

**City of Culver City, California
Agenda Item Report**

Meeting Date: 12/07/09		Item Number: J-1	
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: Discussion of and Comment on 2010 Taste of the Nation Los Angeles Event; Consideration of Authorization to Provide Staff Services, Waiver of Redevelopment Agency and City Fees; Designation as a City- and/or Agency-Sponsored Event; and Authorization of up to \$19,500 in Expenditures and Waivers.			
Contact Person/Dept.: Jeremy Green, Phone Number: (310) 253-5764 Management Analyst			
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification (): Share Our Strength (11/19/09); Downtown Business Association (11/19/09); Chamber of Commerce (11/19/09); Agendas and Meetings – City Council (12/02/09); Agendas and Meetings – Redevelopment Agency (12/02/09)			
Department Approval: Sol Blumenfeld (11/24/09)		Agency General Counsel Approval: Murray Kane 11/24/09 City Attorney Approval: Carol Schwab (by H. Baker) (11/30/09)	
Chief Financial Officer Approval Mark Scott (by N. Kimball)(12/01/09)		Executive Director/City Manager Approval Mark Scott (12/2/09)	
<u>RECOMMENDATION:</u> Staff recommends that the City Council and the Redevelopment Agency Board discuss and provide comment on the 2010 Taste of the Nation Los Angeles event; and consider i) authorizing the use of staff to assist the Share Our Strength organization in the production of the event; ii) designate Taste of the Nation Los Angeles as a City- and or Agency-sponsored event; and iii) authorize the expenditure of \$15,000 in Redevelopment Agency funding for Agency approved expenses, reimbursement to the City for staff time and fee waivers and other related expenses and consider an additional request of \$4,500 from the Economic Development budget (Account No. 55090200.610200 “Marketing Services”) above the budgeted and appropriated amount for a total authorization of \$19,500. <u>BACKGROUND:</u> <u>Taste of the Nation Los Angeles</u> For the past five years, the Taste of the Nation Los Angeles event (Event) has been conducted in Media Park bringing together the finest chefs for a food and wine tasting festival . The event is managed and promoted by Share Our Strength, with the goal to raise money to end childhood hunger throughout the United States.			

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Over the prior years Culver City staff has worked with Share Our Strength to conduct the event due to the positive marketing impacts and public exposure it creates for downtown and Culver City as a whole.

DISCUSSION:

As proposed, the 2010 Event will take place on Sunday, June 6, 2010. Including this year's request, if approved, Share our Strength will have received over \$50,000 in assistance from the Agency and City from 2008 through the 2010 event. The event continues to grow in popularity and has become synonymous with Culver City.

Each year the request for City/Agency assistance increases, mostly due to increases in rates and fees. Staff asked the organizers if there might be additional promotional activity that could be offered by Share our Strength for the continuous and increased annual support. One recommendation was to rename the event "Taste of the Nation Culver City" to reflect the event's location. Share our Strength has indicated that they are unable to rename the event. However, they have charged their marketing team with the task of creating a promotional package which would provide additional publicity and awareness of Culver City and City and Agency support, enhancing the economic impact that the event will provide to Culver City.

Use of Media Park

The Ivy Substation and Media Park are located near the easternmost portion of downtown Culver City. While both the Ivy Substation and Media Park are located outside of Culver City's corporate limits in the City of Los Angeles, they are used and managed by the Agency pursuant to a long-term lease between the Agency and the City of Los Angeles. Pursuant to the terms of the Media Park Lease with the City of Los Angeles, the past Events have been allowed to serve alcohol as part of the City of Los Angeles' permit process for special events.

A previous complaint about trash left behind after the 2006 Event prompted staff to provide additional sanitation staff and supplies for the following year to address the issue. Since these measures were implemented, there have been no further complaints. Staff has arranged for the same level of sanitation services for the 2010 event and anticipates that this year's event will be equally successful.

City/Agency Sponsorship

Share our Strength requests that the Agency allow the organization to post banners in the public right-of-way to advertise the event and to pay for the costs of the banners and provide a waiver of permit fees. While the out-of-pocket expenditure was not approved in 2008, it was approved for the 2009 event. A copy of an excerpt from the minutes of the City Council meetings where these items were discussed is provided for the City Council's ease of reference.

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Section 17.330.040 of the Culver City Municipal Code (CCMC), relating to Signs in the Public Right-of-Way, provides for certain exceptions to posting signs in the public right-of-way (which is generally prohibited). One such exception is for signs relating to the “promotion of civic events and activities” where those events and activities are “organized or sponsored by the City or Redevelopment Agency.” (CCMC Section 17.330.040.B.7.a)

To be “Sponsored” by the City or Redevelopment Agency, an event must comply with CCMC Section 17.330.040.B.7.b.ii. confirming that the following criteria have been met: The City and/or Redevelopment Agency is (a) participating in an official capacity in the planning, preparation or promotion of the event or activity; and (b) contributing 25% of the total estimated costs of the civic event or activity, or at least \$1,000, whichever is less. This contribution may take the form of funds, labor, staff time, materials, a waiver of fees, or any combination of the foregoing.

