



City of Culver City

Staff Report

File #: 16-146, **Version:** 1

Item #: A-4.

CC - Consideration of Special Event Sponsorship Policy Recommendation from the Finance Advisory Committee and Direction to the Finance Advisory Committee and/or City Manager as Deemed Appropriate.

Meeting Date: October 10, 2016

Contact Person/Dept: Jeff Muir/Finance
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Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing: **Action Item:** **Attachments:**

Commission Action Required: Yes No

Public Notification: (Email) Meetings and Agendas - Fiscal and Budget Issues (10/04/16)

Department Approval: Jeff Muir/Finance (09/02/16)

RECOMMENDATION

Staff recommends the City Council consider the recommendation from the Finance Advisory Committee (FAC) for a special event sponsorship policy, and provide direction to the FAC and/or City Manager as deemed appropriate.

BACKGROUND/DISCUSSION

The City Council receives regular requests for funding assistance and sponsorship for special events. Sponsorship requests for the City have historically been approved on a case-by-case basis in the form of fee waivers for City permits and staffing costs, cash sponsorships or financial reimbursements. The fiscal effect of the increasing volume and value of requests has generated concern by Council Members. On November 10, 2014, the City Council directed the FAC to develop a policy recommendation for City Council consideration as to how the City may best proceed with its support of special events.

The FAC established an ad-hoc subcommittee (Subcommittee) in December 2014 and began its review of the City's past practices and procedures, including the competitive process sponsorship policy previously adopted by the City Council and former Culver City Redevelopment Agency (CCRA)

in 2011. The policy's implementation, however, was short-lived due to the dissolution of the CCRA, which was the primary funding source for the City's NOFA (Notification of Funding Availability) application process.

Additional research was conducted on other cities' practices. The FAC discovered that many cities have adopted similar policies with competitive application processes that impose specific parameters for financial support requests of special events. This can take the form of special event grant programs with an aggregate funding cap as well as an outlined criteria for City sponsorship (e.g. minimum attendance, non-profit status, maximum number of years of support, etc.). The benefits of establishing the proposed sponsorship policy are (1) a centralized process with a specific set of objective criteria to evaluate requests for City support of special events; (2) a system of greater transparency; and (3) improved budget reliability by reducing unanticipated costs.

After conducting extensive research and meeting with various City staff members, the Subcommittee presented its initial proposal on October 14, 2015. The proposal was a Special Events Grant Program, calling for annual applications in an effort to streamline requests to the City. The FAC passed the motion to approve the transmittal of the Subcommittee's recommendations as written to the City Council pending staff review and edits that would not materially change the intent of the item. Staff spent several weeks circulating the proposal and acquiring feedback from impacted departments. Due to significant format and language changes, the proposal was returned to the FAC on April 13, 2016. Following additional discussions, the FAC passed a motion to accept the feedback received from staff on the draft of the special events policy and to transmit the final policy recommendation to City Council.

The policy recommendation from the FAC regarding special event sponsorships is to:

- Implement a Special Event Grant Support Program, which shall include an annual call for applications, explicit qualification and evaluation criteria for grant applications, and defined funding levels and with outlined not-to-exceed amounts;
- Establish a funding process for the Special Event Grant Program, which shall take place through the City's budget annual process; and
- Designate specific accounts for the purpose of appropriating funds and tracking expense fee credits as recommended through the program, which shall improve transparency by ongoing monitoring of actual costs.

Staff recommends the City Council discuss the proposed policy and provide direction to the FAC and/or City Manager as deemed appropriate. One specific area on which staff is requesting direction, as noted in the draft policy, is the make-up of the advisory panel that would be reviewing the Program applications. The advisory panel could consist of entirely City staff from the relevant departments; a City Council subcommittee along with City staff; a combination of the two; or as otherwise deemed appropriate by City Council.

Once the City Council is satisfied with the final work product, staff will return to City Council with a proposed Resolution to adopt the new sponsorship policy.

FISCAL ANALYSIS

There is no additional fiscal impact resulting from discussion of this item. Funding associated with this program shall occur through the City's annual budget process.

ATTACHMENTS

1. FAC Special Events Grant Program Policy Recommendation (DRAFT)

MOTION

That the City Council:

Consider the recommendation from the Finance Advisory Committee (FAC) for a special event sponsorship policy, and provide direction to the FAC and/or City Manager as deemed appropriate.