

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 3.31
(ID # 19195)

MEETING DATE:
Tuesday, July 26, 2022

FROM : OFFICE OF ECONOMIC DEVELOPMENT:

SUBJECT: OFFICE OF ECONOMIC DEVELOPMENT: Authorize American Rescue Plan Act (ARPA) funding for the Riverside County Tourism Recovery Campaign and Ratify and Approve an Amendment to the Professional Services Agreement with the Temecula Valley Convention & Visitors Bureau, without seeking competitive bids. Districts 1,2,3,5. [\$804,000 - 100% ARPA funds] (CEQA Exempt) (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt under the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15061(b)(3) and 15301; and
2. Authorize an additional \$804,000, from the County of Riverside's Economic Recovery American Rescue Plan Act allocation, to be used for the Tourism Recovery Campaign; and

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ACTION:4/5 Vote Required

Suzanne Holland

Suzanne Holland, Director of Office of Economic Development

6/27/2022

Aaron Gettis

Aaron Gettis, Deputy County Counsel

7/18/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: July 26, 2022
xc: OED

Kecia R. Harper
Clerk of the Board
By: *[Signature]*
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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RECOMMENDED MOTION: That the Board of Supervisors:

3. Ratify and Approve the attached First Amendment to the Professional Services Agreement for the Riverside County Tourism Recovery Campaign between the County of Riverside and Temecula Valley Convention & Visitors Bureau for a total of \$804,000 through Fiscal Year 24/25, and authorize the Chair of the Board of Supervisors to sign the Amendment to the Agreement on behalf of the County; and
4. Authorize the Director of Riverside County Office of Economic Development, or designee, to take all necessary steps to implement and administer the Tourism Recovery Program including, signing subsequent, necessary, and related documents to implement the Programs, subject to approval as to form by County Counsel; and
5. Approve and direct the Auditor-Controller to make budget adjustments as shown on Schedule A.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 804,000	\$ 0	\$ 804,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% American Rescue Plan Act (ARPA)			Budget Adjustment: Yes	
			For Fiscal Year: 21/22–24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 (H.R. 1319) in to law. The \$1.9 trillion package is intended to combat the COVID-19 pandemic, including the public health and economic impacts. On April 27, 2021, the Executive Office presented the Board of Supervisors with a preliminary ARPA funding allocation then on October 19, 2021, presented a revised funding allocation after the U.S. Treasury released the ARPA interim funding guidelines which include \$36 Million for Economic Recovery.

On May 5, 2021, the Board received and filed the Strategic Economic Recovery Framework presented by the Economic Recovery Task Force (ERTF). Key components of the framework were short and long-term action items, which included Small Business Assistance, Regional Tourism Marketing Campaign, Business Ecosystem Support as well as Investment in Small Business Development and Innovation and Entrepreneurship Hubs, for a coordinated economic recovery from the pandemic and for the growth of the region whose trajectory includes the principles of equal access to opportunities and addressing barriers for economic equity and inclusion.

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On January 6, 2022, the U.S. Treasury issued the final funding guidelines. These guidelines further clarify the detailed eligibility criteria for use of ARPA funds. As a result, under the Economic Recovery category, ARPA allows for the development of programs to assist businesses and industries struggling to rebound from the pandemic as well as focus on strategic investment projects for future economic growth and resiliency in unincorporated disproportionately impacted communities.

On March 22, 2022, the Board of Supervisors allocated \$2,161,375 of the County's \$36 million Economic Recovery ARPA allocation toward continued support for the County's Tourism Recovery Campaign to address impacts to tourism due to the ongoing negative impacts from the COVID-19 pandemic. This continued program provided funding to tourism and hospitality marketing organizations, including the Temecula Valley Convention & Visitors Bureau (dba Visit Temecula Valley) in the amount of \$402,000. The primary function of this organization is to grow tourism and convention/conference activities in the county and support the hospitality industry. Visit Temecula Valley has developed an action plan which includes detailed information about how funds will be utilized, consistent with the overall program objective. Throughout the specified program time frame, Visit Temecula Valley will provide reporting on the Tourism Recovery Campaign's impact within their region. Visit Temecula Valley is a regional destination marketing organization, the main source of tourism promotion efforts in southwest Riverside County and has a proven track record of tourism promotion efforts.

