



## OFFICE OF THE COUNTY ADMINISTRATOR

### County of Sonoma

575 Administration Drive - Room 104A  
Santa Rosa, CA 95403-2888

**p:** (707) 565-2431

**f:** (707) 565-3778

**M. CHRISTINA RIVERA**

County Executive

**JENNIFER SOLITO**

Assistant County Administrator

**ANDREW J. STURMFELS**

Assistant County Administrator

**PETER BRULAND**

Deputy County Administrator

**CHRISTEL QUERIJERO**

Deputy County Administrator

**PAUL GULLIXSON**

Communications Manager

DATE: May 30, 2025

TO: Members of the Board of Supervisors and Board of Directors

FROM: M. Christina Rivera, County Executive

SUBJECT: FY 2025-26 Financial Policy Updates

No changes to the primary [Financial Policies](#) are being recommended in the current budget. This year, there are administrative updates to the [Community Investment Fund Policy](#), summarized below and seen in track changes.

- Replaces references from “Economic Development Board” to “Economic Development Collaborative” to reflect the Department’s name change.
- Removes reference to an allocation to REDCOM that ended June 30, 2024. With the passage of Measure H, the Fire Services Sales Tax, REDCOM dispatch services are now funded from this dedicated tax source.
- Updates projected revenue for Fire Services from Transient Occupancy Tax revenue collected at Regional Parks campgrounds from \$250,000-\$300,000 to \$300,000-\$400,000 annually to reflect recent actual tax collections.
- Replaces references from “Policy, Grants, and Special Projects” to “Strategic Initiatives” to reflect the restructure of that County Executive Office team.
- Replaces references from “Deferred Maintenance” to “County Center Modernization” to reflect the current name and purpose of the fund.

Adopted 07/08/86

Revised 10/02/01; 10/08/02; 09/12/03; 02/03/04; 04/18/06; 04/17/07; 05/10/11; 03/27/12, 6/10/13, 9/16/14, 2/10/15, 5/3/16, 6/13/16, 10/3/17, 6/5/18, 4/16/19, 8/6/19, 6/13/23, 6/13/25

## Community Investment Fund Policy

### I. POLICY STATEMENT

The Transient Occupancy Tax (TOT or Hotel Bed Tax) is authorized under State Revenue and Taxation Code Section 7280. TOT is levied in Sonoma County at a rate of 12% - in 2016 voters approved Measure L, increasing TOT from 9% to 12%. This policy allocates TOT to the General Fund, Community Investment, and Measure L. The Board of Supervisors (Board) allocates one-third of the first 9% of TOT funds to the General Fund, and the remaining funds will be allocated per this policy.

### II. COMMUNITY INVESTMENT

#### A. Economic Development

1. Economic Development ~~Board~~ Collaborative – \$3,225,000 (variable)  
Funds support the Economic Development ~~Board~~ Collaborative in their mission to enable local businesses to maintain or expand their operations, including \$125,000 for Creative Sonoma to award to the arts community. Effective July 1, 2023, the Economic Development ~~Board~~ Collaborative will receive a contribution adjustment equivalent to that received by General Fund departments to account for changes to salary and benefits costs, contingent on funding availability in the Community Investment Fund.
2. Sonoma County Tourism – 1.25 percentage points of the first 9%  
Funds will be allocated based on revenue to Sonoma County Tourism through a funding agreement approved by the Board of Supervisors to support advertising and promotional efforts.

#### B. Community Grants and District Priorities

1. Local Events, Organizations, District Priorities - \$500,000  
Funds will be allocated to events, organizations, and Supervisorial District priorities (see Appendix A for program requirements). The funds available for this category are divided equally among supervisorial districts. Unused funds will be accounted for by Supervisorial District and available for use in future years. Organizations may make their requests annually to each Supervisorial District.
2. Chambers of Commerce - \$50,000  
Funding will be provided to Chambers of Commerce serving unincorporated areas of Sonoma County or who provide countywide services. Chambers located in the unincorporated area of the county and those serving the entire county will be given priority and fully funded prior to funding consideration of municipal Chambers of Commerce. Allocation of funds will be based upon an up to 10% match 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 of Commerce may make their requests annually to the Economic Development ~~Board~~ Collaborative.

#### C. Community Services

- ~~1. Fire Dispatch Fees – \$900,000~~  
~~Fire Dispatch Fees for REDCOM services.~~

~~2.1.~~ Fire Services Project – variable

Camping Transient Occupancy Tax collected by Regional Parks will fund the Fire Services Project. Estimated at ~~\$250,000 to \$300,000~~ \$300,000 to \$400,000 annually.

