

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: SPECIAL PARK USE POLICY

DATE: May 23, 2024

Approved



Date: 5/23/24

BACKGROUND

This Manager's Budget Addendum responds to direction at the November 8, 2023, Rules and Open Government Committee and Committee of the Whole (Committee) from Councilmembers Torres, Cohen, Ortiz, Candelas, and Foley to provide the cost of allowing each Council Office an increase of one standard free-use event and three additional small-scale events of a neighborhood or regional park for the purpose of a community event sponsored and/or produced by the Council office.

It is important to note that at the November 8, 2023, meeting the Committee also approved a staff-recommended modified scope that allowed three additional free use "small-scale events," or one additional free use "medium/large-scale event" as defined in the Special Park Use Permits - One Day Events section of the Parks, Recreation and Neighborhood Services (PRNS) Fees and Charges document. This was in addition to the preexisting one medium/large-scale event Council Offices already received. As a result of this approval, Council Offices can currently choose annually between free uses for two medium/large scale events or one medium/large scale and three small scale events.

ANALYSIS

Special events in parks contribute to the community's vibrancy and sense of belonging. To encourage special events, since 1999, each Council Office was allowed one (1) free use annually of a neighborhood or regional park for the purpose of a community event sponsored and produced by the Council Office.

Staff estimates that park permits will generate \$230,000 in fee revenues in 2023-2024 and recover approximately 27% of associated City costs. The low-cost recovery rate is driven by low fees relative to staff costs for permitting special events.

Most Special Park Use fees were last adjusted in 2014 with the creation of higher fees for for-profit organizations compared to lower fees for neighborhood associations and schools. Non-profit organizations retained the fees that had been in place since 2012 or prior to that. In recent

years, about 50% of Council Offices used the annual free use each year, totaling an average of \$20,000 in fees waived annually for these five free uses. These five individual fee waivers ranged from \$550 for small-scale events to \$10,000 for the largest and most complex events such as the Fourth of July Fireworks at Almaden Lake Park.

The PRNS Special Park Use Unit permits 200-250 events annually with its staff of 3.0 full-time Events Coordinators. Each staff person typically facilitates between 66 and 83 permitted events annually. Staff observes that special events are becoming more complex, requiring additional coordination with other departments, and an increase in touch points throughout the permitting process. Additionally, due to an influx of new event complexities and new event organizers, staff has needed to spend more time with event organizers to support them through the event permitting process. Staff estimates that small-scale events require 5-8 hours of staff time per event and medium/large scale events require 15-20 hours, including pre- and post-event tasks noted below.

Pre-Event Tasks

- Event inquiry/intake
- Permit process education/consultation
- Special event application review
- Database entry/update
- Safety plan creation/review
- Parking plan review
- Coordination with other permitting agencies (as needed)
- Prepare addendum with specific park permit guidelines for the event
- Generate invoice/collect permit fees
- Conduct pre-event meetings and site visits (often multiple for medium/large scale events)
- Pre-event site walkthrough

Post-Event Tasks

- Post-event site walkthrough
- Identify/coordinate park repairs (as needed)
- Assess event/gather feedback from departments
- Post-event meeting
- Collect staff timecards for event services or maintenance
- Update invoice (additional staff expenses, withholding damage deposit, etc., as needed), issue refund as applicable
- Communication to event organizer (congratulations/thank you/feedback)

In addition to permit-related pre- and post-event tasks, staff has day-to-day tasks including ongoing customer service, scheduling, providing consultations that may not result in permitted events, and process education for organizers of unpermitted events and/or new event organizers.

An increase of three (3) small-scale events and one (1) medium/large-scale event per Council Office could result in four (4) new events per Council Office and a total of 40 new events annually, which is nearly the permit workload of a full-time staff person. In addition to the 40 new events annually, staff workload increases include daily operational and administrative tasks such as permit education, outreach, and additional coordination with other departments.

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Over the past year, event permitting complexity coupled with growth in the event industry is expected to exceed current program capacity. Event planning is trending toward more complex and large-scale, festival-type events. This growth is sustained by current event organizers continuing with their events year over year as well as new event groups and organizers developing new events regularly. Depending upon whether these events are new or reoccurring permits, there could be a substantial increase in the permitting workload for staff.

If the Special Park Use Policy is further amended, PRNS would require additional staffing to ensure an appropriate level of customer service for all event organizers. PRNS would recommend adding 1.0 Events Coordinator I/II if the Special Park Use Policy is amended to allow each Council Office to have free use for two (2) medium/large scale events and three (3) small scale events per year.

Requested Position if Special Park Use Policy is Further Amended	Cost (Salary + Fringe & Benefits)
1.0 Events Coordinator I/II	\$164,000

In addition to staff workload impacts, there is also a revenue impact from the adjustment to the Special Park Use Policy. Recently there have been approximately \$20,000 in fees waived annually by holding only half of the allotted events per Council District. Assuming all events are requested, foregone revenue would be an estimated additional \$15,000-\$100,000 depending upon event scale and complexity.

COORDINATION

This memorandum was coordinated with the City Manager’s Budget Office.

/s/
Jon Cicirelli
Director of Parks,
Recreation and Neighborhood Services