

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Ordinance No. 602 - Amendments to the Fee Schedule and Use of Shoreline Facilities
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Eric Bratton, Management Analyst
ACTION:	<input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion

PROBLEM/ISSUE STATEMENT

Over the past year, staff have been reviewing and updating the rental policies and procedures for City-owned facilities. As part of that review, staff looked at the fee schedule and municipal code and recommends making several amendments to better reflect current practices. These changes include redefining eligibility for some discount rates, revising concession fees and requiring private for-profit instructors that use city facilities to obtain a permit.

RESOURCE/FINANCIAL IMPACT

Currently, concession fees are 20% of a renter's gross revenues from sales and/or fees. Over the years, the amount collected in concession fees has varied, but has always been a di minimus amount. The following are the total amounts the City collected in concession fees for each of the past three years: 2010 = \$974; 2009 = \$2,282; and 2008 = \$100. Ordinance 602 will eliminate the 20% fee and replace it with flat permit fees, depending on the type of event or situation. While the modified fees may not completely recoup the loss in revenue from eliminating the 20% of gross revenue fee, staff anticipates that the change may encourage more concessions.

In addition, other proposed modifications in the fee schedule, such as eliminating the youth discount rate for commercial rentals and requiring private for-profit instructors to obtain an instructor permit will also help make up any loss.

RECOMMENDATION

Staff recommends that Council adopt Ordinance 602.

Approved By: City Manager  City Attorney ____

INTRODUCTION

Over the past year, staff has been reviewing and revising the City's Facilities Rental Policies and Procedures. As part of that review, staff looked at the fee schedule and municipal code and recommends making several amendments to better reflect current practices.

BACKGROUND

Council discussed staff's proposed amendments to the fee schedule and other parts of the municipal code at its May 23 Council meeting. Council agreed in general to the proposed amendments, but did provide a few adjustments. Staff returned to Council on June 6 with the proposed Ordinance 602 for discussion.

DISCUSSION

Use Fee Waiver (SMC 3.01.060)

Ordinance 602 provides the City Manager with more flexibility in granting the rental fee waiver so as to allow for a broader range of partners and to allow the City to consider fee waivers for new partners. Events would still need to serve the community and be consistent with adopted City programs.

If a partner organization wishes to rent a facility on a night when a building monitor is not on duty, such as Tuesday or Thursday night at City Hall, the organization will be responsible for paying the cost of a building monitor. Partner organizations will also be responsible for paying any necessary damage deposits.

Concession Fee (SMC 3.01.030)

Ordinance 602 eliminates the current 20% of gross revenues concession fee and replaces it with a concessionaire permit. These permits would be in addition to the rental fee of a facility but could be issued to non-renting concessionaires as well. The permit would require payment of a variable flat fee, depending upon the event or situation. Below is the proposed breakdown of the fee.

<u>Concessionaire Permit – One-time concessions or small event (under 300 people)</u>	<u>\$33.00</u>
<u>Concessionaire Permit – One-time major event (over 300 people)</u>	<u>\$77.00</u>
<u>Concessionaire Permit – Seasonal concessions (anything more than five days)</u>	<u>\$150.00</u>

While the City does not have any permanent concession structures at any of its facilities, if any are built in the future, continuous or seasonal use of such a structure provided by the City or built by a concessionaire requires a Council approved concession lease rather than a concessionaire permit. Concessionaires will be required to show proof of insurance and have a Shoreline business license. The PRCS Department will also designate areas and times of operations in the permit. The

purpose of the permit is to ensure the concessionaire has all of the required health permits and licenses to operate and is adequately insured.

Non-profit organizations would be exempt from paying any concessionaire permit fee under an amendment to the use fee waiver section, 3.01.060 . However, they would still be required to obtain a concessionaire permit.

Discount Rates (SMC 3.01.030)

Youth Discount Rate

Ordinance 602 reserves the youth discount rate for non-profit organizations and makes for-profit youth organizations pay the full rental rate.

Senior and General Discount Rates

Ordinance 602 eliminates the senior rate on the athletic fields and clarifies that the general discount rate for synthetic fields is granted for periods of low use as identified by the PRCS Director.

