

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

Meeting Date: 03/14/11		Item Number: J-1	
JOINT CITY COUNCIL / REDEVELOPMENT AGENCY BOARD AGENDA ITEM: FOUR FIFTHS VOTE REQUIREMENT - 1) Consideration of Agency Purchase of a \$12,000 Sponsorship Package for the Eighth Annual Culver City Car Show; 2) Approval of a License Agreement for the Car Show; 3) Consideration of Designation of the Eighth Annual Culver City Car Show as a City-Sponsored and/or Agency-Sponsored Event; and 5) Determination of the Appropriate Level of Staffing for Public Works Traffic and Engineering for the Car Show and (4) City Council Approval of a Budget Amendment Related Thereto.			
Contact Person/Dept.: Jeremy Green		Phone Number: 310-253-5764	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Dates:	
Public Notification: (Email) Meetings and Agendas – Redevelopment Agency (03/10/11); (Email) Culver City Exchange Club (03/09/11); (Email) Downtown Business Association (03/09/11); (Email) Culver Hotel (03/09/11); (Email) Chamber of Commerce (03/09/11)			
Department Approval: Sol Blumenfeld (03/09/11)		Agency Counsel: Murray Kane: (03/09/11) City Attorney Approval: Carol Schwab (by H. Baker) (03/09/11)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball)		City Manager/Executive Director Approval: John Nachbar ()	

RECOMMENDATION:

Staff recommends the City Council and the Culver City Redevelopment Agency Board (Agency Board) (1) designate the Eight Annual Culver City Car Show (Car Show) a City- and Redevelopment Agency-sponsored event, (2) approve a sponsorship to be purchased by the Redevelopment Agency (Agency) in the amount of \$12,000; (3) approve a license agreement for the Car Show; (4) authorize the Culver City Exchange Club (Exchange Club) to use the Parks, Recreation and Community Services' (PRCS) Global Electric Motor (GEM) truck; (5) determine the appropriate level of staffing for Public Works Traffic and Engineering for the event; (6) authorize the transfer of Agency funds to the City for disbursement to The Exchange Club upon conclusion of the event; and (7) authorize a City budget amendment related thereto. **(a City budget amendment requires a four-fifths vote)**

BACKGROUND:

As per their mission, the Exchange Club is “committed to providing the citizens of

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Culver City and the surrounding area a better place to live by providing funding for community-based organizations such as the Culver-Palms YMCA, Culver City High School Athletics, the Culver City Youth Health Center and other charitable organizations.” The Car Show is one of several events held to raise these funds. Last year over \$38,000 were raised and donated to youth based organizations.

On March 2, 2010, the City Council and Agency Board approved a fee waiver request in the amount of \$12,000 for the 2010 Car Show.

During their meeting of December 6, 2010, the Agency Board and City Council indicated their desire to support special events through cash sponsorships rather than fee waivers or in-kind services.

DISCUSSION:

The Exchange Club is proposing to host the Car Show on Saturday, May 7, 2011. As proposed, the Car Show will be presented in the same general area as in prior years, along Culver Boulevard between Duquesne Avenue and Ince Boulevard.

Sponsorship Request

In a letter dated February 9, 2011 (Attachment 1), the Exchange Club requested that the City Council sponsor the 2011 Culver City Car Show. The request is for \$12,000 and that amount has been appropriated in the Agency Board Adopted Budget for Fiscal Year 2010/2011.

Staff recommends the purchase of the sponsorship, based on economic benefits that the Car Show provides to the City, which include

- Event attraction of 10,000-15,000 attendees from all over Southern California to Culver City who will be introduced to and/or use City businesses.
 - An Exchange Club survey indicated that business increased approximately 50% in downtown last year during the event compared to normal Saturdays.
- Marketing of Culver City as a destination, as a result of marketing the Car Show through:
 - Posters
 - Banners
 - Promotional mentions on K-Earth FM radio, media sponsor of the Car Show

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- Mentions on the SPEED channel as part of George Barris' TV show "Road Warriors", which will also film in Culver City as part of the Car Show
- RDA logos and Culver City mentions in the Culver City newspapers and LA Weekly
- Provision of three City booth spaces for Culver City marketing purposes
- Use of display space to promote the City's Compressed Natural Gas vehicles during the event

During the "Discussion of a Policy Related to Special Event Sponsorship and Financial Support of Agency Sponsored Events" on December 6, 2010, the City Council and Agency Board approved the recommendation that cash sponsorships not be provided until after an event has concluded.

The Exchange Club has confirmed that they will pay for all permit fees and any other set costs in advance of the event. Costs that can only be determined after the event is complete (such as actual staff time) will be subtracted from the \$12,000 sponsorship and any remaining funds will be provided to the Club.

