

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

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| Meeting Date: 04/07/08                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | Item Number: <u>J-2</u>                                                                           |  |
| <b>AGENDA ITEM: JOINT ITEM: 1) Consideration of a Fee Waiver Request by the Culver City Exchange Club for the Fifth Annual Culver City Car Show; 2) Approval of a License Agreement for the Car Show; 3) Consideration of Designation of the Fifth Annual Culver City Car Show as a City-Sponsored Event; and 4) Determine the Level of Redevelopment Agency Support for the Car Show.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                   |  |
| Contact Person/Dept.:<br>Jeremy Green, Community Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | Phone Number:<br>(310) 253-5764                                                                   |  |
| Fiscal Impact: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  | General Fund: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                 |  |
| Public Hearing: <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | Action Item: <input checked="" type="checkbox"/> Attachments: <input checked="" type="checkbox"/> |  |
| Public Notification: Culver City Exchange Club (04/02/08); Downtown Business Association (04/02/08); Chamber of Commerce (04/02/08); Master Notification List (04/02/08).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                   |  |
| Department Approval:<br>Sol Blumenfeld (3/26/08)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  | City Attorney Approval:<br>Carol Schwab (by H. Baker) (04/01/08)                                  |  |
| Fiscal Impact Approval:<br>Jeff Muir (by N. Kimball) (04/01/08)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  | City Manger Approval:<br>Jerry B. Fulwood (04/02/08)                                              |  |
| <p><b><u>RECOMMENDATION</u></b></p> <p>Staff recommends the City Council:</p> <ol style="list-style-type: none"><li>1. Consider a fee waiver request made by the Culver City Exchange Club (the "Exchange Club") for the Fifth Annual Culver City Car Show (the "Car Show"); and,</li><li>2. Approve a license agreement for the Car Show; and,</li><li>3. Designate the Car Show as a City-sponsored event.</li></ol> <p>Staff recommends the Redevelopment Agency:</p> <p style="padding-left: 40px;">Determine what level of support, if any, it wishes to provide to the Car Show in the form of a reimbursement to the City of its costs associated with the event.</p> <p><b><u>BACKGROUND</u></b></p> <p>The Culver City Exchange Club is proposing to host the Fifth Annual Culver City Car Show on Saturday, May 10, 2008. As proposed, the Car Show will be presented in the same general area as in the prior four years: along Culver Boulevard between Duquesne Avenue and Ince Boulevard (Attachment 1).</p> |  |                                                                                                   |  |

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**DISCUSSION**

**Fee Waiver Request**

In 2007, the Council approved a fee waiver requested by the Exchange Club, the promoter of the Car Show, in the amount of \$12,000. Tonight the Council and Agency are asked to consider the fee waiver for this year's event. The Exchange Club is finalizing their Special Event Permit application which will be heard by the Committee on Permits and Licenses (the "Committee"). The Committee has authorized permits for this event in each of the prior years.

Staff met with representatives of the Exchange Club. Subsequently, staff arranged planning sessions with representatives of the Exchange Club and various City Divisions and Departments for the purpose of identifying requests and costs. Plans for the layout of the 2008 Car Show were presented at each meeting and they remain substantially unchanged from last year with the exception of how the realignment of Washington Boulevard affects the street closures at Ince Boulevard.

The realignment of Washington Boulevard in the Downtown area is anticipated to be completed prior to the end of April 2008. The realignment will close the one-block segment of Washington Boulevard between The Culver Hotel and The Culver Studios and redirects that vehicular traffic one block east onto a widened Ince Boulevard (to be renamed Washington Boulevard). Staff has worked with traffic engineering staff to ensure that this year's car show takes the new roadway configurations into account when preparing the traffic flow and diversion plans. The Car Show plan will be unaffected by any potential remaining construction. Staff has been informed that no construction will take place on the days of the event.

Staff has compiled costs, in cooperation with other City staff, associated with the Car Show which are estimated to be under \$15,000. The Exchange Club has requested that the Council grant a fee waiver for this amount. The costs to the City would be incurred primarily by the Public Works, Police, and Parks, Recreation and Community Services Departments. The majority of the costs that have been projected by the Public Works and Police Departments are for staff time.

In exchange for the City's permission to use City equipment, the Exchange Club shall provide the City with use of three booth spaces and one vehicle display space during the Car Show for purposes deemed appropriate by the City.

During past events, the Exchange Club utilized a Parks, Recreation and Community Services ("PRCS") Global Electric Motor ("GEM") truck. The Exchange Club

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requests that Council consider its request to use the GEM truck this year as well. The use of the GEM truck requires Council authorization. If the Council authorizes the use, the Exchange Club will provide a certificate of general liability insurance in an amount of \$1 million and a Special Endorsement Form naming the City as additionally insured, as well as automobile insurance covering the Exchange Club's volunteer driver.

*License Agreement*

For each of the past year's Car Show events, the City has entered into a License Agreement with the Exchange Club setting forth the duties and responsibilities of the Exchange Club relating to the operation of the Car Show, and any benefits conferred upon the Exchange Club by the City (i.e. use of City equipment; fee waiver, where applicable; etc.). Included with this report for Council's reference is a copy of the 2007 License Agreement (Attachment 2). Staff recommends that the Council approve a license agreement with the Exchange Club and direct the City Attorney's Office to prepare such agreement consistent with the Council's direction this evening.

