



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** WAIVER OF OUTDOOR EVENT  
CANCELLATION FEES  
ORDINANCE

**DATE:** 06-3-09

Approved

Date

6-8-09

**COUNCIL DISTRICT:** Citywide

**SNI AREA:** NA

## RECOMMENDATION

Adoption of an ordinance authorizing the Director of Parks, Recreation and Neighborhood Services (PRNS) to waive outdoor event cancellation fees, under the conditions outlined in the attached ordinance, for events on or after June 30, 2009 and prior to October 31, 2009.

Authorize the City Manager to extend the Director of PRNS authority for waiving outdoor event cancellation fees, through October 31, 2010, if economic conditions continue to warrant the waiver of the cancellation fees.

## OUTCOME

Acceptance of this memorandum and adoption of a new ordinance will enable the Director of PRNS to waive certain outdoor event cancellation fees. The cancellation waiver will apply to charges for event permits issued by PRNS, for events that meet all of the following conditions:

1. Events which have been granted Festival, Parade and Celebration Grants for at least 2 of the most recent 3 years,
2. Nonprofit events that can reasonably demonstrate that the event was cancelled due to negative impacts of the economic recession through indicators such as projected low audience participation or earned revenue, reduced sponsorship, reduced individual contributions, and/or reduced grant funding.

## BACKGROUND

At the May 20, 2009 Rules and Open Government (Rules) Committee meeting, Councilmember Liccardo recommended that the City Manager draft a resolution that would allow the Director of PRNS to waive cancellation fees related to the use of city parks for any event impacted by the recent drop in city Festival, Parade and Celebration (FPC) grants due to unprecedented economic conditions. The Rules Committee directed the City Manager to draft an ordinance and forward to the Mayor and Council for consideration in June.

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## ANALYSIS

In response from the direction from the Rules Committee, staff prepared the attached ordinance.

## POLICY ALTERNATIVES

**Alternative #1:** Retain the City's current event cancellation policy as specified in Section 7(B)(9) of Resolution No. 74453.

**Pros:** Fees remain the same and cancellation funds collected would be received into the General Fund.

**Cons:** Nonprofit organizations which have been negatively impacted by the economic recession will be required to pay the cancellation fee.

**Reason for not recommending:** The unprecedented economic conditions have had a negative impact on the ability of nonprofit organization's to obtain the needed revenues to provide events for community members and fully recover their costs.

## PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council, or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although none of the above criteria apply, this memo will be posted on the City's website for the June 23, 2009 Council meeting.

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**COORDINATION**

This memorandum has been coordinated with the City Attorney's Office.

**CEQA**

Not a project.



ALBERT BALAGSO  
Director, Parks, Recreation and  
Neighborhood Services Department

Attachments: Draft Waiver of Outdoor Event Cancellation Fees Ordinance

For questions please contact Mark Marney, Deputy Director Parks Division, at (408) 535-3582