



## SUMMARY REPORT

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**Agenda Date:** 7/8/2025

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**To:** Board of Supervisors

**Department or Agency Name(s):** Economic Development Collaborative

**Staff Name and Phone Number:** Ethan Brown, 707.565.7170

**Vote Requirement:** Majority

**Supervisory District(s):** Countywide

**Title:**

FY 2025-26 Chambers of Commerce Membership Match Grant Awards

**Recommended Action:**

- A) Authorize the County Executive, or designee, to execute FY 2025-26 Chamber of Commerce Membership Match Grant agreements with the following grantees: Cloverdale Chamber of Commerce, \$2,275; Geyserville Chamber of Commerce, \$3,000; Healdsburg Chamber of Commerce, \$8,220; Hispanic Chamber of Commerce, \$2,000; Monte Rio Chamber of Commerce, \$400; Petaluma Area Chamber of Commerce, \$8,220; Rohnert Park Chamber of Commerce, \$7,605; Russian River Chamber of Commerce, \$3,500; Sebastopol Chamber of Commerce, \$2,973; Sonoma Chamber of Commerce, \$7,277; and Windsor Chamber of Commerce, \$4,530.
- B) Authorize the County Executive, or designee, to make minor modifications to the allowed uses that do not increase the amount awarded under the agreement.

**Executive Summary:**

The Board established the Chambers of Commerce grant category within the Community Investment Fund Program to provide funds to local Chambers of Commerce (Chambers) serving unincorporated areas of Sonoma County or who provide countywide services. Under the Community Investment Fund Policy (Policy), \$50,000 is available for annual awards to Chambers. Chambers may apply for a match grant of up to 10% 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. Chambers make their funding request annually to the Economic Development Collaborative (EDC) through an open application process.

EDC staff has reviewed all applications received and recommends awards in the total amount of \$50,000 and requests authorization for the County Executive, or designee, to execute the funding agreements and to make minor modifications, with counsel approval as to form, that do not increase the amount awarded under the agreements.

Activities performed utilizing Community Investment Program funds provide public benefits that serve important community needs under Government Code Section 26227.

**Discussion:**

**Transient Occupancy Tax Funding**

The Sonoma County Transient Occupancy Tax (TOT) was established in 1965 and is currently levied at a rate of

12% in unincorporated Sonoma County, a rate established in 2016 by the voter-approved Measure L. The first 9% of the TOT rate is allocated 33% to the General Fund and 67% to the Community Investment special revenue fund; and the last 3% is allocated to the Measure L Fund.

### **Community Investment Fund Program and Policy**

The Community Investment Fund Program, established in 1986 as the Advertising and Promotions Program, allocates a portion of the Transient Occupancy Tax to encourage economic development, community engagement, and culture in the County through a variety of grant award and funding avenues. The program provides grants to community-based organizations for a wide range of activities including economic development, community and countywide events, and advertising and promoting the county as a visitor destination with the goal of advancing economic growth through tourism. Additionally, the program provides grants to address impacts on safety due to tourism and to enhance community services throughout the county. The program provides funding to the Regional Parks Department, the Economic Development Collaborative, and several additional county activities. Community Investment Funds are allocated per the Community Investment Fund Policy (Policy) (<https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/county-administrators-office/community-investment-fund-program/community-investment-program-policy>).

The current Policy allocates funding in the following categories: Economic Development, Community Grants and District Priorities, and Community Services. Within the Community Grants and District Priorities category, funding is allocated for Chambers of Commerce (membership matching grants) as well as for Local Events, Organizations, and District Priorities.

### **Chambers of Commerce Category**

The Board established the Chambers of Commerce grant category to provide funds to local Chambers of Commerce (Chambers) serving unincorporated areas of Sonoma County or who provide countywide services. Chambers may apply for a match grant of up to 10% 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. Chambers make their funding request annually to the Economic Development Collaborative (EDC) through an open application process. \$50,000 is currently allocated to this funding category to be awarded to eligible Chambers.

