



# AGENDA REPORT

Library and Community Service

<b>DATE:</b>	March 15, 2022
<b>TO:</b>	Mayor Butt and Members of the City Council
<b>FROM:</b>	LaShonda White, Interim Director of Library and Community Services Ranjana Maharaj, Deputy Director for Community Services - Recreation
<b>Subject:</b>	Receive Feedback on a Fee Waiver Policy and Partnership Policy
<b>FINANCIAL IMPACT:</b>	<p>The Community Services Department-Recreation Division charges fees, aligned with the Council-approved Master Fee Schedule, for programs and facility usage to help cover the cost of providing such services and maintaining facilities.</p> <p>While the positive impact on the availability of services is important, adoption of the fee reduction/waiver policy and partnership policy will decrease the amount of revenue that the Recreation Division collects annually.</p> <p>Between the past four years beginning in Fiscal Year (FY) 2016-2017 through Fiscal Year 2019-2020, permit fees for various events totaled approximately \$640,000 (\$160,000 annually); however, a total of approximately \$462,000 (\$115,000 annually) in applicable fees were reduced or waived as a result of fee reductions. The total amount of fee reductions include a combination of existing 25 percent reductions for community-based organizations and 50 percent reductions for governmental entities and 100 percent fee waivers. As a result of the COVID pandemic, FY 2019-2020 and FY 2020-2021 do not provide a full year of “normal” data as rental requests and fees were down substantially.</p>

	The amounts set forth above may not incorporate all the reduced or waived fees associated with memorandums of understanding between the City of Richmond and non-profit organizations.
<b>PREVIOUS COUNCIL ACTION:</b>	November 16, 2021; February 15, 2022
<b>STATEMENT OF THE ISSUE:</b>	The Community Services Department – Recreation Division (Recreation) recognizes the value of partnering with outside organizations to provide services that benefit the Richmond community. To provide support to organizations that provide a community service and to create an equitable process, staff is bringing forth a draft fee waiver policy for determining when event-related fees can be waived, and a partnership policy to expand or enhance the services provided to Richmond residents.
<b>RECOMMENDED ACTION:</b>	DISCUSS the City of Richmond’s draft fee waiver and partnership policies; and PROVIDE DIRECTION on the next steps prior to policy adoption - Community Services (LaShonda White/Rajana Maharaj, 510-620-6828).

**DISCUSSION:**

The Community Services Department-Recreation Division (“Recreation”) strives to be an exceptional steward over facilities, parks, and funding for programs and services. Historically, Recreation charges fees for programs and facility/park usage to help cover the cost of providing such services and maintaining facilities. Charging fees is a standard practice in the Recreation and Parks sector when individuals, private groups, government, or non-profit groups wish to reserve and exclusively utilize public facilities.

For many years, Recreation has worked with a variety of individuals and organizations to provide programs and services to Richmond residents and members of the public at-large. Organizations have increasingly requested fee waivers to support their program delivery. Additionally, partnerships between the City and organizations have steadily grown. This has caused Recreation to recognize the need to create more formal policies and procedures to ensure that fee waiver approvals and partnerships are consistent with the mission of Recreation and to ensure that organizations are treated with consistency and in an equitable manner.

City Council requested that City staff develop and bring forth comprehensive fee waiver and partnership policies for consideration. In order to provide an equitable process, staff recommends the creation of policies and procedures for (1) fee waivers for events or

temporary uses of City facilities and/or parks<sup>1</sup>, and (2) the development of partnership policies for longer-term collaborations between the City of Richmond and community-based organizations for the benefit of the Richmond community. Staff is bringing forth a draft fee waiver policy and draft partnership policy for City Council review, discussion, and feedback. Staff proposes to return with final versions of both policies for consideration and adoption at the April 26, 2022, City Council meeting.

### **Master Fee Schedule**

The fees associated with reserving public facilities and parks for use are reviewed annually and approved by the Richmond City Council as part of the Master Fee Schedule (MFS). The MFS presented on November 16, 2021, included the 2021 proposed updates for Recreation. When the MFS was presented again on March 1, 2022, the Recreation fees that were included were not increased by the Employment Cost Index (ECI) index and were left the same as the last adoption in 2019. Staff also included established discounts for government and community-based organizations at 50 percent and 25 percent, respectively. The minor changes between the 2019 and 2021 fees include slight reductions in rental deposits, while some fees are being increased. Recreation fees have not risen since 2019, when they were increased by the suggested ECI factor of 1.027 percent. Staff wanted to make City Council aware of this issue and will bring Recreation's 2021 MFS updates back as an action item at on April 26, 2022, concurrently with the final fee waiver and partnership policies.

### **Fee Waiver Policy**

Historically, it appears the majority of waived fees related to parks and facilities usage were processed on a case-by-case basis with the ultimate decision made by the City Manager. The purpose of the proposed draft fee waiver policy for City Council's consideration is to establish fiscally responsible guidelines to equitably evaluate and consider fee waiver requests for one-time events or temporary uses of City facilities and parks (Attachment 1).

Under the proposed policy, fee waivers may be submitted by organizations that fall within the following categories:

- 1) Intergovernmental Cooperation
- 2) Non-profit Organization
- 3) Official City of Richmond Partner
- 4) City of Richmond Co-Sponsored Event

Recreation staff collects fees based on the approved Master Fee Schedule to help cover the cost of providing services and maintaining facilities. While the positive impact on the availability of services is important, adoption of the fee reduction/waiver policy and partnership policy will decrease the amount of revenue that the Recreation Division collects annually. As an example, between Fiscal Year (FY) 2016-2017 and Fiscal Year

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<sup>1</sup> Definition of fee waiver: the granting of a reduction or dismissal of a required fee normally charged for the use of a facility or park.

2019-2020, permit fees for various events totaled approximately \$640,000 (\$160,000 annually); however, a total of approximately \$462,000 (\$115,500 annually) in applicable fees were reduced or waived as a result of fee reductions (Attachment 2). This may not include additional costs associated with public safety.

The draft policy outlines the following:

- Purpose of the policy
- Eligibility
- Eligible and ineligible uses
- Procedures
- Acknowledgements
- Criteria
- Schedule
- Proposed application components

### **Partnership Policy**

The purpose of the Partnership Policy is to establish policies, guidelines and procedures that govern how partnerships between the Recreation and external entities are evaluated, created, and managed (Attachment 3). This policy would cover organizations interested in longer-term use of City facilities or parks and such organizations' desire to expand or enhance the services provided to Richmond residents (i.e., youth sports programs, Adopt-A-Spot, and beautification programs). Depending on the type of partnership, these agreements may or may not include fee waivers.

This policy will allow Recreation to be proactive rather than reactive when presented with a partnership opportunity. It also sets a "level playing field" for all potential partners, so that they can know and understand in advance the parameters and selection criteria for a proposed partnership. A major component in exploring any potential partnership will be to identify additional collaborating partners that may help provide a synergistic working relationship in terms of resources and community contributions.

The draft policy includes the following sections:

- Purpose of the policy
- Background
- Partnership purpose
- Partnership categories
- Required conditions
- Partner expectations
- Costs for Approval Process
- Definitions
- Application

## **Next Steps**

City staff reviewed numerous examples of fee waiver and partnership policies from various government agencies including but not limited to the following cities: Hayward, Lathrop, Rio Vista, and Suisun. In addition, City staff met internally to discuss components of both policies and incorporated promising practices within the Recreation and Parks industry. Both policies are drafts and include staff's recommendations; however, we would like feedback on the various components included in both draft policies and applications.

City staff will incorporate feedback received at the March 15, 2022, City Council meeting into updates of both draft policies. Staff will also discuss the policies with City staff to determine how, if at all, both policies can be expanded to include non-Recreation departments and waivers of other fees. For example, it may be feasible for the City Manager or their designee to authorize the waiver of fees and/or taxes outside of those related to Recreation when it is determined to be in the best interest of the City of Richmond, our residents, and the payor. Staff plans to highlight the opportunity to provide feedback on the policies during the series of community budget meetings in March and will bring the proposed policies to the Recreation and Parks Commission at their April 6, 2022, meeting. Staff will then bring the final policies to City Council on April 26, 2022, for adoption.

## **DOCUMENTS ATTACHED:**

Attachment 1 – Draft Proposed Facility Fee Waiver Policy

Attachment 2 – FY 2016/17 – 2019/20 Recreation Facility and Parks Fee Waiver Report

Attachment 3 - Draft Proposed Partnership Policy and Application