assistance services to enable local businesses to maintain or expand their operations. The Board may apply for funding of staff, and related costs, as well as costs of promotional activities for administration of the Film Program, and the Visitor Services Program. Only the Economic Development Board (EDB) duly established and currently authorized may apply under this category.
2. As determined by the Board of Supervisors, the county will, at minimum, designate a sum equivalent to the first 2% of Transient Occupancy Tax collected in unincorporated Sonoma County for advertising and promotional efforts as provided by the Sonoma County Tourism Bureau (SCTB). The county's TOT contribution to SCTB is disbursed through the EDB budget.
3. Funding for the Visitor Services Program may be considered at the discretion of the Board of Supervisors as recommended by the Economic Development Board. For purposes of funding, Visitor Services will be distinct from the Tourism Program.
4. The Board of Supervisors will consider increasing TOT contribution to the SCTB when collections have grown over 5% from the year prior to the new budget.

C. Agricultural Promotion (Tier 1)

1. A maximum of \$170,000 per year may be made available for agricultural and viticulture industries under this category.
2. The Board of Supervisors desires to support advertising campaigns and promotional activities directed by Sonoma County agricultural and viticulture industries.
3. The following general guidelines shall apply to this category:
 - a. In order to promote collaborative advertising and promotional efforts within the agricultural sector, only one application will be considered under this category. Such application shall include promotion of the major agricultural related activities within Sonoma County.
 1. Application requests that include multiple agency efforts will require submission of agency budgets from all involved agencies.
 2. If county funds are redistributed to other agencies a Memorandum of Understanding (MOU) between agencies must be submitted with application.
 - b. Agency applying under this category must be responsive to requests for visitor information on a year-round basis.

- c. The request must be part of a larger advertising program
- d. Industry commitment as demonstrated by matching industry/membership contributions must exceed request for funding from County advertising program.

D. Historical Commissions (Other)

1. A maximum of \$ 55,000 per year may be provided to Historical Commissions.
2. The County has designated a Historical Landmarks Commission to advise on the distribution of funds for preservation and restoration of historically significant buildings.
 - a. Funding may be provided to the Commission to accept grant applications for the renovation, restoration and/or preservation of historical facilities.
3. The Board has designated a Historical Records Commission to review and make recommendations regarding the maintenance and destruction and retention of records, which may be of historical significance. This Commission may receive funding pursuant to this section provided the same limitations as in Section J “Departmental Activities” are met.

E. Cultural, Artistic, and Community Events (Tier 2)

1. A maximum of \$ 30,000 per year may be made available for Cultural, Artistic, and Community Events within this category.
2. The Board has established this category to assist community and countywide events, artistic activities, pageants, and cultural events with the direct cost of advertising the function.
3. The following general guidelines shall apply to this category:
 - a. No organizations may apply under this section without specified advertising costs geared towards specific events.
 - b. Applicants requesting funds in this category must advertise countywide in order to draw a significant number of attendees from throughout the county.
 - c. Any city-specific event held in an incorporated city within the County that receives a transient occupancy tax must show financial support from that city equal to the County Advertising request.
 - d. The maximum contribution which can be applied for is \$1,200.

F. Countywide Events (Tier 2)

1. A maximum of \$15,000 per year may be made available for Countywide Events within this category.
2. The Board of Supervisors desires to promote countywide events which have regional or statewide interest as evidenced by statewide media attention and which attract participants and visitors from other counties and regions within the state.

3. The following guidelines and specific criteria must be met to be eligible for funding under this category:
 - a. The organization must demonstrate major countywide and out-of-county support by in-kind or grants from other agencies or sources.
 - b. The type of advertising campaign must be conducted on at least a regional and/or statewide or national level, in order to draw a significant number of attendees from out of county.
 - c. The maximum advertising fund contribution that can be applied for is \$3,000 and is limited to advertising expenses only.

G. Cultural Organizations (Tier 2)

1. A maximum of \$15,000 per year may be made available for Cultural Organizations within this category.
2. The Board of Supervisors may provide support for organizations, which contribute significantly to the countywide cultural resources of the County.
3. The following guidelines and specific criteria must be met to be eligible for funding under this category:
 - a. A cultural organization must have an annual program consisting of a series of presentations or activities.
 - b. To qualify in this category, the focus of the organization must be countywide (not limited to district).
 - c. The organization must have subscriptions, season tickets, or non-exclusive memberships, which provides the majority support for the organization.
 - d. The organization must have provided their activities for at least three years at the time of application.
 - e. The maximum advertising fund contribution, which can be applied for, is \$2,500.

H. Major County Events and Cultural Organizations (Tier 2)

1. A maximum of \$314,100 per year may be made available for Major County Events and Cultural Organizations within this category.
2. The Board of Supervisors desires to promote major cultural organizations and events which have countywide, regional, state and national interest as evidenced by widespread media attention and which attract participants and visitors from other counties and states.
3. In order to be eligible for funding under this category, major events must meet the guidelines and specific criteria in Category F, above. Cultural organizations must meet the specific criteria in Category G, above. In addition to the two categories mentioned, applicants must meet the following:
 - a. Must demonstrate overall attendance in excess of 15,000.
 - b. Must demonstrate significant attendance from out of the county.
 - c. Must have advertising expenses that exceed \$25,000 and an advertising request that does not exceed 50% of total advertising expenses for the event or cultural organization.
 - d. Must demonstrate a major advertising campaign outside of the county.

4. The maximum advertising fund contribution that can be awarded is \$50,000 when there are not sufficient program revenues to fully fund existing advertisers.

I. Multiple Events (Tier 2)

1. The Board of Supervisors desires to discourage agencies from submitting multiple applications for advertising funds.
2. The following guidelines and specific criteria must be met to be eligible for funding under this category:
 - a. Only one (1) application may be submitted per agency/IRS tax number. Advertisers with multiple events shall submit one budget for each event attached to one (1) consolidated application.
 - b. Each separate event or activity for which funds are requested must identify the category applied under and must comply with the requirements of the category.
 - c. Only one (1) request for funding may be submitted per event.
 - d. Eligible Chambers sponsoring individual events may submit one (1) application in addition to the Chamber funding request. Multiple events sponsored by a Chamber shall be submitted as one (1) application as specified above.
 - e. Advertising allocations shall not exceed the maximum allocation per category.

J. Departmental Activities (Other)

1. The Board of Supervisors desires to provide advertising funds to certain county departmental activities that benefit local tourism activities, the tourist industry, and preserves and promotes Sonoma County history. The advertising funds may be used to support Regional Parks activities.
2. Funding may also be identified for an affordable housing program under the direction of Community Development Commission or the County Administrator's Office.
3. The following specific guidelines shall apply to this category:
 - a. Advertising funds may be used to promote county facilities and activities according to the Advertising & Promotions Policy, as well as memberships in other promotional organizations.
 - b. Advertising funds may be used for salaries of County employees when participating in activities funded by Advertising funds.
 - c. The requests for funding will be reviewed on a case-by-case basis.
 - d. Funding designated for affordable housing shall be recommended by the County Administrator's Office annually based on available funding and approved by the Board of Supervisors on an annual basis. As a goal, funds will be recommended based upon 50% of revenues directed toward this fund that are generated from facilities established after 2002, and after all expected baseline advertising program requirements have been met pursuant to the March 2002 Board Policy Workshop.
 - e. See "promotional activities" for Economic Development Board.