

RESOLUTION NO. 2009-135

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE PROVIDING ECONOMIC STIMULUS THROUGH THE SHOP LOCAL GIFT CARD CAMPAIGN AND AMENDING THE FISCAL YEAR 2009-10 ANNUAL BUDGET

WHEREAS, the current economic recession is impacting the City's ability to provide existing levels of services due to lower tax revenue receipts; and

WHEREAS, the Shop Local Program's Campaign Kick-Off received feedback from the business community that denotes positive activity, awareness and a desire for more support; and

WHEREAS, the City Council indicated a desire to promote a "Business to Business" program similar to those implemented in other California and nation-wide cities; and

WHEREAS, auto sales collectively generate a significant portion of the City's primary General Fund revenue source - sales tax; and

WHEREAS, the use of designated City funds for this Shop Local Gift Card Program is a public benefit to the residents of Elk Grove in at least the following:

- by assisting Elk Grove's automobile dealers in remaining viable businesses during this economic recession, and over the long term, the City's General Fund should in turn benefit from more sales tax revenue as a result of the dealers remaining operable in Elk Grove; and
- by helping reduce unemployment in the City as a result of the dealers remaining in business; and
- targeting gift cards to be used at local businesses and entities will provide an economic stimulus to those businesses and entities, helping them to remain viable and/or provide employment during this economic recession, which in turn should result in a benefit to the City's General Fund due to more tax revenue; and

WHEREAS, the Sacramento Municipal Cable Television Commission has identified the City of Elk Grove's Fiscal Year 2009-10 allocation to total \$275,000 more than revenues projected in the adopted budget, most of which are one-time monies that should not be applied to ongoing expenses; and

WHEREAS, appropriations of \$250,000 for gift cards and up to \$25,000 for operating expenses are needed to fund the Shop Local Gift Card Program.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Elk Grove that:

1. The City Council finds that the use of City funds for the Shop Local Program is a public benefit for the reasons set forth in the recitals above; and

2. The Shop Local Program as outlined in the staff report is approved; and
3. Resolution No. 2009-118 is amended to both recognize the additional cable franchise fees and appropriate monies for the Shop Local Gift Card Program in the General Fund as follows:

<u>Account</u>	<u>Description</u>	<u>Original Budget</u>	<u>Change</u>	<u>Proposed Budget</u>
101-0000.314.03-00	Franchise Fee – Cable Revenues	\$ 650,000	\$ 275,000	\$ 925,000
101-1900.419.27-17	Shop EG Program Expenses	\$ -	\$ 275,000	\$ 275,000

This resolution shall be effective immediately.

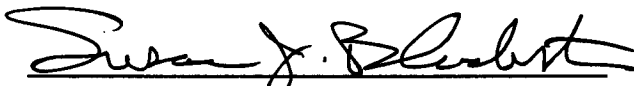
PASSED AND ADOPTED by the City Council of the City of Elk Grove this 8th day of July 2009.



PATRICK HUME, MAYOR of the
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:



SUSAN J. BLACKSTON, CITY CLERK



SUSAN COCHRAN, CITY ATTORNEY

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2009-135**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) **ss**
CITY OF ELK GROVE)


I, Susan J. Blackston, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on July 8, 2009 by the following vote:

AYES : COUNCILMEMBERS: *Hume, Scherman, Cooper, Davis, Detrick*

NOES: COUNCILMEMBERS: *None*

ABSTAIN : COUNCILMEMBERS: *None*

ABSENT: COUNCILMEMBERS: *None*


**Susan J. Blackston, City Clerk
City of Elk Grove, California**