Please note that the Exchange Club has also sent a letter requesting that the City Council consider that the Club and the City enter into a Memorandum of Understanding (MOU) with regard to the sponsorship and production of the 2012 Car Show. This item will be placed on an upcoming agenda for consideration.

Use of the GEM Car

During past events, the Exchange Club utilized the PRCS Department's GEM truck. The Exchange Club requests that the City Council consider its request to use the GEM truck again this year. The use of the GEM truck requires City Council authorization. If the City Council authorizes the use, the Exchange Club will provide a certificate of general liability insurance in an amount of \$1 million and an endorsement to the policy naming the City as additional insured, as well as automobile insurance covering the Exchange Club's volunteer driver.

License Agreement

For each of the past years' 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.) Staff recommends that the City Council approve a license agreement with the Exchange Club and authorize the City Attorney's Office to prepare such an agreement consistent with the City Council's direction this evening.

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Banner Request

The Exchange Club requests that the City Council allow the organization to post banners in the public right-of-way to advertise the event. The banners would be produced/updated at the Exchange Club's own cost.

In order to be eligible for a banner, the City Council and/or the Agency Board 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 not less than \$1,000. Should the City Council and/or Agency Board take both of these actions, the City Attorney's Office shall include appropriate language in the License Agreement to reflect these actions, thereby granting the request for banners.

The installation and removal of banners will occur through outside contractor AAA Flag and Banner, with whom the City has a contract. Due to the outside cost for the installation services, this amount (approximately \$1,092.00) is not included in the City costs table and will need to be paid for by The Exchange Club separately to the City's Public Works Department.

FISCAL ANALYSIS:

Agency funding of \$12,000 has been appropriated in the Agency Board Adopted Budget for Fiscal Year 2010/2011 (Program 90200, Economic Development) to fund the \$12,000 purchase of a sponsorship package. In the event the actual costs exceed the \$12,000 amount after reconciliation, the Exchange Club will be invoiced. Should the motions be approved, the Agency funding will be transferred to a City account to be paid to the Exchange Club after the event has concluded.

The sponsorship amount approximates the costs for City services for the event. The City costs will be incurred primarily by the Public Works, Police, and Parks, Recreation and Community Services Departments. The estimated costs are provided below for Council review:

City Costs:

Police:	\$ 3,777.00	5 Officers
PRCS:		
Equipment	\$ 268.00	16 Tables, 26 Chairs, 1 Podium
	\$ 115.00	1 GEM Truck

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Public Works:

Maintenance Op.	\$ 1,115.71	2 traffic, 1 electrical, 3 maintenance staff
Engineering	\$ 1,692 - \$5,256 ⁱ	
Sanitation	\$ 1,133.60	Additional bins, Scout vehicle, staff time
Finance Department	\$ 630.74	permit fees (Special Event, Fire Prevention, Engineering, Waste)
Banner Fees:	\$ 163.68	Banner Permit Fee + 4% surcharge
Total City costs:	\$8,895.73-\$12,459.73	

Public Works Department requests that City Council determine the staffing for the event, based on three scenarios (provided as Attachment 2.)

ATTACHMENTS:

1. Letter from the Exchange Club
2. Public Works cost proposals

MOTION

That the Agency Board:

- 1A. Determine the level of sponsorship the Agency Board wishes to provide for the Car Show to be \$12,000

OR

- 1B. Authorize the financial support to be \$ _____;

AND

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

OR

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

AND

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3. Authorize the transfer of Agency funds to the City for disbursement to the Exchange Club upon conclusion of the event.

That the City Council:

- 1A. Designate the Seventh Annual Car Show as a City-sponsored event

OR

- 2B. Determine that the Seventh 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 the necessary documents; and authorize the City Manager to execute such documents on behalf of the City;

AND

4. Authorize the Exchange Club to use of the Parks, Recreation and Community Services ("PRCS") Global Electric Motor ("GEM") truck;

AND

5. Determine the appropriate level of staffing for Public Works Traffic and Engineering for the event;

AND

6. Accept the transfer of funds from the Redevelopment Agency into City revenue fund 10116100.371100 and appropriate \$12,000 into 10116100.517500 (which requires 4/5ths vote.)

ⁱ Public Works department has provided three scenarios for provision of street closure services by the Traffic and Engineering team for Council review (Attachment 2.) The first allows for one staff member to be on site on the date of the event, which minimizes costs but provides the least coverage desirable, should any issues arise. The second includes costs for two staff members to work, while the third and most expensive plan provides the full component of three staff members, who would normally be employed for an event of this magnitude. Public Works Department requests that Council and Agency determine the staffing for the event, based on the attached scenarios. Please note that an outside contractor will be employed by the Exchange Club to handle the actual street closure on the date of the event, as designed and approved by the Traffic and Engineering team.