

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

Meeting Date: 5/04/09		Item Number: A-3	
AGENDA ITEM: Discussion of Additional Policies Related to the Management of Media Park.			
Contact Person/Dept.: Jeremy Green		Phone Number: (310) 253-5764	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Downtown Business Association (04/29/2009); Chamber of Commerce (04/29/2009); Master E-Mail Notification List (04/29/09).			
Department Approval: Sol Blumenfeld (04/15/09)		Agency Counsel Approval: Murray Kane (by S. Cola) (04/28/09)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (04/29/09)		Executive Director Approval: Jerry B. Fulwood (04/29/09)	

RECOMMENDATION:

Staff recommends the Culver City Redevelopment Agency (the "Agency") consider additional policies related to the management of Media Park (the "Park").

BACKGROUND:

The Park and the Ivy Substation (the "Substation") (collectively the Facilities) are owned by and located in the City of Los Angeles. The Agency obtained control of the Park and Substation in 1987 through a 40 year lease that allows the Agency to rehabilitate and manage the Facilities for the Agency's use.

On March 17, 2008, the Agency considered management policies to make the Park available to special events and activities ancillary to filming ("Interested Users"). The Agency approved the following management policies for exclusive use of the Park:

- Interested Users must obtain a permit from Culver City's Committee on Permits and Licenses and abide by resulting conditions of approval;
- Interested Users must obtain necessary permits/approvals from the City of Los Angeles;
- Interested Users must execute and abide by requirements described in a Media Park License Agreement between the user and the Agency;

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- Interested Users (for profit and non-profit) must pay a \$3,000 deposit, designated to pay for clean up and for any repairs associated with the use of the Park. Any unused portion of the deposit would be returned to the user; and
- Interested Users must pay a \$100 rental fee for general maintenance associated with the use of the Park, for each 24 hour period of use, with a three-day maximum continuous use of the Park.

Because the Park does not have bathrooms or other facilities, there has been interest for use of the Park for primarily two types of events: events that occur over a short time frame that do not require facilities (Miller Toyota Dog Adoption Day, SportEve 5k Run post-run festival) and large events, with attendance ranging from 500 – 1,500 attendees (Share our Strength's *Taste of the Nation* and the Chamber of Commerce's *Business Expo*). These events have budgets that allow for the rental of facilities, including bathrooms, fencing, power generators, security or other facilities.

Most of the events that have occurred in the Park in the past were organized by the City of Culver City, non-profit community or business organizations, or were designated as Agency- or City-sponsored events. Over the last several months, interest in exclusive use of the Park has increased to include commercial, for-profit businesses not located in Culver City.

DISCUSSION:

Over the last several months, staff has received requests to rent the Park by commercial, non-Culver City organizations that are interested in selling or providing alcohol at their events; providing signage at the Park to advertise an event occurring at the Park; and requesting that staff be available for oversight of the event days.

1. Outside Commercial Organizations

Staff has learned that non-Culver City, commercial organizations desire to use the Park because 1) private venues charge much higher prices than the current rate of \$100 per day and 2) Culver City has become a destination city and event planners seek out the newest “hot” locations for upcoming events. The Park’s rental costs are very inexpensive, making it attractive as commercial events seek to make a profit through reducing expenses. As more commercial organizations seek an inexpensive outdoor venue to produce their events, staff believes there will be more requests for the commercial use of Media Park in the future.

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The \$100 per day rate was recommended as a general maintenance fee for use of the Park and was developed to allow community and non profit organizations an inexpensive location to conduct their events. Staff did not anticipate the popularity of Culver City for commercial events nor the additional staff time and other City resources these larger events could potentially require.

Staff Recommendation: Staff recommends the Agency consider introducing commercial rate(s) to reflect the actual costs associated with management of a large event at the Park. Staff also recommends the Agency consider incorporating Media Park rental rates and fees into the fee schedule currently being developed by Parks Recreation and Community Services Department ("PRCS") and utilizing the same rate structure that will be proposed by PRCS in an upcoming Council meeting. This will standardize rates for different types of organizations wishing to use a park that is operated by the City or by the Agency and provide adequate cost recovery, inclusive of staff time necessary for the planning of the event and park maintenance post event. As per the lease with City of Los Angeles, there is a three-day maximum continuous use of the Park for all users.

2. Provision of alcohol at non-sponsored events

The current Agency policies regarding the Park's use are silent regarding the allowance of alcohol in the Park. Pursuant to the terms of the Park Lease with the City of Los Angeles, the *Taste of the Nation* event has been allowed to serve alcohol in the past as part of the City of Los Angeles' permit process for special events. Because the event has been heard by the City Council and the Agency for sponsorship, the serving of alcohol in the Park has been indirectly approved in the past for this sponsored event. The Agency has the authority to further limit the sale or consumption of alcohol at the Park should it so desire.

The Agency has traditionally limited alcohol-related events in the Park exclusively to the *Taste of the Nation*. Hosting additional events which involve the sale or provision of alcohol may increase the need for adequate security and oversight of the event by the Police Department, placing additional demands on staff resources.

The Culver City Municipal Code (CCMC) limits alcohol-related events in City Parks exclusively to the Fiesta La Ballona event. Since the Park is in the corporate limits of the City of Los Angeles, the CCMC is not automatically enforceable. However, the Agency could determine to require the provisions of the CCMC to prevail in the Park where they do not conflict with the Los Angeles Municipal Code.

