



Legislation Text

File #: 20-0068, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Mark Leyman, Parks and Recreation Director
Linda Robb, Management Analyst

SUBJECT:

Fee Waiver Requests Associated with Legacy Special Events Fiscal Year 2021-2025 (Parks and Recreation Director Leyman).

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that the City Council discuss and provide direction on fee waiver requests associated with legacy special events for fiscal years 2021-2025.

FISCAL IMPLICATIONS:

Per past City Council direction, staff used fully burdened rates when determining the true costs associated with each special event request. Fully burdened rates include City overhead as well as direct costs to the City. These are the rates adopted by City Council in the resolution of fees. The funds to provide these services are budgeted annually within each of the affected City departments.

Any related equipment utilized is charged at the prevailing rental fee. Parking rates were calculated at \$2.00 per hour for beach lots, \$1.50 per hour for City lots and \$1.75 per hour for street meters.

The fee waivers presented for City services represent \$243,389. There are also approximately \$83,600 in third party costs contributing to the cost of events.

For the upcoming fiscal year 2020/2021, funds for City services for events scheduled through December 31, 2020, have been removed from the budget due to COVID-19. Events scheduled through December 31, 2020 will be required to submit new plans and will be presented to the City Council for approval of the event, appropriation of funds and any possible fee waivers.

BACKGROUND:

Prior to 2003, City Council made a decision to exempt three events from paying City fees. The Holiday Fireworks Festival, Manhattan Beach 10K Run and the Little League Parade were considered special events of a community-wide interest, too valuable to lose and too expensive for the City to implement by itself.

At the April 7, 2009, City Council meeting, Council approved 75% fee waivers for all "legacy" organizations (except the Holiday Fireworks Festival, Manhattan Beach 10K Run, and Little League Opening Day Parade) and approved waiving all fees for the events associated with the Manhattan Beach Unified School District, including the Manhattan Beach Wine Auction, with the stipulation that the request for the Manhattan Beach Wine Auction be revisited each year.

After six years of revisiting this issue, staff felt that it had been demonstrated that the fee waiver process had been an effective way to acknowledge "legacy" organizations and their positive and beneficial impact on the community and residents. Thus, staff, at the March 17, 2015, City Council meeting, recommended that if the City Council authorized waivers, that they be in effect for the next five fiscal years 2016-2020. The Hometown Fair was granted a 100% fee waiver, by City Council on September 17, 2017.

At the July 17, 2018, City Council meeting, a revised Special Event Policy was approved, establishing a tiered approval process and stating that third party costs are the responsibility of the event organizer and are not covered by the fee waiver.

DISCUSSION:

Legacy events have been reviewed by all City departments with each department estimating necessary services based on past history and projected needs.

There are ten events total requesting waivers, down from eleven. Due to waning participation, Robinson Elementary has decided to change their event from a 5K run to a smaller event on campus beginning in 2021.

As a result of COVID-19, the plan for accommodating these events in 2020 is not yet clear. The Manhattan Beach Grand Prix and the Manhattan Beach Education Foundation Wine Auction canceled their 2020 events. It is likely that more events will need to be canceled as well. At this time, all other event operators are evaluating whether to request a Fall event date or to cancel for 2020. All event operators requesting a new date will be required to submit a new plan to accommodate all COVID-19 related requirements to be reviewed by the Special Events Committee and approved by City Council. The fees presented are based on past events. As events are revisited by the City Council, costs may vary based on changing operational needs and new guidelines.

Staff is recommending to include the North End Holiday Stroll into the fee waivers, as this event has not been included in the past. This event serves North Manhattan Beach residents and businesses and is similar to the Downtown Holiday Open House, although on a smaller scale. The Downtown Holiday Open House is not charged for City services due to its association with the Pier Lighting.

A summary of projected fee waivers along with a detailed breakdown of estimated costs by department are attached. City operational costs estimates are provided by each department and include but are not limited to hardware and staffing costs; administration for event meetings and pre and post event inspection, use of City hardware, such as water barricades, saw horses, and message boards; GIS mapping, and cost of developing a traffic control plan.

Special events costs, especially those associated with public safety, continue to grow. Additional staff resources are needed with the increase in event attendance and to provide appropriate safety measures in evaluating possible threats.

Estimates are given prior to each event, and final billing is based upon actual resources used during the event.

As stated in fiscal implications, all third party costs are passed along to the event operator. The Holiday Fireworks, due to the size and nature of the event requires the most significant third party costs. The majority of expenses are for security. The security requirements are determined and adjusted by public safety personnel based on projected attendance and possible threats, therefore, the level of security varies. As such, staff is recommending a flat fee of \$10,000 per year to be paid by the organizer to help offset third party costs. The organizer secured a \$7,500 donation for the 2019 event that was deposited with the City.

CONCLUSION:

Staff recommends that the City Council discuss and provide direction on maintaining the current fee waiver requests associated with legacy special events.

ATTACHMENTS:

1. Fee Waiver Summary
2. Event Costs by Department