

DATE ISSUED: June 16, 2003 REPORT NO. 03-133

ATTENTION: Honorable Mayor and City Council  
Docket of June 17, 2003

SUBJECT: Proposed Fees for Catering on Public Property/Private Event Fees

REFERENCE: City Manager's Report No. 03-116 issued on May 30, 2003 relating to  
Catering Fees

#### SUMMARY

Issue(s) – Should the City Council approve the proposed Fees for the Use of Public Property for Private Events?

Manager's Recommendation(s) – Approve the proposed Fees for the Use of Public Property for Private Events.

Fiscal Impact – \$381,570 in new revenue to the General Fund.

#### **BACKGROUND**

At the City Council meeting on June 10, 2003, staff was asked to return to Council in one week with alternatives to the original fee proposal for catering on public property.

Last Friday, June 13, 2003 City staff met with the Park Users Alliance group consisting of representatives from the catering and event organizers industry to develop a proposal on the recommended fee for Catering on Public Property. All suggestions from the Mayor and City Councilmembers, as well as comments made during public testimony at the June 10, 2003 meeting were considered and evaluated. The recommendations outlined in this report were based on a consensus building effort between City staff and the Park Users Alliance.

**DISCUSSION**

The revised proposal developed by City staff and the Park Users Alliance includes a sliding scale rate schedule, similar to staff’s original recommendation, but would be applied to all private events on public parkland throughout the City rather than just to those events that retain a professional caterer. The group identified that the overarching policy issue is one of private use of public parkland rather than the use of public property for catered events only. Therefore, the focus of the new permit fee has been changed from a catering fee to a private event fee as follows:

**Proposed Private Event Rate Schedule**

<b>Group Size (people)</b>	<b>Proposed Rate*</b>	<b>Events in FY 02</b>	<b>Projected New Fee Revenue</b>
75 – 150	\$300	646	\$193,800
151 – 300	\$400	255	\$102,000
301 – 1000	\$750	82	\$61,500
Over 1000	\$1195	11	\$13,145
Estimated No. of private events in all other City parks		310	\$93,000
Change Fee**	\$35.00		New fee/unknown
Subtotal		1,439	\$463,445
Existing Park Use Permit Revenue	\$34.50/\$12.75	1130	(-\$81,875)
<b>Total</b>			<b>\$381,570</b>

\* Includes an annual consumer price index (CPI) rate adjustment applied each July 1 and rounded up to the nearest \$5.

\*\* Only applied when applicants request a change to their approved permit.

**Proposed Private Event Fee**

City staff and the Park Users Alliance agreed to define “private events” as those events for which attendance is limited to individuals exclusively invited to the event, such as: company picnics, alumni reunions, private celebrations, etc. The proposed private event fee would be applied to all such events in all City parks. Additionally, in order to streamline the current permit process, the proposed private event flat fee would also include the charges associated with the standard park use permit fee of \$34.50 per event and the \$12.75 set-up fee for each piece of equipment such as canopies, tents, inflatables and seating. The proposed fee structure is in keeping with the existing Municipal Code provisions that require a permit for 75 or more people.

As part of the proposed private event rate schedule, a “change fee” would also be implemented when an applicant makes a request to change the date, or number of attendees on a previously approved permit. The proposed \$35 fee is intended to cover the staff costs of amending the permit. Additionally, the proposed private event rate schedule would include rate increases based on an annual consumer price index (CPI) rate adjustment.

### Public Events

The group also reaffirmed their support for the current park use permit rate schedule for public events. The current rate schedule for the standard park use permit would remain in effect for all public events of 75 people or more. The group defined “public events” as those events for which any member of the public can attend, e.g. spring festivals, Halloween carnivals, volleyball tournaments, etc. The existing park use permit rate schedule is \$34.50 per event plus a \$12.75 set-up fee for each piece of equipment and is not proposed to be changed for public events.

### Revised Proposal

To achieve the proposal, the group developed a set of guiding principles that encompass two key areas: policy and implementation. Following is a summary of the guiding principles.

#### Policy Principles:

- Provide equity among all private events
- Apply proposed rates to all private events using public parkland throughout City
- Incorporate current park policies and existing Municipal Code regulations
- Ensure that proposal would not impact existing policies for public events

#### Implementation Principles:

- Streamline the current permit process by creating an all inclusive-fee
- Apply the proposed Private Event fee to applications submitted starting July 1, 2003
- Include a method for future rate increases tied to the consumer price index (CPI)
- Include a fee for applicants that request a change to their approved permit
- Continue the use of the first come-first served, site location system

The revised agreement, along with the key principles described above, resulted from the consideration of all comments provided at the June 10, 2003 City Council meeting in conjunction with a consensus building effort between City staff and the Park Users Alliance.

**CONCLUSION**

Should the City Council adopt the proposed Fees for the Use of Public Property for Private Events, the anticipated new net revenue to the General Fund would be \$381,570 rather than \$521,700 anticipated under the original Catering on Public Property fee, resulting in a difference of \$140,130.

**ALTERNATIVE**

Do not adopt the proposed fees for the use of public property for private events.

Respectfully submitted,

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Assistant City Manager

Ewell/BM:CW