

The City of San Diego
MEMORANDUM

DATE: November 17, 2008

TO: Honorable Council President and City Council

FROM: Scott Kessler, Deputy Director, City Planning & Community Investment

SUBJECT: Item #200 – Special Promotional Programs Appropriation Change and Transient Occupancy Tax Use Waivers

Item 200 on today's City Council agenda proposes two actions:

1. Special Promotional Programs Appropriation Change and
2. Waivers of Council Policy 100-03, Transient Occupancy Tax.

In the docket material, the waivers are requested for the Horton Plaza Theatre Foundation and the San Diego Regional Economic Development Corporation (EDC).

These waivers have previously been approved annually by Council via the Appropriations Ordinance. Since the Appropriations Ordinance did not include these waivers this year, City Planning and Community Investment staff proactively prepared today's item to address this exclusion administratively. However, the San Diego Regional EDC has indicated it does not wish to have the waiver for travel enacted. Therefore, staff is requesting that the Waiver of Section B-3 for the San Diego Regional EDC be returned to staff. City will draft the operating agreement with the EDC to reflect a reduction of \$16,000 in travel-related expenses.

Today's actions are therefore limited to the following:

1. Approving a resolution to waive Sections B-1, B-2 and B-4 of Council Policy 100-03 for the Horton Plaza Theatres Foundation, and
2. Amend the Appropriations Ordinance to transfer funds from the Convention Center Expansion Project to the San Diego World Trade Center/Local Access to Global Markets allocation. This funding will correct a technical error in the fiscal year 2009 budget preparation which resulted in under-funding of the World Trade Center organization.

The corrected Resolution reflects this change. The ordinance will remain as docketed.

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REQUEST FOR COUNCIL ACTION

CITY OF SAN DIEGO

1. CERTIFICATE NUMBER (FOR AUDITOR'S USE) 50
12/02

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT): CITY PLANNING AND COMMUNITY INVESTMENT

3. DATE: 10/21/2008

4. SUBJECT: Special Promotional Programs Appropriation Change and Transient Occupancy Tax Use Waivers

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.): SCOTT KESSLER x66421 MS-56D

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.): Alicia Martinez-Higgs x66488 MS-56D

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	10220	10220	102212
DEPT.	922	921	102212
ORGANIZATION	2019	2008	1000
OBJECT ACCOUNT	4222	4222	79810
JOB ORDER	002019	002008	001000
C.I.P. NUMBER	none	none	none
AMOUNT	\$142,210	-\$142,210	-\$142,210

9. ADDITIONAL INFORMATION / ESTIMATED COST:
Request of waivers on certain provisions of Council Policy 100-03 (TOT) for entities which receive FY 2009 TOT funding.
In addition, transfer budgeted expenditure of \$142,210 within in the Special Promotional Programs budget.

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	SCOTT KESSLER	10/21/08	8	DEPUTY CHIEF	WILLIAM ANDERSON	10/21/08
2	ORIGINATING DEPARTMENT	WILLIAM ANDERSON	10/21/08	9	COO	JAY GOLDSTONE	10/27/08
3	FINANCIAL MANAGEMENT	JULIO CANIZAL	10/24/08	10	CITY ATTORNEY	KIMBERLY KAELEIN	10/29/08
4	ENVIRONMENTAL REVIEW	KENNETH FEASLEY	10/24/08	11	ORIGINATING DEPARTMENT	ALICIA MARTINEZ-HIGGS	10/30/08
5	COMPTROLLER	PAM HALBERT	10/29/08	DOCKET COORD: _____ COUNCIL LIAISON: _____			
6	LIAISON OFFICE	ED PLANK	10/27/08	COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/>			
7				REFER TO: _____ COUNCIL DATE: 11/17/08			

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S).

- Allow waivers on certain provisions of Council Policy 100-03 (Transient Occupancy Tax), Attachment A (See Attachment 1) for the following entities:
 - San Diego Regional Economic Development Corporation. Section B3
 - Horton Plaza Theatre Foundation. Sections B1, B2, and B4
- Amend the Fiscal Year-2009 Appropriation Ordinance (O-19774) to authorize the City Comptroller to:
 - Transfer \$142,210 in expenditure appropriations within Special Promotional Programs (Transient Occupancy Tax Fund 10220) from the Convention Center Expansion Project Fund TOT transfer allocation (Dept 921, Org 2008) to the entity San Diego World Trade Center/Local Access to Global Markets allocation (Dept 922, Org 2019).
 - Reduce the revenue budget of the Convention Center Expansion Project Fund (Fund 102212, Dept 102212, Org 1000) by \$142,210.

11A. STAFF RECOMMENDATIONS:
a. Approve request.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): ALL

COMMUNITY AREA(S): ALL

ENVIRONMENTAL IMPACT: This activity is not a "project" and is therefore not subject to CEQA pursuant to State CEQA Guidelines Section 15060 (c) (3).

