



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 18-0100, **Version:** 1

Item #: A-2.

Review and Comment on the Proposed Definitions of the Resident and Non-Resident Categories for Non-Profit Organizations Renting the Culver City Pool.

Meeting Date: August 1, 2017

Contact Person/Dept: Dan Hernandez/PRCS Department
Phone Number: (310) 253-6655

Fiscal Impact: Yes ☐ No ☒

General Fund: Yes ☐ No ☐

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☒

Public Notification: (Email) Meetings and Agendas - Parks, Recreation and Community Services Commission (07/26/17); (Email) Parks, Recreation & Community Service Department Updates (07/26/17); (Email) All Organizations Renting the Culver City Pool (07/26/17)

Department Approval: Dan Hernandez, PRCS Director (07/26/17)

RECOMMENDATION

Staff recommends the Parks, Recreation and Community Services Commission (PRCSC) review and comment on the proposed definitions of the Resident and Non-Resident categories for Non-Profit organizations renting the Culver City Pool.

BACKGROUND

During the Culver City Fiscal Year 2017/2018 Budget process, it came to the attention of the City Council and the PRCSC that the definitions of the Resident and Non-Resident categories for Non-Profit organizations renting the Culver City Pool were in need of adjustment. Although no formal definitions of these categories have been adopted for use at the Pool, the practice has been that Non-Profit organizations with Culver City addresses are categorized as Residents and those with addresses outside of the City are categorized as Non-Residents. This practice has resulted in instances where organizations whose membership is primarily made-up of individuals who do not reside in Culver City have been categorized as Non-Profit, Resident organizations and are receiving the Resident discount based solely on their stated address. Pool rental fee information from the Culver City website is provided as Attachment 1.

DISCUSSION

A Fiscal Year 2016/2017 Pool Rental Summary containing information on the Annual Hours and Fees Collected/Potential Revenue for all Pool Rental Groups is provided as Attachment 2. The residency of participating members of groups categorized as Non-Profit, Resident organizations renting the Pool is noted by staff as part of the check-in process for each rental session. Based on recent membership data, the first four Non-Profit, Resident Swim Teams/Programs on Attachment 2, Southern California Aquatics (SCAQ), Royal Swim Team, Culver City Swim Club (CCSC) and SCAQ Kids, would be classified as Non-Resident if the definition of the Resident category was adjusted to include a requirement that at least 50% plus one of the participating members must reside in Culver City. For these four organizations, the reclassification from Resident to Non-Resident status could result in a potential increase in annual pool rental revenue of approximately \$11,700, or 11%.

With the exception of SCAQ, Royal Swim Team, CCSC and SCAQ Kids, it has been verified by staff that the proposed definitions of the Resident and Non-Resident categories for Non-Profit organizations renting the Culver City Pool would not affect the status of any of the other organizations on the list, since they are already categorized in a manner that conforms to the proposed definitions.

Proposed Definitions of the Resident and Non-Resident Categories for Non-Profit Organizations Renting the Culver City Pool

Staff is proposing that in order to be classified as a Non-Profit, Resident organization for the purpose of renting the Pool, the organization must meet all of the following five criteria:

1. Up-to-date documentation must be provided in advance to the City in order to establish the organization's Resident/Non-Resident status.
2. The organization must be registered as a 501(c)(3) Non-Profit organization.
3. The organization must provide proof that a current IRS form 990 has been filed.
4. The organization must have a Culver City mailing address that matches the filed IRS form 990.
5. 50% plus one of the participating membership must be Culver City residents as verified by the check-in data for each rental session.

Non-Profit, Non-Resident organizations will be defined as those who do not meet criteria #4 (verified Culver City address) and criterion #5 (50% plus one of the participating membership must be Culver City residents) of the Resident criteria.

The first four criteria above have been adopted from the Veterans Memorial Complex Rental Fee Schedule, specifically, "Category B: Non-Profit Resident," on page 35 of the *City of Culver City Schedule of User Fees and Charges* currently in effect (as set forth in Resolution Number 2003-R020). The final criterion, #5, is adopted from the *2016 Guiding Principles for Pool Lane Allocation*. These *Guiding Principles* assist the Parks, Recreation and Community Services Department in fulfilling the Plunge's mission to provide comprehensive aquatics programming that meets the needs

of the community by prioritizing pool use by user organizations that serve Culver City residents over non Culver City residents, children over adults, and non-profit businesses over for-profit businesses.

As outlined on page two of Attachment 1, when renting the Pool there is also an insurance requirement for Non-Profit, Commercial Renters and/or a rental that is open to the public. A \$1,000,000 liability policy is required for each rental. The City of Culver City, members of its City Council, its boards and commissions, officers, agents, and employees will be named as an additional insured in an endorsement to the policy.

Staff has prepared this staff report to give the PRCSC Members an opportunity to review and comment on the proposed definitions of the Resident and Non-Resident categories for Non-Profit organizations renting the Culver City Pool.

FISCAL ANALYSIS

There is no fiscal impact associated with the discussion of this Agenda Item.

ATTACHMENTS

1. 2017-08-01 - ATT 1 Pool Rental Information
2. 2017-08-01 - ATT 2 FY 2016-17 Pool Rental Summary

MOTION

That the Parks, Recreation and Community Services Commission:

Review and comment on the proposed definitions of the Resident and Non-Resident categories for Non-Profit organizations renting the Culver City Pool.