



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
June 19, 2013**

TO: Mayor and City Council
FROM: Michael Chandler, Senior Management Analyst
SUBJECT: Large Event Fees
DATE: June 12, 2013

RECOMMENDATION:

Conduct a public hearing to amend the Schedule of Fees for City Services by establishing user fees for Large Events and revise the Park Use Fee Waiver Policy to include Large Events.

BACKGROUND

The City Council held a public hearing at the June 5, 2013 Council Meeting to consider establishing user fees for large events of 1,000 or more attendees per day. During Council’s discussion, a number of recommendations were made, including: 1) an interest in conducting an assessment of the financial benefit of large events; 2) the need for the resolution to more clearly define what qualifies as a large special event; 3) the need for the resolution to expressly exempt the constitutional right of public assembly from the proposed fees; and 4) special consideration for Martinez non-profit organizations and events that are not included in the exempt categories (e.g. City sponsored or co-sponsored events, and those events of the Chamber of Commerce, Main Street Martinez, and Martinez Unified School District). The public hearing was continued to June 19, 2013 in order to address Council’s aforementioned concerns.

To reiterate, the following is the City’s cost basis and proposed fee structure for large events:

City Cost Basis

Number of Attendees/Day	Police Department	City Administration	Engineering & Public Works	Parks & Recreation	City Cost Totals
1,000 – 2,499	\$550	\$780	\$579	\$450	\$2,359
2,500 – 4,999	\$1,100	\$1,170	\$579	\$540	\$3,389
5,000 and up	\$1,600	\$1,950	\$965	\$585	\$5,100

Large Event Deposits and Fees

Number of Attendees/Day	Security Deposit Non-Alcohol/Alcohol (refundable)	Martinez Fee Resident & Non-profit Org	Non-Martinez Fee Individual & Non-profit Org.	Corporate Fee (Local & Non-Martinez)
1,000 – 2,499	\$250/\$750	\$250	\$750	\$1,000
2,500 – 4,999	\$500/\$1,000	\$625	\$1,875	\$2,500
5,000 and up	\$1,000/\$1,500	\$1,250	\$3,750	\$5,000

In addition to the aforementioned fees and deposits, the City recommends establishing the following cost recovery rates for call out of or reservation for reserve police officer and maintenance personnel, to be deducted from the applicant's security deposit:

<u>Reserve Police Officer</u> : \$25/hour (minimum 2-4 hours depending on event)	
<u>General Laborer</u> : \$41/hour	<u>Maintenance Leadworker</u> : \$51/hour
<u>Maintenance Worker I</u> : \$44/hour	<u>Maintenance Supervisor</u> : \$54/hour
<u>Maintenance Worker II</u> : \$47/hour	

The last recommended component of the new fee schedule for large events is called a "Large Event Turf Rehab Fee," designed for large events held at parks or lawn areas. This fee is recommended at \$500/event and is intended to partially recover the costs associated with damage, stress, and other wear-and-tear on a grass or lawn area due to significant amounts of traffic from the large event. The full summary of large event fees is attached as Exhibit A.

The City contracts with its non-profit economic and business development partners, the Chamber of Commerce and Main Street Martinez, on an annual basis to promote the City as a whole as well as the downtown district. The contracts stipulate annual contributions from the City to both organizations (currently \$45,000 to each), and in exchange, both organizations provide a variety of services to the community and their respective memberships. Staff recommends that the 2013-14 annual contracts with both organizations require that surveys be prepared with the assistance of City staff. Such surveys would then be required to be distributed by organizers to participants attending each of the two largest events held by the organization per year. Survey results would be included in semi-annual report presentations to the Council. The City will continue to monitor sales tax trends in the downtown area to see if any correlation can be made between large events and increasing sales tax.

The City requires a special event permit whenever: 1) the proposed event may have an impact on the normal use of a public right of way or public facility, 2) the event does not comply with normal or usual traffic regulations or controls, or 3) the activity on public property could reasonably be expected to require provision of public safety services. Examples of the types of activities which require a special event permit and are regulated by the City's special event permitting process include, among others: parades, processions, carnivals, fairs, farmer's markets, festivals, fundraisers, arts and crafts shows, bicycle races, circuses, civic and community events, live entertainment events, outdoor retail sales, foot races/walks, street fairs, swap meets and trade fairs, and any event requiring an Alcohol Beverage Control permit. The City's Special Event Permit requirements specifically exclude "lawful picketing and free speech activities that do not involve the use of vehicles, animals, fireworks, pyrotechnics or equipment (other than sound equipment)."

The intent of the proposed fees, attached as Exhibit A, is to provide some degree of cost recovery for the impact a large group of people (defined for the purposes of this fee proposal as 1,000 or more) have on City services and City infrastructure. The proposed fees are not intended to impact events involving such "free speech expressive activities" as parades, rallies, marches, strikes, picketing, and demonstrations. The fees resolution has been revised to incorporate the definition of a special event and the exclusion of such free speech expressive activities.

The proposed fees exempt City sponsored or co-sponsored events, and those events of the Chamber of Commerce, Main Street Martinez, the Martinez Unified School District and the Mount Diablo Unified School District (added following the June 5th public hearing).

Additionally, the proposed fees afford special consideration for events sponsored by Martinez non-profit organizations and residents through a significant subsidy at all attendance levels. The chart on the following page lists the fees for Martinez residents and non-profit organizations, compared to the City's costs for supporting the event, with the resulting City subsidy.

Number of Attendees/Day	Security Deposit Non-Alcohol/Alcohol (refundable)	Martinez Fee Resident & Non-profit Org	City Cost Basis	City Subsidy
1,000 – 2,499	\$250/\$750	\$250	\$2,359	\$2,109
2,500 – 4,999	\$500/\$1,000	\$625	\$3,389	\$2,764
5,000 and up	\$1,000/\$1,500	\$1,250	\$5,100	\$3,850

The City Council adopted a Park Use Fee Waiver Policy on July 7, 2010. Fee waivers for park requests are considered by the Parks, Recreation, Marina and Cultural Commission (PRMCC). This policy allows fee waivers for four categories of park users: Martinez School Use; Non-profit Community Groups (with certain criteria, such as 50% of the members are Martinez residents); City Co-sponsored Groups/Events; and Community Fundraiser. Staff recommends amending this policy as part of this action to include consideration for fee waivers on qualifying organizations not otherwise exempt from the large event fees. The Park Use Fee Waiver Policy has been reproduced in Exhibit B in the same form as it was adopted in 2010 with the exception of a few changes noted on its face that are necessary to incorporate the fees now being proposed into this policy. No other changes have been made.

FISCAL IMPACT:

As demonstrated by the first chart in this report, the Large Event fees set forth in Exhibit A are not expected to fully cover the costs of the City in operating the programs or providing the services for which the fees (whether they be at Martinez-based or non-Martinez-based rates) are being imposed. Rather, they are expected to defray a portion of the costs incurred by the City when a large event is held.

ACTION:

Hold a public hearing and adopt a resolution amending the Schedule of Fees for City Services to establish Large Event fees and revise the Park Use Fee Waiver Policy to include large events.

Attachments:

Resolution

Exhibit A – Large Event Reservations,

Exhibit B – Park Use Fee Waiver Policy (revised to include Large Event Fees)

APPROVED BY:



City Manager

RESOLUTION NO. -13

AMENDING THE SCHEDULE OF FEES FOR CITY SERVICES
TO ESTABLISH FEES FOR LARGE EVENTS AND REVISING THE PARK USE FEE
WAIVER POLICY TO INCLUDE LARGE EVENTS

WHEREAS, it is the policy of the City Council of the City of Martinez to establish fees in regard to governmental services specifically authorized by statute or ordinance as well as certain services and functions performed by the City in a proprietary capacity; and

WHEREAS, it has been the policy of the City Council to review and adjust the fees periodically to ensure they are equitable and justifiable; and

WHEREAS, user fees are required to help supplement City General Fund contributions to operate and maintain the facility in a condition that meets public health codes and desired levels of service; and

WHEREAS, the City requires a Special Event Permit for events that may have an impact on the normal use of a public right-of-way or public facility, events that do not comply with normal or usual traffic regulations or controls, or events that could reasonably be expected to require provision of public safety services; and

WHEREAS, the City utilizes a Special Event Review process for events that involve special requests from the applicants, including the size and scope of the event; and

WHEREAS, as events increase in size, a correlation can be made to the required levels of review, oversight and collaboration among the major City functions and departments that comprise the Special Event Review process; and

WHEREAS, the City further recognizes the need to account for the impact large gatherings of people have on infrastructure; and

WHEREAS, the City wishes to introduce a Large Event Fee component into its Schedule of Fees for City Services, to recover a portion of its costs associated with supporting such events; and

WHEREAS, the Large Event Fees will not apply to City sponsored or co-sponsored events, or those of the Martinez Unified School District, the Mount Diablo Unified School District, Main Street Martinez, or the Martinez Chamber of Commerce; and

WHEREAS, the Large Event Fees will also not apply to events involving such free speech expressive activities as parades, rallies, strikes, marches, picketing, and demonstrations; and

WHEREAS, the City wishes to establish lower fees for Martinez-based residents and Martinez-based non-profit organizations for several reasons, including the encouragement of local residents and organizations to use City facilities and to help offset the partial subsidization of recreation facilities through taxation and revenue measures funded by the local community; and

WHEREAS, notice was published as required by Government Code sections 66018 and 6062(a); and

WHEREAS, on June 19, 2013, the City Council held a public hearing in compliance with Government Code Section 66018 where all oral and written presentations were heard; and

WHEREAS, the City Council finds that the fees set forth in Exhibit A do not exceed the reasonable costs of the City in offering and operating the programs for which the fees are being imposed, and in fact the City will still continue to subsidize the costs of these programs even after this resolution takes effect.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Martinez hereby adopts and establishes the user fees for Large Events as shown on Exhibit "A".

