THE CITY OF SAN DIEGO

REPORT TO THE CITY COUNCIL

DATE ISSUED: April 24, 2008 REPORT NO: 08-068

ATTENTION: Council President and City Council
Agenda of May 1, 2008

SUBJECT: Fiscal Year 2009 Funding Recommendations for Economic Development and Tourism Support Program

REQUESTED ACTION:

As part as an informational report for deliberation during the Fiscal Year 2009 proposed budget hearings for the Special Promotional Program, the City's City Planning and Community Investment (CPCI) Department recommends allocating $539,737 to fourteen (14) non-profit Economic Development and Tourism Support (EDTS) applicant organizations.

STAFF RECOMMENDATION:

Staff recommends supporting the EDTS Panel's ranking recommendations and the Small Business Advisory Board funding recommendations for the EDTS program in the Fiscal Year 2009 Special Promotional Program's budget for $539,737.

SUMMARY:

The EDTS program was established by the City Council in 1998 to promote the City of San Diego as a visitor destination and to advance the City's economy by increasing tourism and attracting industry. The EDTS program enables non-profit organizations to assist the City in achieving one or more of the following goals:

1) Attract and/or develop business and economic opportunities within the City
2) Develop employment opportunities for City residents
3) Promote the City of San Diego as a tourist destination

Process Overview

EDTS funding applications were received on the specified deadline of January 25, 2008. Sixteen (16) qualified organizations requested over $1,031,125 in EDTS funding. The Proposed FY 2009 Budget allots $539,737 for the EDTS program. Applications submittal were reviewed and ranked by an independent Review Panel during a public meeting.

Review Panel

The Review Panel plays a vital part in the review process. Each year, volunteer panelists from throughout the San Diego community contribute their time and knowledge to help make the distribution of Transient Occupancy Tax funds a fair and open process. The EDTS Review Panel developed the FY 2009 ranking recommendations for the EDTS program. The role of the Panel

was to review and rank the applications to be used for fund allocation recommendations to CPCI and the Small Business Advisory Board. CPCI developed the funding recommendations for the allocation of Fiscal Year 2009 EDTS funds and forwarded the recommendations to the City's Small Business Advisory Board for review and approval.

Review Panel Recommendations
On March 07, 2008 the Panel held a public meeting to review, discuss and rank each application. After reviewing each application, Panel members assigned the applicant organization a ranking between "4" (highest) and "1" (lowest) pursuant to the formula based funding allocation methodology detailed in Attachment 1. By averaging the individual ranking of each Panel member, a composite ranking was established for each organization. The Panel assigned higher rankings to organizations with applications that met the goals and objectives of the EDTS program. Final Panel Ranking and City funding recommendations were then forwarded to the Small Business Advisory Board for review and approval on April 23, 2008.

CPCI's final recommendations for the EDTS program are listed in the Allocations Spreadsheet presented as Attachment 2. In developing the ranking recommendations, the EDTS Review Panel sought to 1) award high rankings to applications with strong qualifying objectives and organizational accomplishments and 2) award high ranking organizations, which support economic development, develop employment opportunities or promote tourism in the City of San Diego. Based on the net available funds for EDTS in FY 2009, the Small Business Advisory Board recommends that fourteen (14) organizations receive funding.

The attached recommendations represent a considerable voluntary effort by members of the Review Panel and the Small Business Advisory Board.

FISCAL CONSIDERATIONS:
CPCI's Fiscal Year 2009 final funding recommendations for the EDTS program are listed in the Allocations Spreadsheet presented as Attachment 2.

PREVIOUS COUNCIL and/or COMMITTEE ACTION:
On Thursday, May 2, 2007 City Council approved the Mayor's funding recommendations for the EDTS Program in the Fiscal Year 2008 Special Promotional Programs budget.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:
On December 28, 2007 notices were sent to advise all interested organizations that EDTS applications were available. A Technical Assistance Workshop was held on January 18, 2008 to assist interested organizations with the application process. The workshop provided an overview of the program, offered suggestions for developing effective applications and allowed applicants to ask questions related to the City's EDTS application review and recommendation process. On March 07, 2008 a public meeting was held to review, discuss and rank all applications. All applicant organizations attended the meeting and gave a brief presentation to the Review Panel.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:
Key stakeholders include the sixteen applicant non-profit organizations, City residents and businesses that benefit from the EDTS program objectives to attract business to the City, increase/retain employment opportunities and promote the City as a tourist destination.

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Attachments: 1. Organizational Support Funding Methodology
2. Funding Recommendations for FY 2009