The grant application period was open from March 20, 2025, through April 25, 2025. Based on existing agreements and internet searches, EDC staff identified 17 Chambers. The Chamber Membership Grant Match Application, including applicable due dates, was sent via email to the 17 Chambers and was published on the County's Community Investment Fund Program webpage. Reminder emails were sent to the Chambers on April 22, 2025, and April 24, 2025. Ultimately, 12 applications were received.

- Total of requested grant funding: \$114,700
- Total funding available, per the Community Investment Fund Policy: \$50,000

11 of the 12 Chamber applications received by the EDC are being recommended for funding; one organization was not a Chamber of Commerce and therefore was not eligible to receive funding. The recommended Chambers to receive funding and the grant award amounts, as recommended by a committee of EDC staff, are

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based on the following factors: projected FY 2025-26 membership dues, the average membership dues collected in prior fiscal years, and whether the organization serves the unincorporated area or provides countywide services.

Recommended Chambers to receive funding and funding amounts are as follows:

| <b>Organization Name (Chamber of Commerce)</b> | <b>Amount</b>   |
|--|-----------------|
| Cloverdale Chamber of Commerce                 | \$2,275         |
| Geyserville Chamber of Commerce                | \$3,000         |
| Healdsburg Chamber of Commerce                 | \$8,220         |
| Hispanic Chamber of Commerce                   | \$2,000         |
| Monte Rio Chamber of Commerce                  | \$400           |
| Petaluma Area Chamber of Commerce              | \$8,220         |
| Rohnert Park Chamber of Commerce               | \$7,605         |
| Russian River Chamber of Commerce              | \$3,500         |
| Sebastopol Chamber of Commerce                 | \$2,973         |
| Sonoma Chamber of Commerce                     | \$7,277         |
| Windsor Chamber of Commerce                    | \$4,530         |
| <b>Total Funding</b>                           | <b>\$50,000</b> |

A sample grant agreement is attached as Attachment A. The agreements will be executed by the County Executive, or designee, have limitations on the use of the grant funds and require the County seal be included on promotional materials produced using the grant funds.

Activities performed utilizing Community Investment Program funds provide public benefits that serve important community needs under Government Code Section 26227.

**Strategic Plan:**

N/A

**Racial Equity:**

**Was this item identified as an opportunity to apply the Racial Equity Toolkit?**

No

**Prior Board Actions:**

9/17/2024: Awarded FY 2024-25 Chambers of Commerce Grants

**FISCAL SUMMARY**

| <b>Expenditures</b>                | <b>FY25-26<br/>Adopted</b> | <b>FY26-27<br/>Projected</b> | <b>FY27-28<br/>Projected</b> |
|------------------------------------|----------------------------|------------------------------|------------------------------|
| Budgeted Expenses                  | \$50,000                   |                              |                              |
| Additional Appropriation Requested |                            |                              |                              |
| <b>Total Expenditures</b>          | <b>\$50,000</b>            |                              |                              |
| <b>Funding Sources</b>             |                            |                              |                              |
| General Fund/WA GF                 |                            |                              |                              |
| State/Federal                      |                            |                              |                              |
| Fees/Other                         | \$50,000                   |                              |                              |
| Use of Fund Balance                |                            |                              |                              |
| General Fund Contingencies         |                            |                              |                              |
| <b>Total Sources</b>               | <b>\$50,000</b>            |                              |                              |

**Narrative Explanation of Fiscal Impacts:**

Chambers of Commerce grant funds (Community Investment Funds) are included in the FY 2025-26 budget.

| <b>Staffing Impacts:</b>                       |  |                               |                               |
|--|--|-------------------------------|-------------------------------|
| <b>Position Title (Payroll Classification)</b> | <b>Monthly Salary Range<br/>(A-I Step)</b> | <b>Additions<br/>(Number)</b> | <b>Deletions<br/>(Number)</b> |
|  |  |                               |                               |
|  |  |                               |                               |
|  |  |                               |                               |

**Narrative Explanation of Staffing Impacts (If Required):**

N/A

**Attachments:**

Attachment A: Sample Grant Agreement

**Related Items "On File" with the Clerk of the Board:**

None.