~~3.2.~~ Fuels Reduction and Landscape Resiliency Campaign - \$900,000

Funding will support the vegetation management program as approved by the Board of Supervisors.

~~4.3.~~ District Formation Funds - \$175,000

Rural areas of Sonoma County are experiencing an increased need for municipal services. Funds may be used for professional services to establish Special Districts that will enable communities to provide self-generated funding to address municipal challenges.

~~5.4.~~ Regional Parks – \$2,650,000

Funding will support parks operations, maintenance, and improvements.

~~6.5. Policy, Grants, and Special Projects~~ Strategic Initiatives Division - \$300,000

Funding will support the ~~Policy, Grants, and Special Projects~~ Strategic Initiatives Division of the County Administrator's Office to implement the Board's priorities within the Strategic Plan.

D. Program Administration and Integrity

1. Collections/Audit/Legal – \$550,000

Funding will support County Departments who provide revenue and tax collection services, grantee audit services, and legal advice.

E. ~~Deferred Maintenance~~ County Center Modernization

1. ~~Deferred Maintenance~~ County Center Modernization - \$1,000,000

Funding will support costs of ~~deferred maintenance of County facilities~~ County Center Modernization.

F. Community Investment Fund Balance

1. Allocate any fund balance of the first 9% to General Fund priorities determined annually by the Board of Supervisors during Budget Hearings.

III. MEASURE L

Measure L funds are tracked separately. The categories established for Measure L funding are based on the educational information provided to voters as part of the Measure L campaign. Funding will be distributed based on revenue.

A. Fire Services, 40%

Funding will support enhanced fire protection services as determined by the Board.

B. Road Repair and Improvement, 20%

Funding will support projects included in the Sonoma County Public Infrastructure Roads Plan adopted by the Board.

C. Affordable Housing, 13%

Funding will support affordable housing projects. The Community Development Commission will recommend funding priorities to the Board during the annual budget process.

D. Tourism Impact Fund, 10%

Funding will be distributed through grants or to County departments to meet the unique and urgent needs of areas within unincorporated Sonoma County. Funds in this category may be used for activities such as safety improvements, environmental impact mitigation, public safety, and other tourism mitigation activities, such as parking enforcement. Funds may be used for projects that benefit the community, or to support organizations that coordinate community improvements, such as the Municipal Advisory Councils.

Funds will be allocated to each Supervisorial District proportionate to the amount of TOT collected by the District in the previous fiscal year. The Board of Supervisors will consider these needs on semi-annual basis. Unused funds in a single fiscal year will be accounted for and available for use in following years.

E. Event Facilities Improvements, 9%

Funding will support operations, maintenance, and improvements of County owned facilities that enhance recreational activities, including, but not limited to Veterans Halls. The County Administrator's Office will recommend funding priorities to the Board during the annual budget process.

F. Code Enforcement and Compliance, 8%

No more than 8% of Measure L Funds may be used to enhance administration of this Program, including tax collection services, grantee audit services, and code enforcement and operator compliance activities. The County Administrator's Office shall recommend funding within the annual budget process to fund these activities.

## Appendix A

### Community Grants and District Priorities

#### POLICY STATEMENT – Local Events, Organizations, District Priorities Grants

Per the Community Investment Fund Policy, \$500,000 will be allocated annually to events, organizations, and Supervisorial District priorities. The funds available for this category are divided equally among Supervisorial Districts. Unused funds will be accounted for and available for use in future years. Organizations may make their requests annually to each Supervisorial District.

#### PROGRAM INTENT

The County of Sonoma invites non-profit organizations to apply for grant funding for local events that will support businesses or enhance culture, and organizations that provide a benefit to the community.

The Board of Supervisors (Board) may award funding to County Departments or to Supervisorial Districts to complete priority projects. Funding may be used to cover salary and benefit costs associated with changed or additional staff, and other costs associated with added staffing such as office space.

#### GUIDELINES

District Supervisors will evaluate applications for Community Grants using the following criteria before bringing awards to the Board for approval.

- Events, organizations, and programs must meet at least one of the following criteria:
  - Enhance the cultural diversity and richness of Sonoma County
  - Provide a benefit to the community, the economy, or the environment
  - Promote Sonoma County and encourage visitors to frequent the County throughout the year
- Events must be held within the County of Sonoma

Applications are open year-round at [Community Investment Fund Program](#).

Funding for staffing must be related to a Supervisorial District priority which provides a benefit to the community.

- Funding may be used for enhanced or changed staffing such as interns, support staff, or administrative management positions; positions allocated to a Supervisorial District will remain/be at-will
- Standard County processes and timelines must be followed with regard to classification changes, position allocation changes, and budgetary adjustments