

Admissions tax provides community service funds

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The city of Santa Cruz may be able to allocate more than \$750,000 to community service groups thanks to the 5 percent admissions tax.

Widely protested by the business community when it was implemented, the tax is collected on entertainment tickets sold in the city.

City Finance Director Robert Shepherd has recommended the city fund 28 community service groups with \$789,792. Almost \$700,000 of that sum would come from admissions tax revenues. Shepherd has recommended the remainder be paid out of the city's general fund.

Shepherd recommended funding every organization represented by the Human Care Alliance — a coalition of community service groups — with the exception of those groups which were not a part of the Human Care Alliance proposal last year.

Additionally, Shepherd rec-

ommended continued funding for four groups outside the Human Care Alliance including Big Brothers-Big Sisters, the Cultural Council of Santa Cruz County, the Legal Aid Society and the Santa Cruz City Arts Commission.

Three percent increases were recommended for most of the groups.

If the City Council approves Shepherd's recommendations at a special council meeting Tuesday evening, the \$789,792 amount will make the Santa Cruz experience of funding community service organizations a great deal different than other cities in the county.

Only Capitola has now decided how much money to contribute to community service groups — \$79,500. Other governmental agencies such as Santa Cruz County and the city of Watsonville haven't discussed the subject, but generally the outlook for funding service groups is dismal.

That's because the full effect

of the loss of federal revenue sharing funds — money that typically went to these types of organizations — will be felt this year.

Only the city of Santa Cruz has made up for the loss of with the implementation of the admissions tax.

Santa Cruz Mayor Jane Weed said there is still a little grumbling in the city over the tax but added that the council is committed to funding community-care services.

"The city is responsible for the health and welfare of its residents, as well as providing the typical services," Weed said.

However, Weed said the general fund budget is tight this year and it may not be possible to allocate \$100,000 from the general fund for community-care services.

Funding for community groups will be determined at a special council meeting Tuesday, 7:30 p.m. at City Hall.