



FY 2016 Recommended Budget Budget Question

Board Question #: 10

BUDGET QUESTIONS:

Should any increases in revenue tie specifically to the race track?

RESPONSE:

The financial impact analysis of the racetrack provided by the developer indicates that total annual revenue to the County is estimated at \$412,685. This revenue includes real estate, meals, sales, and transient occupancy (hotel) taxes.

Over the course of calendar years 2015 and 2016 (the calendar years upon which the FY 2016 real estate tax revenues depend), staff is estimating an increase of \$440 million in assessed value countywide. The increase in the racetrack parcels derived by comparing the build-out assessed value stated in the developer's fiscal impact analysis with current values totals \$19.4 million. A conservative approach would assume that the \$19.4 million increase in the value of the racetrack parcels is included in the \$440 million countywide increase in CY 2015 and 2016. However, the Board may choose to assume that this \$19.4 million is in addition to the assessed values upon which the real estate tax revenue estimate was based for the Recommended Budget. The real estate revenue associated with an additional \$19.4 million in assessed value is \$167,000. **Staff recommends no adjustments to Real Estate revenue.**

An estimate of other taxes has been derived from information included in the developer's fiscal impact analysis and is shown below. Also shown is the increase in each of these revenues shown in the Recommended Budget. None of the increases ties specifically to the racetrack operations.

Revenue	Specific to Racetrack	Total Increase in Budget Est.
Meals & Sales Taxes	\$188,000	\$446,000
Transient Occupancy	\$33,800	\$50,000
Total	\$221,800	\$496,000

Staff suggests adding a total of \$110,900 to the Recommended Budget for 50% of racetrack-specific meals, sales and transient occupancy taxes.

Note that 60% of the transient occupancy tax revenue must be used to fund tourism-related items.