Staff Recommendation: Staff recommends the adoption of policies that establish objective criteria for determining whether to grant a request to serve alcohol at a special event taking place in Media Park. Examples of such objective criteria include, but are not limited to, increased insurance limits; higher deposits;

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additional fees for police/security or garbage pick up; sale and consumption of alcohol to be located within a defined, enclosed area not visible from the outside to the general public and with security at all entries; alcohol to be served only in conjunction with an event that also serves food; limitation on the number of such events per year; and/or limitation on the number of attendees for such events.

Once objective criteria have been established, staff recommends these permits be considered by the Agency for a case by case approval with public participation, based upon application of such objective criteria. If a permit is approved, the Executive Director would incorporate specific conditions required by the Board for incorporation into the Agency's license agreement. If a permit is denied, then the Agency Board should articulate on the record the fact specific basis that supports rejecting such permit.

In the alternative, the Agency may choose to adopt such objective, criteria-based policies as discussed above, after public participation, which could then be administratively applied through the Agency's License Agreement without a case by case approval process at a public meeting.

3. Request for Staff Assistance

As mentioned above, planning for large events involves significant allocation of staff resources. Because most outdoor events occur during the weekends, staff time would need to be diverted from current work programs in order to be in attendance during weekend events.

One way to partially alleviate the burden of staff time is to require that all organizations renting the Park for an event pay for an Agency-contracted event coordinator. The event coordinator could be contracted directly through the organization (subject to staff approval), or via the Agency, in advance of the event. The contractor would work the day of the event at a specified rate, with an allowance for overtime and an opportunity to work up to one full eight-hour workday prior to the event, depending on the needs for the event. The rate would be equivalent to the current market rate with a four hour minimum and, after an eight hour period, would be increased to 1.5 times the market rate per hour or fraction thereof, with a maximum cost to the event organizer of \$1,000 per event.

Staff Recommendation: Staff recommends the Agency hire an outside contractor to coordinate Media Park events on the event day, who would be compensated by the event organizer at the current market rates per hour.

4. Signage for Events

Media Park is an entryway to Culver City. Vehicles approaching from the east on Venice Boulevard turn left onto Culver Boulevard and immediately see the Park on

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the right side of the street. Similarly, traffic approaching from the west on Venice Boulevard travels past the Park's northern border. Staff has received numerous requests to place signage at the Park to advertise events occurring at the Park and staff has confirmed that signage is allowed at City of Los Angeles' parks for special events.

Staff Recommendation: Staff recommends the Agency allow event signage in the Park for use by the Agency to advertise upcoming events at the park and/or other events and activities in Culver City. If approved, staff will research options for electronic changeable message signs, generic sign holders for printed signs and location recommendations. If approved by the Agency, staff will come back with options for locations and types of signage for approval, as well as a policy regarding signage in the Park.

Conclusion:

Based upon direction received from the Agency this evening, staff will prepare an Agency Policy reflecting such direction and return to the Agency for approval of such a policy.

FISCAL ANALYSIS:

Establishing policies for the use of Media Park creates minimal fiscal impact. If the Agency desires to increase lease opportunities at the park, there is potential for a fairly significant fiscal impact as increased use would require increased maintenance and increased staff time. Staff believes that while use of the Park for events may increase downtown's exposure to new visitors, possibly resulting in more patronage of downtown businesses, rental of the Park does not currently generate significant revenues that offset the full costs of hosting the events. Currently, Park rental revenues are minimal and staff time has been considerable. Increasing the rental rate will offset more of the Agency and City costs of the park.

Past special events have consumed from 4 hours up to 80 hours of one staff member's time, depending on the event's complexity and level of sponsorship. This equates to an Agency cost from \$220 to approximately \$4,400 (assuming the average fully burdened hourly rate of \$55 for a Management Analyst). This amount varies depending on the scope of the special event and the corresponding duties related to the event (interdepartmental organization, street closures, arranging for permits, working with other related governmental organizations, number of event days, etc.). Additionally, City costs may include staff time for police, traffic and engineering, which are charged to the event organizer but would still burden staff with additional hours of work. Unless an event has an economic benefit, increased rental of the Park will likely have an adverse fiscal impact on the Agency and the City unless a fee to recoup these costs is developed and implemented.

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ATTACHMENTS:

1. Minutes from March 17, 2008.
2. Media Park License Agreement template.

MOTION:

That the Redevelopment Agency:

1.A. (staff recommendation) Direct staff to prepare a fee schedule for the use of Media Park based upon the PRCS fee schedule, which will be determined at an upcoming joint meeting;

OR

1.C. Not approve a separate rate for different types of organizations and maintain the Media Park rental rate to be \$100 for all organizations;

AND

2.A. (staff recommendation) Direct staff to return with a proposed policy establishing objective criteria for determining whether to grant a request to serve alcohol at a special event taking place in Media Park.

OR

2.B. Not allow alcohol at future private special events taking place in Media Park;

AND

3.A. (staff recommendation) Approve a requirement that organizations renting the Park pay for an Agency-contracted event coordinator to work on the date of the event and to be compensated by the event organizer.

OR

3.B. Do not approve a requirement for an event coordinator;

AND

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4.A. (staff recommendation) Approve the placement of event information signage and/or sign holders in Media Park and direct staff to research options for different types and locations of signage;

OR

4.B; Do not approve the placement of event informational signage and/or sign holders in Media Park and direct staff to research options for different types and locations of signage.