



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

March 9, 2021

SUBJECT: Report on Financial Impact of Bishop's Pumpkin Farm 2020 Season

PREPARED BY: Jim Goodwin – City Manager

Recommendation

Information only. No action required.

Background

Bishop's Pumpkin Farm (The Farm) was annexed into the City of Wheatland in 2011. At the time, The Farm entered into a Development Agreement (DA), that among other provisions, established an Admission Fee to be paid to the City annually. The fee is equal to five percent of any Admission Charge collected by The Farm. Initially, 50 percent of the fee was deposited in the General Fund and 50 percent in a special joint-use fund. A later amendment to the DA increased the amount deposited into the General Fund to 60%.

A summary of the fee collected in 2020 is as follows:

General Fund	\$ 72,302
Joint Use Fund	48,281
Total	\$120,580

The City incurs annual, direct expenses during the season. For 2020 these expenses included:

Public Works	\$ 3,446
Police	16,241
City Engineer	1,755
Supplies	1,006
Total	\$22,448

Net to City: \$98,132

Following the 2020 season, the balance in the joint use fund is \$52,275.

It is important for the City Council to recognize this summary does not include net receipts of sales tax or transaction tax. The City's receipts of the state Bradley Burns sales tax is shared with Yuba County (the county receives 12.5 percent) pursuant to the Master Tax Sharing Agreement. All of the local transaction tax collected from The Farm stays with the City.

In addition, this summary does not account for the impact of local wages. Wayne Bishop shared with staff that 88 Wheatland residents were employed by The Farm during the 2020 season receiving \$717,000 in wages. The overall gross payroll for 2020, including health and retirement plans for eligible employees, was \$2.5 million.

According to Doug Svensson of Applied Development Economics (ADE), applying a multiplier of 1.5 percent to the wages paid to the Wheatland residents is an appropriate, estimated measure of local impact. Using that multiplier, the estimated local impact of wages increases to \$1,075,500 for 2020.

Staff will continue to provide this summary following each fall season at Bishop's Pumpkin Farm.