Instructors Permit

Ordinance 602 requires individuals that wish to use Shoreline facilities for private for-profit instruction to obtain an instructors permit and pay a permit fee. The permit will require proof of insurance and a Shoreline business license and will also regulate when and where private instruction can take place. The fee is based on staff time to process the application and ensure compliance.

Only individuals offering private for-profit lessons would be required to obtain an instructors permit.

RECOMMENDATION

Staff recommends that Council adopt Ordinance 602.

ATTACHMENTS

Attachment A: Ordinance 602

ORDINANCE NO. 602

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON ALLOWING WAIVER OF RIGHT-OF-WAY PERMIT AND FACILITY USE FEES FOR EVENTS THAT PROMOTE CITY PROGRAMS AND SERVE THE COMMUNITY, ELIMINATING CONCESSION, ADMISSION AND SALES FEES ADDING CONCESSIONAIRE AND INSTRUCTOR PERMITS AND FEES, AND AMENDING THE RENTAL RATE FOR PROFIT GROUPS; AND AMENDING CHAPTER 3.01 AND CHAPTER 8.12 OF THE MUNICIPAL CODE

WHEREAS, for-profit organizations should pay the full market rate for rental of athletic fields, synthetic fields and the Spartan Recreation Center; and

WHEREAS, all of the City's partner organizations should be eligible for a fee waiver for right-of-way permits and facility use fees for picnic shelters, recreation rooms, ballfields, and meeting rooms for events which promote city programs and serve the community; and

WHEREAS, the concession fees collected by the City amounts to a nominal sum for the City but is burdensome and prohibitive for the concessionaire; and

WHEREAS, concessionaires and instructors that use city facilities for financial gain should be required to obtain a permit for sale of goods and services in park facilities.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE DO ORDAIN AS FOLLOWS:

Section 1. Amendment. Shoreline Municipal Code Section 3.01.030 is hereby amended as follows:

3.01.030 Parks, recreation and cultural services.

	2011 Resident Rate	2011 Nonresident Rate
Outdoor Rental Fees		
Picnic shelters (same for all groups)		
Half Day	\$50.00	\$60.00
Full Day	\$75.00	\$90.00
Athletic Fields		
Lights (determined by dusk schedule)	\$17.00	\$17.00

Senior/ <u>Non-Profit</u> Youth League Game and/or Practice	\$4.00	\$6.00
<u>Non-Profit</u> Youth Tournament	\$9.00	\$12.00
Adult Practice <u>and For-Profit</u> Youth Practice	\$16.00	\$20.00
Adult League <u>and For-Profit</u> Youth League Game	\$30.00	\$36.00
Adult Tournament <u>and For-Profit</u> Youth Tournament*	\$36.00	\$43.00
*Additional field prep fee may be added.	<u>\$45</u>	<u>\$54</u>
Synthetic Fields		
Resident <u>Non-Profit</u> Youth <u>League</u> – Per Hour	\$17.00	<u>\$25.00</u>
Nonresident Youth – Per Hour		\$25.00
Resident Adult <u>and For-Profit</u> Youth League – Per Hour	\$61.00	<u>\$75.00</u>
Nonresident Adult – Per Hour		\$75.00
Discount Field Rate**_Resident– Per Hour	\$17.00	<u>\$25.00</u>
**Offered during hours of low usage as established and posted by the PRCS Director.		
<i>Discount Field Rate Nonresident – Per Hour</i>		<u>\$25.00</u>
Indoor Rental Fees		
Richmond Highlands (same for all groups) – Maximum Attendance 214		
Entire Building (including building monitor)	\$58.00/hour (2-hour minimum)	\$70.00/hour (2-hour minimum)
Gym Only	\$46.00/hour (2-hour minimum)	\$55.00/hour (2-hour minimum)
Cafe/Game Room	\$46.00/hour (2-hour minimum)	\$55.00/hour (2-hour minimum)
Spartan Recreation Center		
Spartan Recreation Center Fees for <u>Non-Profit</u> Youth Organizations/Groups		
Multi-Purpose Room 1 or 2	\$11.00/hour	\$15.00/hour
Multi-Purpose Room 1 or 2 w/Kitchen	\$19.00/hour	\$24.00/hour
Gymnastics Room	\$11.00/hour	\$15.00/hour

