

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Caroline Cheung via Clay Holstine, City Manager

DATE: Meeting of January 23, 2012

SUBJECT: Revenue-Generating Recommendations for City Fields, Lipman Gym, and Mission Blue Center

PURPOSE: Present the City Council with revenue-generating recommendations supported by the Labor Negotiations Subcommittee.

RECOMMENDATION: For the Council to evaluate and provide feedback to the Parks and Recreation Commission for review.

BACKGROUND:

Each year the City reviews a department's or division's fee structure to ensure that fees are in line with the cost to provide the service or program. Water and Sewer rates were analyzed a few years ago, followed by Classes offered by the Parks and Recreation Department in 2010, Planning Fees in 2011, and now, Parks and Recreation fees are again being analyzed, this time with a closer look at the Athletic Fields, Lipman Gym, and Mission Blue Center.

DISCUSSION:

Athletic Fields

Brisbane has four athletic fields – Brisbane Elementary School Fields (Upper and Lower), Lipman Middle School Field, and Mission Blue Park Field. The City uses these fields on a year-round basis, either for the City-sponsored youth baseball and flag football teams, or the City-sponsored Adult Softball League. In addition, there are teams from San Francisco, such as the Academy of Art University's and Urban High School's Women's Softball Teams, which pay \$20/hr. to rent Mission Blue Park Field at the Group IV rate (non-local schools, government agencies, and non-profit recreational or community service organizations). Moreover, should any of the teams need the field lights for their practices and games, an additional \$20/hr. is charged (as of Nov. 7, 2011, prior was

\$18/hr.) for their usage and for them to be programmed on/off (see Attachment 1). In total, the City received \$6,675 in 2011 for total field rental fees.

Additional recreational uses at the athletic fields include youth soccer. Beginning in April every year, youth soccer leagues such as AYSO, CYSA, CYO, and a league from South San Francisco use the fields for their practices and games. Additionally, AYSO Soccer Camp and AYSO Coaches Training takes place at Mission Blue Park Field. In total, these activities add up to approximately 600 hours a year for Fall Soccer and 280 hours a year for Spring Soccer. Of the 280 Fall Soccer hours, the field lights were used for 120 of those hours. Currently, the City does not charge these various youth soccer teams for their usage of the various fields or for the lights at Mission Blue Park Field.

In order to help offset the cost of maintaining the fields, which in 2010 cost the City \$218,761.26 in maintenance costs (for in-field prep, grass maintenance, irrigation, etc.), the Subcommittee recommended that all groups renting any of the athletic fields pay a rate of \$15 per player per season to the City. Charging a different non-resident rate was not discussed by the Subcommittee. However, the City's current Field Use Policy states that the Group III resident rate is applied when the membership roster is comprised of 51% or more Brisbane residents (see Attachment 2). In a chart compiled by Recreation Supervisor Tim Barry from the City of Burlingame, most surrounding cities characterize their criteria for residency as 51% or more of the participants being residents (see Attachment 3). Implementing this per player fee for athletic field usage would, at a minimum (considering for now all players being residents), result in approximately \$6,825 in additional revenue from field rentals each year.

Lipman Gym

Lipman Gym, during non-school hours, is used primarily for Parks and Recreation Youth Volleyball and Basketball, CYO and AAU Basketball, Futsal, Adult Drop-In Basketball, and the Parks and Recreation Class, "Living Lighter". CYO and AAU Basketball, along with Futsal are currently not District or City-sponsored programs, and last year, used 400 and 100 hours of Lipman Gym, respectively. According to the "Cooperative Agreement for the Shared Use of Public Facilities and Programs" between the Brisbane School District and the City (established July 1, 2000 and last amended on April 19, 2010), the Lipman Multi-Purpose Room (Lipman Gym) would have a "shared use" during non-school hours, "used for volleyball, basketball, and other team sports that are jointly sponsored by the District and City." Please see Attachment 4.

Currently, the City does not have rates or procedures established for renting the gym or the unlocking of the facility during non-school hours. Such rates or procedures were not necessary, given the parameters of the Cooperative Agreement mentioned above. Due to the City making an annual Cost Contribution, or subsidy, to the District of \$37,400 toward the cost of maintaining the Lipman Gym, BES Homework Center, Lipman Homework Center, and BES Office Space, the Subcommittee recommended again charging a rate of \$15 per player per season. Implementing this per player fee for Lipman Gym usage would, at a minimum (considering for now all players being residents), result in approximately \$4,125 from the rental of the gym each year.

Mission Blue Center

Private Rentals

Touted by “Here Comes the Guide” as having “appealing architecture, a great hillside location with a fine view, and the ability to easily accommodate a wedding and reception” Mission Blue Center is getting more and more popular with couples wanting to get married and have their wedding reception there. In comparing nearby banquet halls with Mission Blue Center (taking into account a 5 hour rental, alcohol served, 250 attending), Mission Blue Center came in as the least expensive, at \$1,312, out of 11 facilities (see Attachment 5). The other city-owned community center was the Lucie Stern Community Center in Palo Alto, which also charges a \$25-\$30/hr. fee for a city employee to be on the premises during the event.

To be more in line with the current market, the Subcommittee recommended that the entire facility rental rate for Groups II – IV be increased 126.5% and 35.7% to be \$299/hr. for Groups II – IV (resident) and \$357/hr. for Group IV (non-resident). Please see Attachments 5 and 6. The reason for the recommended residential fee increase being so large was an effort to close the previous 100% gap between the rates paid by residents and non-residents, which had the unintended consequence of most of the applications being submitted by residents. The fee increases translate to a 5 hr. private event now costing a resident \$1,495, with a non-resident paying \$1,785. Residents would still be paying less than \$1,500 – the rate charged by the second-lowest cost facility, the Orchard Pavilion Community Center in Sunnyvale. Last year, 60 Mission Blue Center private rentals by residents brought in \$53,033 and 15 private rentals by non-residents brought in \$24,840. Mission Blue Center costs the City \$143,849.41 to maintain each year. Revenue from Mission Blue Center private rentals in 2011 totaled \$77,873. If the above fee increase were implemented for Mission Blue Center, with demand in the number of rentals being inelastic, the result would be an additional \$45,457 in revenue generated from private rentals each year.

Rentals by Non-Profits

Mission Blue Center has not just grown in popularity amongst couples in search of a wedding venue, it has, since 2000 when it was built, been the location of choice for City co-sponsored groups to hold their classes, concerts, and live performances. Additionally, local clubs and organizations have chosen to have their meetings and events take place there. In 2011, Mission Blue Center was used a total of 296.75 hours by either co-sponsored groups or local/non-local non-profit groups, clubs, organizations, schools, or local government agencies. These groups span the Group I, Group II, and Group III facility rental rates, none of which currently pay any fees for usage of Mission Blue Center.

Due to the fact that Brisbane Dance Workshop operates in a similar fashion to a youth sports team, as they have classes, or “practices”, culminating in a performance, or a “game”, the Subcommittee recommended also charging BDW participants a \$15 rate per