



COUNTY OF HUMBOLDT

For the meeting of: 4/27/2021

File #: 21-427

To: Board of Supervisors

From: Treasurer/Tax Collector

Agenda Section: Consent

SUBJECT:

Third Amendment to Hinderliter de Llamas and Associates Agreement

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve and authorize the County Administrative Officer to amend the Agreement with Hinderliter de Llamas & Associates (HdL) dated May 23, 2017 (Attachment 1), with a third amendment to that agreement to include a service from Granicus (an HdL Partner Company and current vendor to the county) which identifies addresses and provides contact information for Short-Term Rentals (STR).

SOURCE OF FUNDING:

1100112-2117

DISCUSSION:

The county originally entered into an agreement with HdL for sales, use and transaction tax audit and information and related services on May 23rd 2017 (Original Agreement); then amended the agreement the first time on February 3, 2020 (attachment 2) to extend the term and provide additional related services. The agreement was then amended a second time on November 10, 2020 to include HdL's 'Prime Business License Software System' (attachment 3) to issue and track Business Licenses, Transient Occupancy Tax, and Excise Taxes. This third amendment (attachment 4) will add a service provided by Granicus, an HdL partner company, to systematically identify the addresses and owner's contact information for short-term rentals located in the county's unincorporated areas of the county which are not covered by the voluntary collection agreements currently in place with Airbnb and HomeAway.

The data to be provided by Granicus will interface with the HdL 'Prime' software platform currently in use in the Treasurer-Tax Collector (TTC) department. This data will be used to enforce compliance with county Transient Occupancy Tax (TOT) requirements by providing access to property and owner address information, including screenshots, for not easily identifiable short-term rental units.

FINANCIAL IMPACT:

The current fiscal year (FY) annual cost for this service is \$3,082.50 which will be prorated from the date of execution until June 30, 2021. The cost for FY 2021-2022 will be \$3,298.28 and the cost for FY 2022-2023 will be \$3,529.15 to finish the term of the agreement. Sufficient appropriations are available in FY 2020-21 for this expense and have been included in the FY 2021-22 proposed budget. The TTC believes this service will increase TOT revenue through the department's ability to leverage the information provided by Granicus to bring STRs not currently paying TOT into compliance with county code requirements.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by facilitating public/private partnerships to solve problems .

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could decide to not authorize this amendment but that is not recommended because it would not allow a revenue generating tool to be used by TTC Staff.

ATTACHMENTS:

1. HdL Agreement dated 5.23.2017
2. HdL First Amendment to Agreement FY 16-17 through 22-23
3. HdL Second Amendment for Prime Software Suite
4. HdL Third Amendment for STR Services

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: November 10, 2020

File No.: 20-1359