



## MEMORANDUM

**TO:** Mayor and Council

**FROM:** Ray Baray, Chief of Staff

**DATE:** September 2, 2016

**SUBJECT:** CIUR 1299: Long-Term Analysis of Special Events (Resolution No. 20140501-036)

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In 2014, the Austin City Council passed Resolution No. 20140501-036, which directed the City Manager to investigate potential methods for funding costs associated with special events. In addition, the City Manager was directed to seek input from stakeholders, consider alternative funding options, and review best practices from peer cities.

Since that time, staff has conducted extensive research through benchmarking with cities in Texas and across the United States, analyzed and assessed current City of Austin practices city-wide, and held multiple town hall events to capture and discuss ideas and recommendations from internal and external stakeholders.

Staff has concluded their work in exploring alternative funding options for large-scale events to determine the budgetary and community impacts of such events. The research, methodology, and recommendations for Council consideration are discussed in the attached report.

Should you have additional comments or questions, please contact me at (512) 974-2435. Thanks!

cc: Marc Ott, City Manager  
Assistant City Managers  
Elaine Hart, Chief Financial Officer  
Bill Manno, Corporate Special Events Program Manager



SXSW 2014

# ALTERNATIVE FUNDING METHODS FOR SPECIAL EVENTS

FINANCIAL SERVICES DEPARTMENT  
MANAGEMENT SERVICES DEPARTMENT  
CORPORATE SPECIAL EVENTS

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# Introduction

The City of Austin (City) is host to more than 800 events each year, ranging from neighborhood parades to large-scale events like the Austin City Limits Festival (ACL) and South by Southwest (SXSW). These larger events bring in visitors from all over the country and the world, benefitting the local economy and contributing to Austin's ranking as a world-class city<sup>1</sup>. In

recognition of the historical and cultural importance of many of these events to its citizens and the economic benefits they provide to our community as a whole, the City Council has, over the years, voted to become a "co-sponsor" of several events, providing



funding or waiving costs associated with the event. For example, the City is a co-sponsor of the annual Juneteenth parade, which commemorates the announcement of the abolition of slavery in Texas<sup>2</sup>. Today, the City provides co-sponsorship to 20 events; a full list of these events is included in the Appendix, and more detail on the City's co-sponsorship follows in this report.

As the city has grown in popularity and size, so has the number and size of special events held here in Austin. The challenge of managing this growth came to the forefront in 2014, when concerns regarding the City's rising costs of supporting such events, and how these costs were being borne by local tax payers, prompted a policy discussion among the City Council. The culmination of this discussion was Resolution No. 20140501-036 (Resolution), which directed the City Manager to provide an analysis of City costs related to special events, and to explore potential alternative funding mechanisms to offset these costs.

The following report is the response to the directives issued in the Resolution. Staff has provided a summary of the Resolution, background information on special events in the City, the City's co-sponsorship history, financial information related to special events, and sections responsive to each of the Resolution's other directives. Staff has also included an Appendix that contains the original Resolution, a list of stakeholders solicited, and information on funding alternatives that were deemed infeasible.

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<sup>1</sup> "Austin Rankings." [Economic Development Department](#). City of Austin, n.d. Web. 12 July 2016.

<sup>2</sup> "Welcome." [Juneteenth Central Texas](#). N.p., n.d. Web. 14 July 2016.

## ***Resolution Overview***

Fundamentally, the Resolution directs the City Manager to investigate potential methods for funding costs associated with providing City services and support to special events.

The City Manager was also directed to:

- seek input from stakeholders;
- review best practices from peer cities;
- consider all possible funding sources,
- create a proposal for a special events fund that would support small- and moderately- sized community events as well as provide a more sustainable, consistent, and analytical method of evaluating the need for providing financial support for large-scale special events, and
- create a process for Council review of fee waiver requests for large-scale events.



## ***Special Events Background***

The Austin Center for Events (ACE) considers a “special event” as “an indoor or outdoor event held on public or private property.”<sup>3</sup> During Fiscal Year (FY) 2015, there were more than 800 special events held within the city limits, ranging from the iconic SXSW Festival to neighborhood block parties to the Austin Marathon. Each of these events requires support from a myriad of City departments and staff, from road closure preparation by the Austin Transportation Department, to public safety presence during the event, to clean-up services provided by Austin Resource Recovery.

Events that meet the “special event” description are subject to several requirements. Event organizers must provide detailed information related to their event, including needed road closures, expected attendance numbers, and site plans, and they must submit the proper permits. Event promoters are legally responsible for all permitting fees, requirements, and violations.

## ***Council Co-Sponsorship and Fee Waivers***

As noted in the Introduction, the City Council has, on occasion, provided support for certain special events deemed to have a City public purpose to Austin taxpayers. This support, which requires the Council to act as a body, is accomplished through the

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<sup>3</sup> "Austin Center for Events." [City Stage](#). City of Austin, n.d. Web. 12 July 2016.

granting of a fee waiver by City Council, or co-sponsorship by Council action, which includes fee waivers and other support.