Dance Room	\$11.00/hour	\$15.00/hour
Gym – One Court	\$19.00/hour	\$24.00/hour
Entire Gym	\$34.00/hour	\$44.00/hour
Entire Facility	\$90.00/hour	\$115.00/hour
Spartan Recreation Center Fees for all Other Organizations/Groups:		
Multi-Purpose Room 1 or 2	\$23.00/hour	\$28.00/hour
Multi-Purpose Room 1 or 2 w/Kitchen	\$33.00/hour	\$40.00/hour
Gymnastics Room	\$23.00/hour	\$28.00/hour
Dance Room	\$23.00/hour	\$28.00/hour
Gym – One Court	\$33.00/hour	\$40.00/hour
Entire Gym	\$63.00/hour	\$75.00/hour
Entire Facility	\$120.00/hour	\$140.00/hour
As a health and wellness benefit for regular city employees, daily drop-in fees for regular city employees shall be waived.		
*Rentals outside the normal operating hours of the Spartan Gym may require an additional supervision fee (see below).		
Other Indoor Rental Fees:		
Damage Deposit (refundable)	\$200.00	\$200.00
Supervision Fee (if applicable)	\$18.50/hour	\$18.50/hour
Daily Rates	Not to exceed \$800.00/day	Not to exceed \$800.00/day
Spartan Gym Tarp Installation	\$100.00	\$100.00
<u>Concessionaire Permit:</u>		
One time concessions or small events (under 300 people)	<u>\$33.00</u>	<u>\$33.00</u>
One-time Major Event (over 300 people)	<u>\$77.00</u>	<u>\$77.00</u>
Seasonal (anything more than five days)	<u>\$150.00</u>	<u>\$150.00</u>
<u>Instructor Permit</u>	<u>\$33.00</u>	<u>\$33.00</u>
Concession/Admission/Sales During Facility Use:	Not to exceed \$100.00/day	Not to exceed \$100.00/day

<p>• Twenty percent of the gross revenue collected will be remitted to the city of Shoreline if concession sales are charged on-site by the individuals or organizations renting a city-owned facility.</p>
<p>• Twenty percent of the gross revenue collected will be remitted to the city of Shoreline if spectator admissions are charged on-site by the individuals or organizations renting a city-owned facility.</p>
<p>• Twenty percent of the gross amount will be remitted to the city of Shoreline if an individual or organization rents a city facility for a clinic, camp, or a class where the participants are charged a fee.</p>
<p>• Any individual or organization that is required to pay concession/admission fee must complete the appropriate permit application.</p>
<p>• Concession/admission/sales fees may be modified at the discretion of the director of Shoreline parks and recreation.</p>

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Section 2. Amendment. Shoreline Municipal Code Section 3.01.060 is hereby amended as follows:

3.01.060 Fee waiver.

The City Manager or designee is authorized to waive use fees for right-of-way permits (SMC 3.01.010), facility use fees for ~~picnic shelters, recreation rooms and ballfields~~ concessionaire permits (SMC 3.01.030), and meeting rooms (SMC 3.01.032) as a city contribution toward events which serve the community and are consistent with adopted city programs ~~and sponsored by the Council of Neighborhoods or a member neighborhood, Shoreline/Lake Forest Park Arts Council, Shoreline/Lake Forest Park Senior Center, Shoreline Historical Museum, Shoreline Community College, and Shoreline School District.~~ The city manager is authorized to designate collection points in the City Hall lobby, pool, or Spartan Gym Recreation Center for any charitable organization without charge to be used for the donation of food or goods that will benefit Shoreline residents in need.

Section 3. Amendment.

8.12.130 Facility use – Sale of goods or services

The use of park facilities for financial gain shall be allowed only through concession contracts secured by the City's competitive bid process, negotiated concession contracts or by ~~special use permit issued by the department~~ concessionaire permits or instructor permits, whichever is applicable. No concessionaire permit or instructor permit is required if the concessionaire or

instructor has a contractual relationship with the city to provide instruction or to sell concessions at a city-sponsored event. Concessionaire permit fees may be waived pursuant to SMC 3.01.060.

Section 4. Effective Date and Publication. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

PASSED BY THE CITY COUNCIL ON JUNE 13, 2011.

Mayor Keith McGlashan

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date: