



Staff Report

File #: REPORT 22-0035, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council Regular Meeting of January 25, 2022

DESIGNATION OF A MAXIMUM AMOUNT OF FEE WAIVERS TO BE GRANTED FOR SPECIAL EVENTS HELD IN 2022 (Community Resources Manager Lisa Nichols)

Recommended Action:

Staff recommends City Council designate a maximum amount of \$20,000 in fee waivers to be granted for special events held in 2022, as per the City's Special Event Fee Waiver Policy.

Executive Summary:

The City's Special Event Policy Guide, adopted by City Council in 2017, outlines policies and procedures required of event producers to hold an event on public property within the City of Hermosa Beach. An updated Special Event Fee Waiver Policy was included following its adoption by the City Council on October 10, 2019. The Special Event Fee Waiver Policy requires City Council to annually designate a maximum amount of fee waivers that may be granted for special events held in each calendar year. As staff develops the 2022 calendar of events, the Parks, Recreation and Community Resources Advisory Commission's (Commission) consideration of fee waiver requests must take place soon to ensure event producers have time to financially plan for their events. Therefore, staff requests City Council designate the maximum amount of fee waivers that can be applied to qualified events held in 2022.

Background:

The City's Special Event Policy Guide (**Attachment 1**), adopted by City Council in 2017, outlines policies and procedures required of event producers to hold an event on public property within the City of Hermosa Beach. At its October 10, 2019 meeting, City Council approved the Commission's recommended Special Event Fee Waiver Policy.

The policy provides the Commission the ability to approve the award of fee waivers through a grant process. As detailed in the policy, City Council is to annually affirm the maximum amount of grant funding available to the Commission to award to qualified events for the upcoming calendar year. City Council designated a maximum of \$20,000 for events held in each of the last two, calendar years.

Unfortunately, due to the COVID-19 pandemic, events were unable to be held in the 2020 calendar

year or from January through March of the 2021 calendar year. Therefore, no fee waivers were granted during these time periods. The fee waivers granted in the remainder of the 2021 calendar year, from April through December, can be found in Table 1 below:

Table 1: Awarded 2021 Fee Waiver Grants

Applicant	Event	Awarded Fee Waiver Amount
The Alzheimer's Association	Walk to End Alzheimer's	\$2,500
Mychal's Learning Place	California Great Santa Stroll	\$2,500
The Skechers Foundation	Skechers Pier to Pier Friendship Walk	\$1,976.50
Total:		\$6,976.50
Remaining Balance:		\$13,023.50

At its October 12, 2021 meeting, City Council approved an additional waiver of \$23,542 for the Hermosa Holidays event organized for community-wide benefit by the Chamber of Commerce. This was a one-time waiver of two days of Pier Plaza Use Fees. Future requests for fee waivers would be handled through the formalized grant process per policy.

Past Council Actions

Meeting Date	Description
October 10, 2019	Council approves adoption of Special Event Fee Waiver Policy
October 12, 2021	Council approves a one-time waiver of two days of Pier Plaza Use Fees for Hermosa Holidays event

Discussion:

The Special Event Policy Guide outlines the Special Event Fee Waiver policy and the level of fee waivers that can be awarded in addition to the types of fees that are eligible for fee waiver consideration, including:

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

Each organization that meets the qualifications of the grant policy, may receive the lesser amount of \$2,500 or 50 percent of applicable special event fees (indirect costs) eligible for reduction. Fees applied toward the application fee, staff time, inspections, Police or Fire services, etc. are ineligible. Those fees that are eligible for fee reductions include daily permit fees, set-up and tear-down fees, etc. Included in Table 2 are the various special event fees categorized between indirect or direct fees:

Table 2: Direct versus Indirect Special Event Fees

Indirect Fees (eligible for fee waiver consideration)	Cost
Category I (non-profit)	\$2 per registrant with roster of participants
Category I (commercial)	70/30 split of proceeds with roster of participants
Category II	\$2,940 per event day
Category III	\$3,235 per event day
Category IV	\$5,882 per event day
Pier Plaza Use	\$12,312 per event day
Co-Sponsor	\$311 each
Event Set-up/Tear-down	\$278 per location, per day
Direct Fees (ineligible for fee waiver consideration)	Cost
Application Fee (non-profit)	\$616
Application Fee (commercial)	\$924
Application (pass-through)	\$308
Amplified Sound Permit	\$181
Parking Meter Space Fee	\$1.25 per hour (8:00am-8:00pm) \$1.50 (8:00pm-8:00pm)
City Staff/Resources <i>Police, CSO's, PSO's, Community Resources, Public Works, Inspections, etc.</i>	Varies

As required in the Special Event Fee Waiver Policy, City Council must annually determine a maximum amount of fee waivers the Commission can award to qualifying events for each calendar year. The City Council designated the maximum of \$20,000 in fee waiver grants for each of the 2020 and 2021 calendar years. As previously noted, grant funding was not awarded in 2020 and from January through March in 2021 due to event cancelations associated with COVID-19 precautionary measures.

General Plan Consistency:

This report and associated recommendation have been evaluated for their consistency with the City's General Plan. Relevant Policies are listed below:

Parks and Open Space Element

Goal 3. Community parks and facilities encourage social activity and interaction.

Policy:

- **3.1 Community-friendly events.** Encourage, permit, and support community group, nonprofit, or business organized events on City property that support physical activity, beach culture, and family-friendly social interactions.

Goal 8. Special events at the beach are balanced to support community recreation and economic development without restricting coastal access or impacting the community.

Policies:

- **8.2. Off-peak season events.** Incentivize event producers to host special events during off-peak seasons through reduced fees or accommodating location/reserved area preferences.
- **8.6. Special event impact fees.** Require special event applicants pay a fair share of costs associated with impacts on City services and facilities required to support special events.

Fiscal Impact:

The fiscal impact associated with the recommended action is unknown since the 2022 Special Event Calendar continues to be developed and it is unknown at this time how many event producers intend to apply for this aid.

Attachments:

1. Special Events Policy Guide
2. Link to October 10, 2019 City Council Report
3. Link to October 12, 2021 City Council Report

Respectfully Submitted by: Lisa Nichols, Community Resources Manager

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager