



# COUNTY OF HUMBOLDT

For the meeting of: 6/22/2021

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File #: 21-851

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**To:** Board of Supervisors

**From:** County Administrative Office

**Agenda Section:** Consent

**SUBJECT:**

Grant Contract with the Redwood Region Entertainment and Education Liaisons, Inc.

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Terminate the existing Professional Services Agreement pursuant to Section 3 (B)(D) of said agreement (Attachment I);
2. Approve the grant contract with the Redwood Region Entertainment and Education Liaisons, Inc. (RREEL) and authorize the Chair to sign two (2) copies; and
3. Direct the Clerk of the Board to return the two (2) signed agreements to the Economic Development Division.

**SOURCE OF FUNDING:**

General Fund - Transient Occupancy Tax (TOT)

**DISCUSSION:**

The county receives transient occupancy tax (TOT) based on room night charges for stays in hotels in the unincorporated areas of the county. Unlike other taxes which are paid primarily by local residents, TOT is generated mostly from visitors to the area. For this reason, the county has historically devoted a portion of the TOT proceeds to support outside agencies that promote the county and increase TOT receipts.

Since 2009, RREEL has contracted with the county, encouraging the economic development of the region through film and video production and promotion services in exchange for a portion of TOT revenues. In 2019, your board approved a professional services agreement between the county and RREEL (Attachment I) which included compensation equal to 5% of TOT revenue, plus an additional sum of \$20,000.00, to be paid annually for fiscal years 2019-20 through 2022-23.

It is recommended your Board terminate the professional services agreement pursuant to Section 3 (B)(D) of the agreement and approve a grant contract which follows the term and compensation established in 2019. The key distinction in the contract before you today (Attachment II) is the shift

in relationship with RREEL from a contractor to grantee. As such, funds will be released to RREEL bi-annually (twice a year) in two (2) equal payments, payable the first business day during the months of July and January.

Approval of this agreement allows RREEL to continue contributing to the economic wellbeing of the county through film and video production and promotion.

**FINANCIAL IMPACT:**

Cost for fiscal year (FY) 2020-21 is \$126,196.08 and has been included in the Economic Development and Promotion budget unit (1100-181). Estimated costs for FY 2021-22 are also \$126,196.08 and have been included in the Economic Development and Promotion proposed budget for FY 2021-22. The FY 2021-22 figure is likely to change based on actual revenue received in FY 2020-21.

**STRATEGIC FRAMEWORK:**

This action supports your Board's Strategic Framework by managing our resources to ensure sustainability of services and by engaging in discussions of our regional economic future

**OTHER AGENCY INVOLVEMENT:**

Redwood Region Entertainment and Education Liaisons, Inc.

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

Your Board could decide not to approve this agreement. However, that is not recommended as RREEL's activities have positively impacted Humboldt County's economy.

**ATTACHMENTS:**

- I. RREEL-Film Commission Professional Services Agreement
- II. Grant Contract - RREEL

**PREVIOUS ACTION/REFERRAL:**

Board Order No.: C-13, C-4

Meeting of: 10/24/2017, 9/10/2019

File No.: 17-2516, 19-1071