HOUSING IMPACT: None

OTHER ISSUES: None

ORDINANCE NUMBER O-_____ (NEW SERIES)

DATE OF FINAL PASSAGE _____

AN ORDINANCE AMENDING ORDINANCE NO. O-19774 (NEW SERIES) ENTITLED "AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2009 AND APPROPRIATING THE NECESSARY MONEY TO OPERATE THE CITY OF SAN DIEGO FOR SAID FISCAL YEAR" AUTHORIZING THE TRANSFER OF FUNDS IN THE AMOUNT OF \$142,210 FROM THE CONVENTION CENTER EXPANSION PROJECT FUND TO THE SAN DIEGO WORLD TRADE CENTER/LOCAL ACCESS TO GLOBAL MARKETS ALLOCATION.

WHEREAS, on July 28, 2008, the City Council adopted Ordinance No. O-19774 entitled An Ordinance Adopting The Annual Budget For The Fiscal Year 2009 And Appropriating The Necessary Money To Operate The City Of San Diego For Said Fiscal Year [Appropriation Ordinance]; and

WHEREAS, only \$69,790 in TOT funding of the fully allocated amount of \$212,000 was budgeted in the Appropriation Ordinance for the San Diego World Trade Center/Local Access to Global Markets; and

WHEREAS, \$142,210 was unbudgeted for the nonprofit organization, San Diego World Trade Center/Local Access to Global Markets; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Comptroller is authorized to transfer \$142,210 in expenditure appropriations within the Special Promotional Programs (Transient Occupancy Tax Fund 10220) from the Convention Center Expansion Project Fund TOT transfer allocation (Dept. 921, Org. 2008) to the entity San Diego World Trade Center/Local Access to Global Markets allocation (Dept. 922, Org. 2019).

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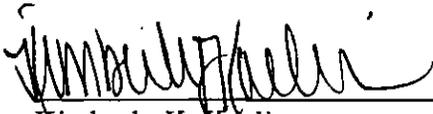
Section 2. That the Comptroller is authorized to reduce the revenue budget of the Convention Center Expansion Project Fund (Fund 102212, Dept. 102212, Org. 1000) by \$142,210.

Section 3. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This ordinance is declared to take effect and be in force immediately upon its final passage after two public hearings pursuant to the authority contained in sections 71, 275 and 295 of the Charter of the City of San Diego.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Kimberly K. Kaelin
Deputy City Attorney

KKK:nda
10/29/08
Or.Dept:CP&CI
O-2009-69
MMS#6974

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

000141

RESOLUTION NUMBER R- _____

DATE OF FINAL PASSAGE _____

A RESOLUTION BY THE COUNCIL OF THE CITY OF
SAN DIEGO WAIVING CERTAIN PROVISIONS OF
COUNCIL POLICY NO. 100-03 REGARDING THE
TRANSIENT OCCUPANCY TAX [TOT] ALLOCATIONS.

WHEREAS, Council Policy 100-03, Transient Occupancy Tax [TOT], sets forth the mission, purpose, allocation guidelines and general requirements and conditions for funding, budgeting and granting TOT allocations to nonprofit organizations; and

WHEREAS, waivers of Council Policy 100-03, have been granted by City Council via the Annual Appropriations Ordinance in prior years for a few organizations; and

WHEREAS, in Fiscal Year 2009 such waivers were not included in the Annual Appropriations Ordinance; and

WHEREAS, waivers of certain provisions of Council Policy 100-03 for Horton Plaza Theatres Foundation [Horton Plaza] are essential for the operations of the organization; and

WHEREAS, Horton Plaza is funded solely by the City's TOT allocations and Horton Plaza requires advances of TOT allocations to meet cash flow obligations related to maintenance and management of the theatre, requiring a waiver of Section B1; and

WHEREAS, funding for repairs and maintenance of the Horton Plaza theatre may carryover from one fiscal year to the next, requiring a waiver of Section B2; and

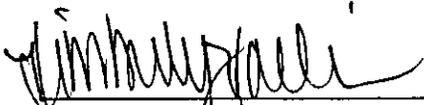
WHEREAS, Horton Plaza requires funding for repairs, maintenance, equipment replacement, equipment purchases, and capital reserves in order to maintain the theatre in operable condition, requiring a waiver of Section B4; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Council hereby waives certain provisions of Council Policy 100-03 as follows:

1. Section B1 of Attachment A is waived for Horton Plaza Theatres Foundation (Horton Plaza) to allow for funding advances;
2. Section B2 of Attachment A is waived for Horton Plaza to allow the organization to incur expenses outside of the fiscal year;
3. Section B4 of Attachment A is waived for Horton Plaza to allow funding for capital or equipment outlay for repairs, maintenance, equipment replacement, equipment purchases and capital reserves to maintain the theatre in operable condition.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Kimberly K. Kaelin
Deputy City Attorney

KKK:nda
10/29/08
11/17/08 Cor. Copy
Or. Dept: CP&CI
R-2009-551
MMS#6974

000143

(R-2009-551)
(COR.COPY)

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor