



DEPARTMENT OF
PARKS AND RECREATION

CITY OF SACRAMENTO
CALIFORNIA

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June 9, 2005

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: SACRAMENTO AS THE “CITY OF FESTIVALS” PROPOSED OUTREACH AND PROCESS TO DRAFT GOALS, POLICIES AND PROCEDURES TO ESTABLISH THE CITY OF FESTIVALS PROGRAM AND THE SPECIAL EVENT FUNDING PROGRAM

LOCATION AND COUNCIL DISTRICT: Downtown/Old Sacramento; District 1

RECOMMENDATION:

It is recommended that the City Council, by Resolution (Attachment A, page 6), approve the following:

1. Move forward with the special events outreach and process to draft goals, policies and procedures for major special events in Sacramento with an objective to have Sacramento become a “City of Festivals” and create a City of Festivals Program (Attachment B, page 7); and
2. Establish and implement a Special Event Fund within the Department of Transportation where up to \$100,000 from parking garage fund balance (fund 412) will be made available to provide funding support to offset City expenses for special events within the Downtown and Old Sacramento areas; and
3. Authorize the City Manager to adjust budgets in the Special Events Fund for appropriations required relative to the availability of funds; and
4. Designate the Directors of the Convention, Culture and Leisure; Parks and Recreation; and Transportation Departments as the designated group to review and allocate funding in the interim period prior to the adoption of formal policies and procedures for the “City of Festivals” Program.



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CONTACT PERSON: Alan Tomiyama, Recreation Superintendent, Department of Parks and Recreation, 808-8958.

FOR COUNCIL MEETING OF: June 28, 2005

DEPARTMENT OF PARKS AND RECREATION COMMISSION ACTION:

The Department of Parks and Recreation Commission reviewed the recommendations in November 2004 regarding the special events outreach methodology and process and is in support of this effort.

BACKGROUND INFORMATION:

The number of celebrations and special events requiring City of Sacramento involvement has grown to more than 600 special events per year, not including more than 200 neighborhood/block parties held on an annual basis. Growing interest from external event planners is also increasing and proposals for new events to be held in the City are on the rise. The current service structure of the City needs to be enhanced to accommodate this growth if the City of Sacramento is to embrace major special events and be the "City of Festivals".

Special events are an important component of the local economy. Because they attract tourists, visitors, residents, and shoppers who fill restaurants, retail facilities and parking lots, it is in the City's best interest to support and encourage the successful management of special events in the downtown area – setting downtown Sacramento apart from the suburbs. Public open spaces and facilities are attractive sites for entertainment, celebrations, cultural and charitable events, and Old Sacramento and the core downtown area often provide such sites. Moreover, with the approval of the Riverfront Master Plan, Sacramento is adding to its appeal as a destination city and as a key element of the City's economic development strategy.

The popularity and success of these special events has attracted the interest and attention of new event organizers and promoters proposing to establish major events and festivals that have the potential to be highly successful and further position the City of Sacramento and its riverfront as a destination attraction. Concurrently, these major events and festivals create staffing challenges to City departments, including the Police and Fire Departments. In addition, either a City decision to promote, or the need for full cost recovery, is also an important consideration because major event and festival budgeting is not included in the operating budgets of the majority of City departments.

The City of Sacramento has solid guidelines, protocols and mechanisms in place to process special event applications. Moreover, the Department of Parks and Recreation has established the Office of Special Events that facilitates and assists event organizers and planners through the City of Sacramento application process, and coordinates the support resources necessary to carry out these special events. At present the Office of Special Events coordinates all special event applications, provides event planning and coordination with City services.

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All applications are reviewed by the City Special Event Permit Review Board, which is comprised of several City departments or divisions, including Police, Fire, Integrated Waste, Risk Management, Traffic Engineering, Old Sacramento Management and Parking Services. Special event permits are issued if the applicants meet the requirements of the Special Event Permit Review Board. When City services are employed, the applicants are fully charged for these services.

OUTREACH RECOMMENDATIONS:

This proposal is focused on enhancing major events in Sacramento and is designed to continue toward a true "City of Festivals" reputation. Sacramento is situated in the heart of Northern California, surrounded by unincorporated areas, small cities and towns, with a combined population approaching two million residents. While the Sacramento area offers a variety of events each year, most of them are relatively new, unconnected, and exist despite the lack of a festival plan for the region.

Event organizers and promoters are beginning to view Sacramento as a prime location for new festivals and major special events because of the success the City has had with a variety of major events, coupled with the increased popularity of the region as a desirable location to live, work and play. These event organizers and promoters are beginning to ask that the City of Sacramento assume some elements of financial liability and/or support for new major events and festivals.

A process to discuss and seek input from the City's partners and stakeholders is proposed as outlined in Attachment B, with a report back to City Council by the end of this summer. Through this process staff will establish criteria, guidelines and procedures that are well formulated to create a City of Festivals fabric. Partners and stakeholders include, but are not limited to the Sacramento Convention and Visitors Bureau, Downtown Sacramento Partnership, and the Historical Old Sacramento Foundation.

PARKING FUND RECOMMENDATIONS:

In response to the City's interest in financially supporting the production of special events in the Old Sacramento and core downtown area, the Convention, Culture and Leisure Department was asked to prepare a funding program for large, special events which relate specifically to the parking generated by these special events. Since parking fees are often derived as a result of special events, it is logical to utilize a part of these funds for supporting events.

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This report recommends that a Special Event Fund be established within the Department of Transportation where up to \$100,000 of parking revenue would be used to offset City expenses related to those events. These expenses would include, but are not limited to actual costs for: police and safety services, integrated waste, enhanced maintenance, equipment rental/delivery, permits, and use of parking facilities.

Organizations would be eligible to submit requests for this special support, along with a pro-forma for the event, business plan, and explanation of the benefits derived from the event (hotel room nights, number of volunteers, etc.). It is recommended that the City utilize existing "umbrella" organizations to sponsor large events – including, but not limited to the Downtown Sacramento Partnership (DSP), Historic Old Sacramento Foundation (HOSF), and the Sacramento Convention and Visitors Bureau (SCVB).

The DSP and the SCVB already sponsor large events in the downtown core and Old Sacramento and have a great deal of experience in producing successful events. A review of parking revenue from several major special events indicated that approximately \$230,000 was generated. It is this revenue generated which will be utilized to support special events. The Parking Fund currently contributes annually to the DSP assessment, DSP marketing program, Old Sacramento weekend street closure program, and directly funds two police officers in the Old Sacramento parking garages each weekend.

The Directors of the Convention, Culture and Leisure; Parks and Recreation; and Transportation Departments will decide how funds will be allocated in the interim, until such time when a formalized procedure for the City of Festivals Program is approved. During this interim period, the events would be evaluated on their ability to attract patrons downtown during slow periods, grow to a room-night generating event, encourage retail spending, potential for Sacramento "signature" event, and emphasize the uniqueness of downtown or Sacramento in general.

Also, the events would be required to be processed through the normal City Special Events Review Board and process. Examples of special events eligible for funding include but are not limited to Gold Rush Days, Bridge-to-Bridge Festival, Rio Sacramento, Pacific Rim, Chamber of Commerce Art and Wine Festival. Organizations are encouraged to develop new events as well as expand existing events that will encourage downtown vitality.

FINANCIAL CONSIDERATIONS:

A Special Event Fund would be established within the Department of Transportation where up to \$100,000 of parking (garage) revenue from special events would be placed. The potential for major celebrations and special events to produce new streams of revenue into the City could be significant depending on the size, scope and location of these events.

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ENVIRONMENTAL CONSIDERATIONS:

None required.

POLICY CONSIDERATIONS:

The recommendations in this report are in keeping with the City's strategic goals and policies of strengthening community partnerships, enhance the quality of life, and expand economic development.

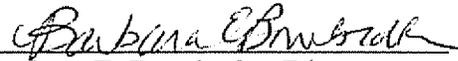
ESBD CONSIDERATIONS:

No goods or services are being procured through this report.