The proposed contract amendment would increase the period of performance by three months and increase total contract compensation by \$804,000, to expand Visit Temecula Valley's efforts supporting tourism beyond their typical marketing region, to include Temecula, Murrieta, Lake Elsinore, Wildomar, Menifee, Hemet, San Jacinto, Canyon Lake, French Valley, Anza, and Temescal Valley.

Tourism has historically been a critical component of Riverside County's economy with its direct and indirect job creation, and generation of sales tax revenue, and transient occupancy tax revenue. The tourism and hospitality sector are one of the most negatively impacted industries in Riverside County by COVID-19. Visit California, the State's official destination marketing organization, contracts with Dean Runyan Associates to study the travel industry economy across the state of California, including detailed economic impact in Riverside County. In 2021, Visit California released an economic impact study on California's travel industry for 2020 and prior years. The study estimated that in 2019, the hospitality industry generated 86,600 direct jobs for Riverside County. Due to COVID-19 an estimated 19% (16,720) of those jobs were lost with the majority of work in frontline occupations. The report noted that direct travel spending in Riverside County was down by 39.2% from 2020, a \$3.5 Billion loss to the industry.

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Impact on Residents and Businesses

The proposed expanded tourism recovery program is expected to have a positive impact on the county, including its businesses and residents. Tourism affects most sectors of the economy and contributes to sales and transient occupancy tax revenues, jobs, and income.

Additional Fiscal Information

This proposed funding allocation toward the Tourism Recovery Campaign will come from U.S. Department of Treasury ARPA funding and will not impact the County's General Fund.


Scott Bruekner 7/19/2022

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE AGREEMENT
WITH
TEMECULA VALLEY CONVENTION & VISITORS BUREAU
DBA VISIT TEMECULA VALLEY

Original Contract Term:	March 22, 2022 through December 31, 2024
Contract Term Extended To:	March 21, 2025
Effective Date of Amendment:	June 1, 2022
Original Maximum Contract Amount:	\$402,000.00
Amended Maximum Contract Amount:	\$1,206,000.00
Contract ID:	BOS 03.22.22 ID# 18428 M.O. 3.25

This Amendment No. 1 to the Professional Service Agreement for the Riverside County Tourism Recovery Campaign entered into by and between the County of Riverside, a political subdivision of the State of California (COUNTY) and TEMECULA VALLEY CONVENTION & VISITORS BUREAU, (CONTRACTOR), effective June 1, 2022.

WHEREAS, COUNTY and CONTRACTOR entered into that Professional Service Agreement for Riverside County Tourism Recovery Campaign, dated March 22, 2022 (the "Agreement"); and

WHEREAS, COUNTY and CONTRACTOR now desire to amend the Agreement to amend the contract term and revise the payment terms.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, COUNTY and CONTRACTOR agree as follows:

1. **Section 2 "Period of Performance:"** Delete the first sentence in its entirety and replace with the following: This Service under this Agreement shall commence on March 22, 2022 and continue in effect through March 21, 2025, unless terminated earlier.
2. **Section 3 "Compensation:"** Delete the second sentence in its entirety and replace with the following: Maximum payments by COUNTY to CONTRACTOR shall not exceed One Million Two Hundred Six Thousand dollars and zero cents (\$1,206,000.00) annually including all expenses, based on the availability of fiscal funding.

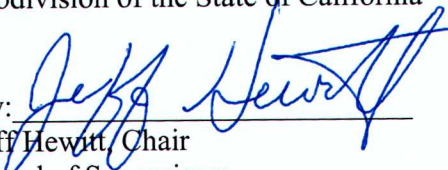
All other terms and conditions of the Agreement not modified herein shall remain unchanged.

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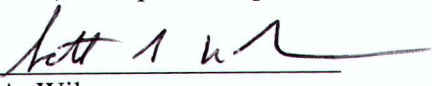
IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: 
Jeff Hewitt, Chair
Board of Supervisors

Dated: JUL 26 2022

TEMECULA VALLEY CONVENTION & VISITORS BUREAU, dba VISIT TEMECULA VALLEY, a nonprofit corporation


By: 
Scott A. Wilson
President and CEO

Dated: 5/19/22

ATTEST:
Kecia Harper
Clerk of the Board

APPROVED AS TO FORM:

County Counsel

By: 
Stephanie Nelson
Deputy County Counsel

ATTEST:
KECIA R. HARPER, Clerk
By: 
DEPUTY