The CCMC requires both (a) AND (b) to be met. In addition, the use of staff resources, equipment, etc., for an event does not in and of itself constitute participation in the event by the City in an “official capacity” in the planning, preparation or promotion of the event. Further, in accordance with the City Council Policy regarding Community Organizations, in addition to meeting the above-referenced criteria, in order for an event to be considered City-sponsored and/or Redevelopment Agency-sponsored, the City Council and/or Redevelopment Agency must determine, by specific action, that the above criteria have been met.

In summary, in order to be eligible for a banner, the City and/or the Redevelopment Agency would need to take both of the following actions:

1. determine that the Event is a City- and/or Agency-sponsored event; and,
2. determine to support the Event in an amount not less than \$1,000, which may take the form of a fee waiver.

Share our Strength requests that the City and Agency consider whether to designate the 2010 Event a sponsored event, based upon the above criteria. Should either the City or Agency take both of these actions, appropriate language would be included in the License Agreement to reflect these actions, thereby granting the request for banners. The City Council and Board should also consider whether the City’s continuing contributions related to staff support and fee waivers should be recognized in renaming the event Taste of the Nation Culver City in the future.

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FISCAL ANALYSIS:

The Share Our Strength October 5, 2009 letter requests almost exactly the same level of assistance from the City and Agency for the 2010 Event. The only change is Share Our Strength's request for the City and/or Agency to pay an additional \$500 in hard costs for a second three-compartment sink, which was paid for by Taste of the Nation last year. Any other additional increase from last year to this year's costs reflects an increase in staff rates or hourly needs, a change in permit fee costs or an increase in costs to provide the same level of service from outside organizations. A complete table of cost comparisons for the 2008 and 2009 Events and the proposed 2010 Event is included as Attachment 2.

City Costs:

Approximately \$1,056 in City permit and inspection fees from the Finance Department, Public Works Department and Fire Prevention Division are requested to be waived, and approximately \$1,500 will be incurred as in-kind costs (Public Works and Sanitation staff time). In addition, if designated as a sponsored event and the City/Agency decides to allow a banner in the public right-of-way, the request includes a waiver of the \$237 sign permit fee and \$464 of in-kind costs for Public Works staff to install the banner. This equates to a total of \$701, which would bring the total City cost to **\$3,257.**

Agency Costs:

Staff believes that it will be necessary to utilize one staff member for approximately 80 hours to complete all of the tasks. Assuming an average hourly rate of \$55 for a Management Analyst (includes salary and benefits), this equates to Agency costs of approximately **\$4,400.**

In addition, Share our Strength is again requesting out-of-pocket expenditures for portable toilets, security costs, fencing around the perimeter of the park, traffic control services, costs for a three-compartment sink, valet parking service for 200-350 vehicles, and \$1,000 in miscellaneous fees to allow for any additional expenses that typically occur for a total of **\$9,772.**

If designated as a sponsored event and the City/Agency decides to allow a banner in the public right of way, the request includes **\$2,000** in costs for the production of the banners. This would bring the total Agency cost to **\$16,172.**

The total cost of the request, including staff time and fee waivers, is approximately **\$19,429** (\$16,172 Agency, \$3,257 City). For the Agency, this is comprised of \$4,400 in-kind costs and up to \$11,772 in direct expenses. For the City, this is comprised of \$1,293 in fee waivers and \$1,964 in in-kind costs.

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This is approximately \$4,500 more than the \$15,000 appropriated (in Account No. 55090200.516600 Special Events & Meetings) for the 2010 Event in the Adopted 2009-2010 budget. Additional funds could be made available in the Economic Development budget (Account No. 55090200.610200 Marketing Services) that can be administratively transferred to the appropriate account to cover the additional expense; therefore, no budget amendment is needed. However, the City Council/Agency Board may decide not to approve all of the expenses, waivers, and in-kind costs requested by Share Our Strength as transferring the additional funds from the Marketing Services account would reduce the amount of funding available for other marketing services.

Last year, \$18,435 was approved for expenses and waivers; \$15,000 was appropriated in the budget and the additional funds were transferred administratively from Economic Development budget account for Marketing Services.

ATTACHMENTS:

1. Share Our Strength's letter dated October 5, 2009.
2. Costs table for 2009 and 2010.
3. Minutes from the March 17, 2008 and December 15, 2008 meetings.

MOTION:

That the City Council:

1. Discuss and provide comment on the Taste of the Nation event; and,
2. Designate the 2010 Taste of the Nation a City-sponsored event; and,
3. Authorize the use of City staff to assist the Share Our Strength Foundation in the organization, marketing, and production of the Taste of the Nation event in Media Park, provided that the Culver City Redevelopment Agency reimburses the City in the amount of \$4,500 for such services.

That the Culver City Redevelopment Agency:

1. Discuss and provide comment on the Taste of the Nation event; and,
2. Designate Taste of the Nation an Agency-sponsored event; and,
- 3.A. Authorize the expenditure of staff time and expenditures to conduct the Taste of the Nation event in the amount of \$15,000 as budgeted;

OR

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- 3.B. Authorize the expenditure to be \$ _____, and,
4. Authorize reimbursement to the City in the amount of \$4,500 for anticipated expenditures related to the Taste of the Nation Event from the Economic Development budget, Account No. 55090200.516600 "Special Events & Meetings."