



# REPORT TO COUNCIL

## City of Sacramento

29

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www.CityofSacramento.org

**PUBLIC HEARING**  
**June 15, 2010**

**Honorable Mayor and  
Members of the City Council**

**Title: Department of Parks and Recreation Fees and Charges**

**Location/Council District: Citywide**

**Recommendation:** Conduct a public hearing and upon conclusion adopt a **Resolution** approving fees as proposed.

**Contact:** Lori Harder, Support Services Manager, 808-5172; Dave Mitchell, Operations Manager, 808-6076

**Presenter:** Lori Harder, Support Services Manager

**Department:** Parks and Recreation

**Division:** Administration

**Organization No:** 19001011

### **Description/Analysis**

**Issue:** Consistent with the City's Fees and Charges Policy and fee policy set forth in the Council adopted *Parks and Recreation Master Plan 2005 – 2010*, the proposed fee increases, included in Exhibit A of the Resolution, require Council approval.

On May 18, 2010, new and increased fees for a variety of City services were heard by Council. Park and Recreation fees were continued to June 15, 2010, in order to obtain input from the Parks and Recreation Commission at its June 3, 2010 meeting. Staff conducted outreach to user groups to encourage attendance at the Commission meeting.

**Policy Considerations:** Recommended fee increases are in compliance with City fee policy on cost recovery for services. The fees recommended to be increased are for City services intended to be rendered to the broadest number of citizens possible and therefore have low cost recovery which is up to 40% of City costs to provide the service (sports field and park picnic area use, swimming

pool admission, community center use, street closure and neighborhood block party permitting). In each case, the service provided is still well within the range of up to 40%.

**Commission Action:** On June 3, 2010, the Parks and Recreation Commission supported staff's fee recommendations, with the exception of an increase in swimming pool entry fees and an increase in the upper end of the range of fees for core services for children. Those opposed to the increase in swimming pool entry fees, and in an increase in the upper end of the fee range for core services for children spoke to concern about the impact on low income families and their ability to pay the higher fees.

**Environmental Considerations:** Approval of fees does not constitute a "project" and is therefore exempt from the California Environmental Quality Act (CEQA) according to Section 15601(b)(3) of the CEQA guidelines.

**Rationale for Recommendation:** The City of Sacramento continues to face significant budget challenges due to declining property tax, sales tax, and the reduction of other funding sources which puts a strain on City services, particularly those provided through the City's General Fund. In February 2010, City Council adopted budget development strategies including strengthening revenues to help mitigate potential budget cuts and further service reductions.

Staff has recommended user fee increases over the past few years to address increasing costs (new facilities, labor, utilities, etc.), to expand priority services, and/or to help mitigate further service reductions in the face of budget deficits, as follows:

- Midyear 2007: \$79,000 in estimated fee revenue from fee increases to provide for additional Park Safety Services (priority service for the Council), increasing number of special events, and to address increasing utility and labor costs.
- Fiscal Year (FY) 2008/09: \$260,000 in estimated fee revenue from fee increases to mitigate \$148,000 in service reductions including aquatics, and to provide \$112,000 to grow Park Safety Services.
- FY2009/10: \$76,000 in estimated fee revenue from fee increases to mitigate service reductions funded through the General Fund.
- Proposed FY2010/11: \$94,000 in estimated fee revenue from fee increases to mitigate service reductions in aquatics, to provide for a minimum level of sports field renovation, and to address increased cost in service delivery (chemicals, utilities, staff time).

**Financial Considerations:** These increases in cost recovery are recommended to

address the growing gap between revenues and the cost to provide services. Recommended adjustments are estimated to generate \$94,000 in additional revenue for FY2010/11. Additional fee revenue for aquatics operations, estimated at \$50,000, are proposed to mitigate General Fund reductions for FY2010/11. If not approved, staff will return to Council with an alternative service plan reflecting additional reductions for aquatics. Youth sports leagues have requested that revenue from fee increases for field use help restore field renovation services. The balance of fee recommendations will slightly increase cost recovery within the range set by policy (up to 40% of City service costs for these services).

