



Memorandum

Community Resources Department • 710 Pier Avenue • Hermosa Beach, CA • 90254 • 310.318.0280

To: Hermosa Beach Mayor and City Council
 From: Kelly Orta, Community Resources Manager
 Date: October 10, 2019
 RE: **Item 6(A): Proposed Special Event Fee Waiver Policy**

Updated Tables for 2018 and 2019

Following a review of the tables provided in the Staff Report, it was determined that additional information and calculations would assist the City Council in its review of the proposed Special Event Fee Waiver Policy. In both tables, the following additional information was included:

- A “Total Fees Paid” column was added, which includes a breakdown of “Indirect” versus “Direct” fees;
- A “Difference” column was added, which explains the fee difference, paid by the applicant to the City, under the proposed policy; and
- Addition of footnotes that provide additional explanation on select events.

These tables should be considered a replacement of the ones originally included in the Staff Report.

Table 1: UPDATED Special Event Fee Waivers Awarded in 2018 and Comparison of Fee Waivers Under the Proposed Policy

Event	Total Fees Waived	Total Fees Paid		PROPOSED POLICY		Difference
		Indirect	Direct	50% off indirect	\$2500	
*Best Day Foundation Beach Day	\$50	\$0	\$544	\$25	\$2,500	↑\$25
Hearts of Hermosa	\$7,806	\$0	\$706	\$1,515	\$2,500	↑\$6,291
Hope Chapel Community Easter Egg Hunt	\$2,612	\$0	\$688	\$1,298	\$2,500	↑\$1,314
Pets in the Park	\$2,756	\$0	\$544	\$1,298	\$2,500	↑\$1,458
Pumpkins in the Park	\$2,756	\$0	\$544	\$1,298	\$2,500	↑\$1,458
*Sandpipers Stroll the Strand	\$400	\$0	\$544	\$200	\$2,500	↑\$200
**Spyder Surf Fest	\$10,935	\$0	\$603	\$5,434	\$2,500	↑\$8,435
Walk to End Alzheimer’s	\$11,151	\$0	\$751	\$5,564	\$2,500	↑\$8,651
TOTAL	\$38,466	\$5,068		\$10,409		

* “Best Day Foundation Beach Day” and “Sandpipers Stroll the Strand” would not be eligible for a fee waiver under the proposed policy since both organizations lowest amount of fee waiver consideration is below the \$250 minimum outlined in the policy.

**Per City Council direction, the City will be entering into a formal agreement with Spyder Surfboards for its production of the annual “Surf Fest”, which will outline its required fees. It is included for comparison purposes.

Table 2: UPDATED Special Event Fee Waivers Awarded in 2019 and Comparison of Fee Waivers Under the Proposed Policy

Event	Total Fees Waived	Total Fees Paid		PROPOSED POLICY		Difference
		Indirect	Direct	50% off indirect	\$2500	
*Fine Art Festival	\$6,162	\$0	\$693	\$3,073	\$2,500	↑\$6,162
*Best Day Foundation	\$140	\$140	\$544	\$140	\$2,500	↑\$140
Great Santa Run	\$1,627	\$1,000	\$627	\$1,000	\$2,500	↑\$627
Hearts of Hermosa	\$1,893	\$1,515	\$378	\$866	\$2,500	↑\$1,027
Hope Chapel Easter Egg Hunt	\$1,650	\$1,298	\$352	\$1,298	\$2,500	\$0
Hope Chapel Easter Sunrise Service	\$5,646	\$5,374	\$272	\$5,374	\$2,500	↑\$3,146
*Sandpipers Stroll the Strand	\$200	\$200	\$544	\$200	\$2,500	↑\$200
**Spyder Surf Fest	\$11,334	\$0	\$378	\$5,374	\$2,500	↑\$8,834
Walk to End Alzheimer's	\$10,763	\$0	\$679	\$5,374	\$2,500	↑\$8263
TOTAL	\$39,415	\$13,994		\$10,664		

* "The Fine Art Festival" would not be eligible for a fee waiver under the proposed policy since its event takes place in the peak season. "Best Day Foundation Beach Day" and "Sandpipers Stroll the Strand" would not be eligible for a fee waiver under the proposed policy since both organizations lowest amount of fee waiver consideration is below the \$250 minimum outlined in the policy.

**Per City Council direction, the City will be entering into a formal agreement with Spyder Surfboards for its production of the annual "Surf Fest", which will outline its required fees. It is included for comparison purposes.

Fee Waiver Calculations for 2017

Additionally, as a way to further demonstrate the City's approach to fee waivers throughout several years, Table 3 includes the total amount of fee waivers awarded to various organizations for special event(s) held in 2017:

Table 3: Special Event Fee Waivers Awarded in 2017

Event	Total Fees Waived
Fine Arts Festival	\$6,855
Hearts of Hermosa Beach	\$7,473.20
Hope Chapel Easter Egg Hunt	\$2,481
Hope Chapel Picnic	\$2,481
Pets in the Park	\$2,481
Pumpkins in the Park	\$2,481
Sandpipers Walk	\$200
Spyder Surf Fest	\$11,197
Alzheimer's Walk	\$10,385
Best Day Beach Day	\$50
Glow Ride	\$315.50
TOTAL	\$46,399.70

Indirect versus Direct Fees

The proposed policy outlines the level of fee waivers that can be awarded in addition to the types of fees that are eligible for fee waiver consideration. It states:

“Grants will be awarded up to a maximum of \$2,500 per event or a 50% reduction of indirect City special event fees, whichever is the lesser amount.”

To further explain the difference between the various types of fees that can be charged for special events and whether they would be eligible for a fee waiver consideration, Table 4 outlines “direct” and “indirect” fees:

Table 4: “Direct” versus “Indirect” Special Event Fees

INDIRECT FEES <i>(eligible for fee waiver consideration)</i>	Cost
Permit Fees	
<i>Category I (non-profit)</i>	\$2 per person
<i>Category I (commercial)</i>	70/30 split of registration
<i>Category II</i>	\$2,697 per day
<i>Category III</i>	\$2,967 per day
<i>Category IV</i>	\$5,394 per day
Pier Plaza Use	\$11,292 per day
Event Co-sponsor	\$284 each
Event Set-up/Tear-down	\$225 per location, per day
DIRECT FEES <i>(ineligible for fee waiver consideration)</i>	Cost
Application Fee (non-profit)	\$565
Application Fee (commercial)	\$848
Application Fee (pass-through)	\$283
Amplified Sound Permit	\$166
Parking Meter Space Fee	\$1.25 per hour, per space
City Staff/Resources <i>Police, CSO's, PSO's, Community Resources, Public Works, Inspections, etc.</i>	Varies