

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 03/09/2009		Item Number: A-6	
AGENDA ITEM: Consideration of Fee Waiver/Reduction Requests from La Playa Cooperative Nursery School.			
Contact Person/Dept.: Pam Robinson		Phone Number: (310) 253-6000	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Master E-Mail Notification List (03/04/09); Representatives of La Playa Nursery School (by telephone – 03/04/09).			
Department Approval: Martin R. Cole (03/04/09)		City Attorney Approval: Carol Schwab (by H. Baker) (03/04/09)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (03/04/09)		City Manager Approval: Jerry B. Fulwood (03/05/09)	

RECOMMENDATION:

Staff recommends the City Council consider fee waiver/reduction requests from La Playa Cooperative Nursery School and direct staff as deemed appropriate.

BACKGROUND:

Each year, the City Council adopts various fees and charges for the City as part of the budget process. In 2007, the City Council authorized a comprehensive review of all of the City's fees. As part of that process, a consultant was selected to perform a comprehensive update to the City's fees and charges. Effective for Fiscal Year 2007/2008, the updated fees and charges, many of which had increased as a result of inflation and a higher level of cost recovery, were adopted by the City Council. Pursuant to the newly adopted fees and charges, staff has been informing various groups and individuals of the fees and charges now applicable.

DISCUSSION:

At a recent Council meeting, La Playa Nursery School requested a fee waiver.

La Playa Cooperative Nursery School

The La Playa Cooperative Nursery School (School) has been occupying the Lindberg Park Building under a License Agreement between the School and the City. The School's use of the Lindberg Park Building (Stone Hut) under the License Agreement is between September – June, Monday through Friday from 8:00 AM to 1:00 PM with periodic extended use during the Summer months. The School

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provided a copy of a License Agreement that became effective on July 1, 2003 with a daily rental rate of \$25 and provided for automatic extensions of the License Agreement on an annual basis. The License Agreement also provided the City could increase the fee paid by the School provided the City gave at least 120 days' notice to the School. In 2006, a new License Agreement was signed with the School that provided for the same general terms. This year, in implementing the fees and charges schedule, staff provided the School with notice of an increase in the daily fee from \$25/day to \$125/day, the fee specified in the fees and charges schedule.

In a letter delivered to the City Clerk (a copy of which was also provided to the City Council), the School is requesting a new License Agreement effective July 1, 2009 with a fee of \$50/day. A copy of the letter is provided (Attachment 1).

FISCAL ANALYSIS:

The revenues projected for Fiscal Year 2008/2009 and those to be projected for Fiscal Year 2009/2010 have been based upon the fees and charges included in the adopted fees and charges schedule. Therefore, each fee waiver/reduction granted would lower the amount of revenues received by the City. Given the current deficit estimated at \$500,000, every reduction in revenue would require either an increase in revenue in another General Fund area or further reductions in expenditures above the \$500,000 in reductions already needed to end Fiscal Year 2008/2009 with an operating surplus.

Should the City Council grant the fee waivers/reductions as requested, the following revenue impacts would be realized:

ORGANIZATION	FY 2009/2010	FY 2010/2011
La Playa School	\$2,700	\$2,808*

- **City User Fees and Charges are typically increased on an annual basis to account for, at minimum, cost-of-living-allowances (COLA). In order to address potential COLA increases, the table above includes a 4% increase to the 2010/2011 estimate.*

ATTACHMENTS:

1. Letter dated February 18, 2009 from La Playa School

MOTION:

That the City Council:

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- (1) Approve the fee waiver request as presented; OR
- (2) Approve the fee waiver request in the amount of \$_____ resulting in a revised fee of \$_____; OR
- (3) Deny the fee waiver request (thereby leaving the current fee in the fee and charges schedule applicable);

AND

- (4) (If motion 1 or 2 is adopted) Authorize the City Attorney to review/prepare the necessary documents including the amended fee amounts authorized by the City Council; and,
- (5) (If motion 1 or 2 is adopted) Authorize the City Manager to execute such documents on behalf of the City.