

Lemos, June

From: Jenny Shattuck <jenxvann@yahoo.com>
Sent: Monday, June 29, 2020 10:35 AM
To: Lemos, June
Subject: agenda item 6C

City council meeting public comment regarding agenda item 6C.

Am I misunderstanding or reading the proposed budget wrong? Having a deficit of \$350k in the general fund is alarming. We do not know if future tax dollars will come in, and if so, will they be enough to bridge the gap? Given that we have had no layoffs at city hall as of yet, if the proposed budget goes through but those dollars do not come to realization when needed, will we lose more staff or valuable police officers which are our front line to public safety? Officers already stretched thin doing more than what one would deem as maintaining law and order, for the past several years the job title seems to include social worker, stepping into the shoes of crisis councilors, homelessness outreach workers and now Covid-19 order enforcers. This happening all while being short a number of officers. What happens if one of our officers gets sick, or worse, it spreads through our department? This is a serious concern, even full staffing.

I do not see in the multiple attachments, where we are going forward with a balanced budget with what we truly know is in the coffers and not what we hope will appear. Indeed these are unprecedented times, and as members of the council I can not imagine the stress of having this fall upon your shoulders. That being said, from an outside looking in, it seems we should be making the hard cuts now, vs more cuts in the future, which could be catastrophic. With fire season, PSP shutoffs resulting again in evacuees and tourists using resources and potential for an even higher rate of Covid 19 spread then currently projected in our community, and many other unknowns this is concerning. I feel we need make the cuts now, as hard as that may be.

P.S. please bring back zoom public comments. After all participation in meetings is critical.
Jenny Shattuck
Fort Bragg

Lemos, June

From: Jon Glidewell <jon@thebeachcombermotel.com>
Sent: Monday, June 29, 2020 2:47 PM
To: Lemos, June; Lee, Will
Cc: Norvell, Bernie; Albin-Smith, Tess; Morsell-Haye, Jessica; Peters, Lindy; Miller, Tabatha; Scott Schneider; Jason Hurst
Subject: City Council Requested Action; Lodging Operators
Attachments: Letter to City Council_TOT Budgetted for Tourism.pdf; Letter to City Council_TOT Filing Deferment.pdf

Dear, Mr. Mayor and Members of the City Council:

In anticipation of tonight's Special Council Meeting, please see the attached letters with **requests from lodging operators in Fort Bragg**. One of the matters deals with deferred TOT filings which come due on Wednesday, 7/1, and is therefore time sensitive. Any direction you could give on this matter would be greatly appreciated.

If you have any questions, please feel free to contact me anytime.

Best regards,

Jon Glidewell - CHA | Regional Manager
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Date June 26, 2020

To Fort Bragg City Council

From Fort Bragg Lodging Operators

Subject Request to use TOT funds to promote tourism as promised

As members of the City's lodging community, we are disappointed and very concerned with the City's plan to not do ANY marketing or promotions in next year's budget. This is short-sighted and will have as much of an effect on your TOT and sales tax as COVID-19 has had to date.

When Measure AA & AB passed in 2016, we were promised that 50% of the TOT increase would go towards promotion and the rest would go towards other City features which help bring tourism. Below is the original argument from the City of Fort Bragg to the public which explains exactly that point:

The City Council's intended uses of the revenues generated by Measure AA are identified in Measure AB and include: a robust promotional and marketing campaign (including special events and festivals), improved maintenance and security for the Coastal Trail, support for development of the Noyo Center for Marine Sciences as a premiere visitor attraction, rehabilitation of the School District's athletic fields, and funding for other special projects that support tourism and our community. All Fort Bragg businesses and residents benefit from the many millions of dollars that visitors spend in our town. By investing in Fort Bragg's tourism infrastructure, Measure AA will strengthen the entire local economy.

However, now it appears the proposed budget no longer references Measures AA & AB and the City is going to keep the entire 12% of TOT for general fund expenses – mostly benefits and pension costs for employees.

Destinations all around us are working to ensure their tourism industry recovers as quickly and as strongly as possible from COVID-19. With the name change debate, Fort Bragg has a unique opportunity to be a part of a national conversation and bring more tourism to the area than ever before. Without ANY investment in promoting the City and in working to keep Fort Bragg in the conversation of potential visitors, our businesses will continue to suffer greatly. This, as you are well aware, hurts the City's bottom line greatly.

We strongly urge you to do one of the following for the 2020/2021 budget:

1. Continue to fund marketing and promotional efforts through TOT taxes collected from our establishments by budgeting 1% of TOT collected for these efforts. Ensure the Visit Fort Bragg committee remains active and effective in helping to utilize these funds successfully
2. Reduce TOT taxes back to 10% and support our industry's efforts to create a Business Improvement District to utilize a 2% assessment to fund, create and implement our own marketing and promotional program

Having no marketing and promotions program while, at the same time, having our TOT taxes 2% higher than all other surrounding areas is unacceptable. We need to work together to ensure a viable and strong economy now and into the future. Not investing in tourism and the dollars they bring will only result in significant further economic struggles in the future.

We understand several of you, including your administrator, were not a part of Council when Measures AA & AB were passed. Honor the promises which were made and make sense for our city.

Thank you for your consideration.

Respectfully,

Joseph Marino – Noyo Harbor Inn

Jason Hurst – Harbor Lite Lodge & Anchor Lodge

Jon Glidewell – Beachcomber Hotel Group

Helen Miller – Ocean View Lodge

Kim Queen – Emerald Dolphin Inn

Julie Brodnansky – North Cliff Hotel

Omie Behms – Motel 6

Pamela Matlick – Holiday Inn Express

Date June 26, 2020
To Fort Bragg City Council
From Fort Bragg Lodging Operators
Subject TOT Tax Deferment; Requested Action

REQUESTED ACTION

That the Fort Bragg City Council and Finance Director offer to:

1. Extend the due date for Transient Occupancy Tax (TOT) filings to August 1, 2020, or;
2. Accept filings with partial payments made in installments throughout July

BACKGROUND

As the coronavirus health crisis continues to intensify across the state and county, the fallout promises to be unprecedented for the tourism industry. Since the original shelter-in-place order closed our properties to regular transient occupancy in mid-March, cash reserves have been hit hard. Now that we have been allowed to reopen on June 12th, the extra labor expenses required to accomplish our enhanced cleaning protocols coupled with occupancy restrictions imposed by the county underscores the fact that cash flow is still a very real concern.

The PPP funding helped us stay afloat for a few months but fell far short of providing any significant, long term relief. Additionally, as I'm sure you're aware, deferred property taxes are also due at the end of June for those properties who took advantage of the deferment option offered by the county.

How long the average lodging property can remain viable during this pandemic will depend on the opportunities made available to us; whether we are permitted to resume operating for leisure-based travel and under which restrictions, and which loans, grants, loan and fee deferments, adjustment of insurance premiums, and other programs afforded to us will all continue to play a vital role.

Thank you for your time in considering this request.

Respectfully,

Jon Glidewell – Beachcomber Hotel Group
Joseph Marino – Noyo Harbor Inn
Jason Hurst – Harbor Lite Lodge & Anchor Lodge
Helen Miller – Ocean View Lodge
Kim Queen – Emerald Dolphin Inn
Julie Brodnansky – North Cliff Hotel
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