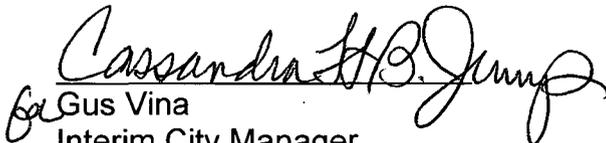
**Emerging Small Business Development (ESBD):** There are no ESBD considerations with this report.

Approved by: \_\_\_\_\_



James Combs, Director  
Director of Parks and Recreation

Recommendation Approved:



Gus Vina  
Interim City Manager

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## **RESOLUTION NO. 2010-**

### **Adopted by the Sacramento City Council**

June 15, 2010

## **APPROVING PARKS AND RECREATION FEES AND CHARGES**

### **BACKGROUND:**

- A. On February 7, 2006, the City Council adopted the Citywide Fees and Charges policy to ensure that fees and charges implement City Council direction on cost recovery.
- B. On May 18, 2010, the Finance Department brought a report to Council requesting adoption of adjustments to citywide fees and charges. Those related to parks and recreation services were continued to June 15, 2010, to allow time for review by the Parks and Recreation Commission.
- C. Fee increases as set forth in Exhibit A are recommended to address a growing gap between revenues and expenses. Recommended adjustments are estimated to earn \$94,000 in additional revenue for Fiscal Year 2010/11.

### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. Parks and Recreation fee increases as set forth in Exhibit A are hereby approved.
- Section 2. Exhibit A is part of this resolution.

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Exhibit A: Parks and Recreation Fees and Charges

**Exhibit A**

**PARKS AND RECREATION FEES AND CHARGES**

**Estimated Additional Annual Revenue for Aquatics Recommendations: \$50,000**

**Justification:** Mitigate General Fund service reductions

**Fee Name:** Recreation Swim – Pool Entry Fees  
**Current Fee:** \$1 up to age 17 - \$2 age 18 and up  
**Proposed Fee:** Free up to age 3; \$3 for ages 3 and above

**Fee Name:** Recreation Lap Swim  
**Current Fee:** \$5  
**Proposed Fee:** \$8

**Fee Name:** Recreation Swim – Pool Entry Passes  
**Current Fee:** \$4 – 21 depending on age and number of visits allowed by the pass  
**Proposed Fee:** \$8 – 42 depending on age and number of visits allowed by the pass

**Fee Name:** Children’s Services Core Programming  
**Current Fee:** \$5 - 25  
**Proposed Fee:** \$5 - 45  
**Estimated Additional Annual Revenue: \$8,000**  
**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).

**Fee Name:** Access Leisure Core Programming  
**Current Fee:** \$8 - \$18  
**Proposed Fee:** \$10 - 30  
**Estimated additional revenue: \$5,000**  
**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).

**Fee Name:** Park Facility Rental – Sports Field Use by Youth (Level 1 – Most Parks)  
**Current Fee:** \$1 per hour  
**Proposed Fee:** \$2 per hour  
**Estimated additional annual revenue: \$5,000**  
**Justification:** Restoration of minimal sports field renovation services.

**Fee Name:** Park Facility Rental – Sports Field Use by Youth (Level 2 – Specific Parks)  
**Current Fee:** \$2 per hour  
**Proposed Fee:** \$3 per hour

**Estimated additional annual revenue: \$15,000**

**Justification:** Restoration of minimal sports field renovation services.

**Fee Name:** Park Facility Rental – Covered Picnic Area

**Current Fee:** \$35 per 50 guests

**Proposed Fee:** \$40 per 50 guests

**Estimated additional annual revenue: \$1,000**

**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).

**Fee Name:** Community Center Room Rental – largest rooms only

**Current Fee:** \$30 - 150

**Proposed Fee:** \$30 – 200

**Estimated Additional Annual Revenue: \$1,000**

**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).

**Fee Name:** Street Closure Application for Parades, Runs, etc.

**Current Fee:** \$50 - \$200 depending on size of event

**Proposed Fee:** \$75 - \$350 depending on size of event

**Estimated Additional Annual Revenue: \$13,000**

**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).

**Fee Name:** Neighborhood Block Party Application

**Current Fee:** \$20

**Proposed Fee:** \$25

**Estimated Additional Annual Revenue: \$500**

**Justification:** Increase cost recovery within range for this service (0% - 40% of direct cost).