*Banner Request*

The Exchange Club requests that Council allow the organization to post banners in the public right-of-way to advertise the event.

Currently, 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) For purposes of this Section, the City has adopted the following standards/definitions to determine whether an event or activity qualifies for this exception:

"Civic event or activity" means any event or activity organized or sponsored by the City or Redevelopment Agency including, but not limited to, (a) any public program or educational activity; and (b) the commemoration or celebration of any historical date, event or person, holiday or persons or events of local, state or national significance. (CCMC Section 17.330.040.B.7.b.i)

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“Sponsored” means that 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. (CCMC Section 17.330.040.B.7.b.ii)

During administration of this provision of the CCMC, it is sometimes misinterpreted that if an event meets either criterion (a) OR criterion (b) under “Sponsored” in the previous paragraph, then the event is City-sponsored. However, the CCMC clearly requires both (a) AND (b) to be met. In addition, the use of City 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 recently adopted 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.

Staff recommends the City Council and/or the Redevelopment Agency consider whether to designate the Fifth Annual Culver City Car Show as a City-sponsored and/or Redevelopment Agency-sponsored event, based upon the above criteria.

It should also be noted that City staff, in accordance with the City Council adopted policy on Community Organizations, will be bringing back a future agenda item for Council's consideration as to determine whether to enter into a Memorandum of Understanding or similar document with the Exchange Club relating to the City's relationship with the Exchange Club, including issues relating to future Car Shows and other events organized by the Exchange Club.

In summary, in order to be eligible for a banner, the City Council and/or the Redevelopment Agency would need to take both of the following actions: (1) determine the Car Show is a City and/or Agency sponsored event **AND** (2) determine to support the event in an amount no less than \$1,000, which may take the form of a fee waiver. Should the Council and/or Agency take both of these actions, the City Attorney shall include appropriate language in the License Agreement to reflect these actions, thereby granting the request for banners.

**FISCAL ANALYSIS**

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The City's costs associated with the Car Show are primarily staff time and are estimated to be under \$15,000. Unless a fee waiver is granted by the City Council, staff would invoice the Exchange Club for the actual costs incurred. Alternately, should the City Council grant the fee waiver, additional costs would not be reimbursed and would be absorbed by the City's General Fund.

If the Council decides to waive the fees, the Agency may take up the question of whether to make up the loss of revenue to the City. There are sufficient funds in the Account No. 55090200.610200 "Marketing Services" to cover the estimated amount as described below.

For comparison purposes, the fee waiver request for this event in 2007 was \$15,000 and the Council approved \$12,000. The Agency did not reimburse the City last year. This year's allocations have fluctuated due to new requests, changes in departmental budgets and staff time cost increases. The Police Department's budget has decreased with the implementation of 16 non-paid Reserves Officers and a reduction in the number of paid Officers. Also, the Public Works Department has included engineering and traffic staff costs for the planning of the event and for supervision on the day of the event, in addition to the sanitation and electrical costs. This will ensure specific overview for the event.

The estimated costs are provided for Council review.

**City Costs (without banner permit fee):**

|                 |                 |                                                    |
|-----------------|-----------------|----------------------------------------------------|
| Fire:           | \$ 0            | Radios                                             |
| Police:         | \$4,200         | 2 Motor Officers, 2 Sergeants                      |
| PRCS:           |                 |                                                    |
| Equipment       | \$ 268          | Tables, Chairs, Podium                             |
|                 | \$ 0            | GEM Truck                                          |
| Public Works:   |                 |                                                    |
| Electrical      | \$1,700         | Electrical usage for stage and vendors, staff time |
| Engineering     | \$6,460         | Street closures, staff time                        |
| Sanitation      | \$1,000         | Additional bins, Scout vehicle, staff time         |
| Transportation: | \$ 0            | Staff time                                         |
| Treasury:       | \$ 380          | Street closure, business license, event permits    |
| <b>Total:</b>   | <b>\$14,008</b> |                                                    |

**City Cost for Banner Permit (in the public right of way):**

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Treasury:           \$ 56                           Permit Fee

Banners would be produced at the Exchange Club's cost.

**Total costs, including the Banner Permit would be \$14,064.**

**ATTACHMENTS**

1. Map of Downtown Culver City, including realignment of Washington Blvd.
2. 2007 Car Show License Agreement

**MOTION**

That the City Council:

- 1A.       Approve the fee waiver request made for the Culver City Car Show and determine the amount of the fee waiver to be \$ \_\_\_\_\_;

**OR**

- 1B.       Deny the fee waiver request made for the Culver City Car Show.

**AND**

- 2A.       Designate the Fifth Annual Car Show as a City-sponsored event;

**OR**

- 2B.       Determine that the Fifth Annual Car Show is **not** a City-sponsored event.

**AND**

3.       Approve a License Agreement with the Culver City Exchange Club; authorize the City Attorney to review/prepare necessary documents; and authorize the City Manager to execute such documents on behalf of the City.

That the Redevelopment Agency:

1.       Determine the level of financial support the Redevelopment Agency wishes to provide for the Car Show to be \$ \_\_\_\_\_ (staff recommends that any financial support be in the form of a reimbursement to the City of its costs associated with the event)

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**AND**

- 2A. Designate the Fifth Annual Car Show as a Redevelopment Agency-sponsored event;

**OR**

- 2B. Determine that the Fifth Annual Car Show is **not** a Redevelopment Agency-sponsored event.