BE IT FURTHER RESOLVED THAT the Park Use Fee Waiver Policy, adopted by the City Council on July 7, 2010, is hereby revised to include similar fee waiver consideration for Large Events, as shown on Exhibit "B".

BE IT FURTHER RESOLVED THAT this Resolution shall become effective upon its adoption.

* * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 19th day of June, 2013, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

EXHIBIT A

CITY OF MARTINEZ COMMUNITY SERVICES –LARGE EVENT RESERVATIONS

The fees below shall be charged for large group planned activities (with noted exceptions) subject to the Special Event Permit process and are in addition to any facility rental fees and deposits included elsewhere in this fee schedule.

Non-Alcohol Events

Number of Attendees/Day	Security Deposit (refundable)	Martinez Fee Resident & Non-profit Org	Non-Martinez Fee Individual & Non-profit Org.	Corporate Fee (Local & Non-Martinez)
1,000 – 2,499	\$250	\$250	\$750	\$1,000
2,500 – 4,999	\$500	\$625	\$1,875	\$2,500
5,000 and up	\$1,000	\$1,250	\$3,750	\$5,000

Alcohol Events

Number of Attendees/Day	Security Deposit (refundable)	Martinez Fee Resident & Non-profit Org	Non-Martinez Fee Individual & Non-profit Org.	Corporate Fee (Local & Non-Martinez)
1,000 – 2,499	\$750	\$250	\$750	\$1,000
2,500 – 4,999	\$1,000	\$625	\$1,875	\$2,500
5,000 and up	\$1,500	\$1,250	\$3,750	\$5,000

City Personnel Call-out/Reservation Rates:

Reserve Police Officer: \$25/hour (minimum 2-4 hours depending on event)

General Laborer: \$41/hour

Maintenance Leadworker: \$51/hour

Maintenance Worker I: \$44/hour

Maintenance Supervisor: \$54/hour

Maintenance Worker II: \$47/hour

Additional Fees:

Large Event Turf Rehab Fee: \$500/event (for large events held at parks or lawn areas)

Notes:

- 1) All use of City Reserve Police Officers will be paid at the current rate as specified on this page and taken from the Security Deposit.
- 2) Call outs of, or reservations for, City maintenance personnel in support of events may be allowed at the City's discretion. Reimbursement for such call outs will be paid at the current labor rate(s) listed on this page, and taken from the Security Deposit.
- 3) City will supply event holder a reconciliation of costs to be charged against the Security Deposit within approximately 2 weeks of the event's completion, and the amount of refund due the event holder or additional amount owed the City.
- 4) Events sponsored or co-sponsored by the City; the Martinez Unified School District; the Mount Diablo Unified School District; or the City's partner non-profit economic development organizations Chamber of Commerce and Main Street Martinez, are exempt from fees and deposits set forth above, with the exception of costs for Reserve Police Officer reservations, which will be due upon receipt of City invoice.
- 5) Parades, rallies, strikes, marches, picketing, and demonstrations or other similar expressive free speech events or activities are exempt from fees and deposits set forth above.

EXHIBIT B

PARK USE/LARGE EVENT FEE WAIVER POLICY

Eligibility

There are four types of users that are eligible for Park Use/[Large Event](#) Fee Waiver:

1. Martinez Unified School District [and Mount Diablo Unified School District](#) – Uses submitted by ~~the~~ MUSD [or MDUSD](#) for the purpose of serving their students.
2. Non-profit Community Groups: These groups have 501(c) status in good standing with the State and meet the following:
 - 50% of members are Martinez Residents
 - Event or activity has a community wide benefit
 - Paying fee would create a financial hardship for the group that would endanger the group's ability to conduct the event.
3. City Co-sponsored Groups/Events – Groups that receive regular financial support from the City or Events in which the City is participating as key supporter of the event.
4. Community Fundraiser– This category is targeted for events put on by Martinez Residents for impromptu fundraisers surrounding a cause in the community in which all the proceeds go to the cause and the event is open to everyone in the community.

Review and Approval

All MUSD permits fitting the #1 Eligibility definition of use will not come to PRMCC and will be approved administratively.

Users that meet the definition of use or user #2 through #4

- The PRMCC reviews and approves/denies Park Use/[Large Event](#) Fee Waiver Applications at the regular PRMCC meetings
- Application for Park Use/[Large Event](#) Fee Waiver must be received 30 days in advance
- PRMCC may waive any portion of fees up to 100%

Procedure

- Complete a Park Use/[Large Event](#) Reservation application and submit deposit
- Complete a Special Request Form 30 days prior to the event
- Attend PRMCC Meeting Review of Application