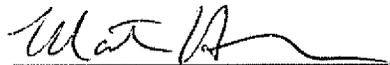
Respectfully submitted,



Robert G. Overstreet, Director
Department of Parks and Recreation



Barbara E. Bonebrake, Director
Convention, Culture and Leisure Department



Marty Hanneman, Director
Department of Transportation

APPROVED:



Richard Ramirez, Assistant City Manager

RECOMMENDATION APPROVED:



Robert P. Thomas, City Manager

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RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON THE DATE OF _____

CITY OF FESTIVALS PROGRAM OUTREACH AND SPECIAL EVENT FUNDING PROGRAM

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. Move forward with the special events outreach and process to draft goals, policies and procedures for major special events in Sacramento with an objective to have Sacramento become a "City of Festivals" and create a City of Festivals Program; and
2. Establish and implement a Special Event Fund within the Department of Transportation where up to \$100,000 from parking garage fund balance (Fund 412) will be made available to provide funding support to offset City expenses for special events within the Downtown and Old Sacramento areas; and
3. Authorize the City Manager to adjust budgets in the Special Events Fund for appropriations relative to the availability of funds; and
4. Designate the Directors of the Convention, Culture and Leisure; Parks and Recreation; and Transportation Departments as the designated group to review and allocate funding in the interim period prior to the adoption of formal policies and procedures for the "City of Festivals" Program.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

Resolution No.: _____

Date Adopted: _____

ATTACHMENT B

SACRAMENTO AS THE “CITY OF FESTIVALS”: PROPOSED OUTREACH AND PROCESS

A process to discuss and develop consensus with the City’s partners and stakeholders is proposed as follows, with a report back to City Council in late Summer 2005.

- Discussing whether or not the City of Sacramento should become a “City of Festivals;
- Ascertaining the major events and festivals vision of the City of Sacramento;
- Providing input regarding a Major Event Festival Agreement as the instrument to carry out partnerships with event organizers and promoters, including the evaluation of an event and its cost to the City;
- Establishing a process that the City will employ when assessing the benefits and risks of major events and festivals;
- Affirming that the City should be proactive by recruiting credible, reliable and successful major events and festivals;
- Providing input relative to subsidies provided to major events and festivals, including fees and permits that are waived.

Partners and Stakeholders

The City of Sacramento will outreach to a variety of partners, stakeholders and community. These organizations include, but are not limited to the following:

- Sacramento Convention and Visitors Bureau
- Downtown Sacramento Partnership
- Historical Old Sacramento Foundation
- Sacramento Sports Commission
- City of West Sacramento – Parks and Recreation
- County of Sacramento – Parks and Recreation
- Midtown Business Association
- East Sacramento Chamber of Commerce
- Sacramento Metropolitan Chamber of Commerce
- Sacramento Hispanic Chamber of Commerce
- Sacramento Asian Pacific Islander Chamber of Commerce
- Sacramento Black Chamber of Commerce
- Neighborhood Associations
- Community Based Organizations

Outreach – Timeline

The following meetings and dates are proposed in order to achieve the objectives of this process.

Meeting with Key Partners – July 2005:

Sacramento Convention and Visitors Bureau, Historical Old Sacramento Foundation, Downtown Sacramento Partnership, City of West Sacramento, Sacramento Sports Commission, and County of Sacramento.

Meeting with Business Community – July 2005:

Sacramento Metropolitan Chamber of Commerce, Sacramento Hispanic Chamber of Commerce, Sacramento Asian Pacific Islander Chamber of Commerce, Sacramento Black Chamber of Commerce, Midtown Business Association and business members of the Downtown Sacramento Partnership, East Sacramento Chamber of Commerce.

Meeting with Neighborhood and Community Organizations – August 2005:

Organizations linked with the Neighborhood Services Department will be invited to attend this meeting. In addition, other community organizations that conduct special events in the City of Sacramento will be invited to attend the meeting.

Meeting with Other City Departments – Ongoing

Upon completion of the external outreach effort, staff from the Department of Parks and Recreation will seek the input of staff from other City departments, including the Police Department, Fire Department, Utilities Department, Transportation Department, City Attorney's Office, and Convention, Culture and Leisure Department to provide a staff report and recommendations.

Report Back to Parks and Recreation Commission – September 2005

A report will be provided to the Parks and Recreation Commission regarding the findings of the outreach effort and the recommendations to be submitted to the City Council.

Report to City Council – September 2005

The Department of Parks and Recreation; Convention, Culture and Leisure Department; and the Department of Transportation will report back to the City Council the results of this outreach effort, including the elements of feedback, development of guidelines and procedures, parameters of major event/festival agreements, and evaluation methodologies.