On October 3, 2002, the Council adopted Resolution No. 021003-40 designating specific events that are co-sponsored by the City. Amendments to the resolution have added and removed events over the years, so that today there are 20 co-sponsored events, 14 of which occur annually. A full list of these events may be found in the Appendix.

Per the 2002 resolution, co-sponsorship of an event means that the City provides financial support to an event in the form of fee waivers

and/or authorized reimbursement for pre-payment of City services.

In addition, each member of the City Council is allotted \$6,000 per budget year to use for fee waivers for non-co-sponsored events that have a municipal purpose. Council as a whole must approve these fee waivers. Some of the events receiving these fee waivers include the Austin Duck Derby, the Bengali New Year Festival, and the CASA Superhero Run. Continued yearly Council action is not guaranteed for any of these events.

A fiscal history of waived fees for the last five years is included below. For FY 15, the amount of fees waived totaled approximately \$1.5 million.

City Council Approved Fee Waivers	
FY 2010	\$393,600.72
FY 2011	\$577,407.21
FY 2012	\$1,023,445.63
FY 2013	\$1,168,532.00
FY 2014	\$1,235,020.65
FY 2015	\$1,531,287.25

**In both instances of support, current practice does not require co-sponsored event organizers to submit any post-event report to the City detailing expenses, contributions, attendance or other pertinent information that could be used to validate the benefits of co-sponsoring an event. Staff recommends reviewing this policy, as set out on page 12 of this report.**

### *Current Funding Mechanisms and Shortfall*

As the number and size of these special events increases, so has the City's cost of providing services to these events. In FY15, the City expended approximately \$7.7 million to support special events locally, including public safety staffing and equipment costs and administrative staffing costs. It is important to note that while staff bills event organizers for the costs related to their events, there are several events that do not have a primary organizer, most notably the annual Mardi Gras and Halloween festivities that occur in the downtown core. Costs related to those two events alone totaled approximately \$107,000 in FY 15, and are absorbed within the affected departments' budgets.

The following chart details the last five years of expenditures and fees collected by various City departments relating to special events in the City:

	FY11	FY12	FY13	FY14	FY15
FEES	\$3,086,674	\$2,273,857	\$3,593,353	\$4,558,959	\$6,797,032
EXPENDITURES	\$4,823,763	\$4,899,902	\$6,703,457	\$6,411,451	\$7,744,391
SURPLUS/ SHORTFALL	(\$1,737,089)	(\$2,626,045)	(\$3,110,104)	(\$1,852,492)	(\$947,359)

The City collected nearly 88% of its costs in FY 2015 through fees charged to event organizers. The majority of revenues received from these fees are deposited into the City's General Fund, from which the majority of City expenditures in support of special events are drawn. The average cost recovery over the past five years has been approximately 64%. The uptick in cost recovery is generally attributable to management focus on aligning fees charged by the City with the actual cost of providing services. For example, the Parks and Recreation Department recently conducted a cost of service study that resulted in an increase in park rental and other fees, which improved the City's cost recovery for special events held on City parkland. **Staff recommends fully implementing a cost of service study for all City fees related to special events. More information is provided in the Recommendation section of this report.**

Even with the increase in cost recovery over the past few years, the City continues to expend more in resources than are collected in fees and other charges for services in support of special events in the City. Primarily, this shortfall can be attributed to City co-sponsorships and to those events that have no direct organizer, as mentioned previously. The events with no sponsor typically occur along a strip of bars, restaurants and music venues in downtown Austin. This concentration of activity requires barriers and public safety presence in the area to protect both participants and other residents and visitors traveling through the downtown core. These events also require a significant commitment of refuse collection resources. Because these events are not

formalized events with a central organizer, the City has no avenue for recouping expenditures for the necessary services provided.

## Stakeholder Engagement

The Resolution directed the City Manager to meet with stakeholders for input on alternative funding methods for special events. City staff organized a series of structured, facilitated meetings to solicit feedback from known stakeholders, including event organizers, community representatives, City staff, non-profit organizations, and private partners. A full list of stakeholders who were solicited for input may be found in the Appendix. Staff reached out to the public via Nextdoor, email, SpeakUp! Austin, and notices posted at all City libraries.



Additionally, the City's media campaign included press release distributions, social media alerts, distribution to the City's boards and commissions, and a public announcement posted on the City's government access channel, ATXN. The response from these meetings, along with the online input, was both positive and constructive, allowing staff to compile suggestions into this comprehensive report.

### *Initial Stakeholder Meeting*

The first meeting was held on June 17, 2014 with residents and representatives from numerous stakeholder organizations.

Dozens of suggestions were received from the 120-plus stakeholders in attendance, including:

- Collect a percentage or surcharge from event admission tickets
- Increase fees charged for special events
- Use street closures as a factor to determine whether fees are waived
- Add a surcharge to parking spaces for events; especially large events
- Reimburse fees collected to the budgets of the respective departments providing service
- Develop a tiered system for community events versus large scale special events
- Let the City continue to pay or waive fees for events
- Use the General Fund to create a special event fund for each City department



After the solicitation of feedback, staff determined that additional coordination and more in-depth stakeholder input was required due to the evolving landscape of special events. To this end, staff scheduled two more stakeholder engagement meetings.

### *Follow-Up Stakeholder Meetings*

These meetings served as a catalyst to explore options on how to bridge the gap between fees received and the cost of City-provided services for special events, and receive feedback on common concerns. Additionally, staff took public input ahead of the meetings via SpeakUp! Austin. During staff's evaluation of these engagement processes, several overarching themes became clear and are listed below:

- Broad support to treat events differently, whether cultural, historical, local, or commercial;
- Possible consideration of a tier or matrix that could consider specific factors:
  - Whether an event is a community event
  - Whether the event is open to the public or ticketed
  - Whether an entrance fee is charged
  - Whether the event has restricted access from the public
  - Whether the event is sponsored by a private entity or a non-profit;
- Strong support for an advisory board that sets matrix criteria for evaluating special events;
- Support for removing the waiver process from Council's hands, possibly into the hands of an event advisory board;
- Support for streamlining the application and/or permitting process;
- Support for keeping the funds generated within relevant departments rather than remitting them to the General Fund; and
- General concern/lack of support for surcharges, City Council control of waivers, the high cost of police services, or the raising of fees.

Staff has taken into consideration the overarching themes that resulted from these meetings and included them - where applicable and appropriate - in the final set of recommendations.

## Peer City Outreach

The Resolution directs staff to work on developing alternative funding options for large-scale events to assist in forecasting the budgetary and community impacts. In order to do so, a methodology needed to be developed to generate a best-practice model for hosting special events. City staff identified peer cities based on city size and budget; and frequency, variety and attendance of hosted events. Staff also sought out cities that had existing special event ordinances.



The following section includes information on the peer cities identified for the purposes of this report; more information may be found in the Appendix.

### ***Peer Cities***

Staff identified the following cities as “peer” for the purposes of this report:

- Boulder, Colorado
- Houston, Texas
- Portland, Oregon
- New Orleans, Louisiana
- Indianapolis, Indiana
- San Diego, California
- San Antonio, Texas
- Seattle, Washington

### ***Common Trends Among Peer Cities***

The following are common trends noted from the peer-city research:

- Most cities in the peer group have a dedicated Special Events Office and staff (between 1-4 positions);
- Funding for these offices tends to come from the General Fund.
- Most cities have a special events ordinance;
- All cities host a wide range of events (block parties, parades, athletic events, concerts, conventions, and fairs);
- All cities sponsor events, though the number of co-sponsored events ranged from a low of six to more than 300;
- Recurring events are generally contracted on a year-to-year basis, with limited use of multi-year agreements;
- Fees are generally collected pre-event;
- Most cities perform a post-event review;
- Surcharges are not generally assessed;
- No city reported having alternative funding methods for special events.

## **Other Considerations**

In addition to soliciting input from stakeholders and reaching out to peer cities, staff researched the viability of creating a Special Revenue Fund, creating a Special Events review process for evaluation of new events, and the appropriateness of using Hotel Occupancy Tax (HOT) funds for special event costs. These considerations are detailed in the following section.

### ***Guidelines for Special Revenue Fund Creation***

Council directed staff to investigate the creation of a Special Events Fund, including an application and evaluation process. This Special Events Fund is intended to support small- and moderately-sized community events as well as to provide a methodology for

evaluation of large-scale special events. Staff has determined that the creation of this fund would fall under the definition of a “Special Revenue Fund.”

The City’s Controller provided the following information from the General Accounting Standards Board (GASB) as it relates to the definition and need for Special Revenue Funds:

“Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund. *Resources restricted to expenditure for purposes normally financed from the General Fund may be accounted for through the General Fund provided that applicable legal requirements can be appropriately satisfied; and use of special revenue funds is not required unless they are legally mandated* [emphasis added] [NCGAS 1, ¶30; GASBS 14, ¶54; GASBS 54, ¶21, and ¶30–¶32].”

The GASB standards as illustrated above indicate that the use of a Special Revenue Fund for costs associated with special events in the City limits would not be appropriate. Special Revenue Funds are designed for very specific purposes that could not be otherwise accounted for in the General Fund, using very specific, restricted revenue sources. City expenditures on special events come from the General Fund, and revenues from fees charged in support of special events are remitted to the General Fund. **As a result, staff does not recommend the creation of a Special Revenue Fund for special events, as expenditures are accounted for in the General Fund revenue proceeds. Creating a dedicated special events revenue fund would create administrative redundancy with no gained efficiencies.**

### ***Hotel Occupancy Tax Funding (HOT)***

In preparing this report, staff was advised by the Law Department that the Hotel Occupancy Tax (HOT) would not be an appropriate source of funding for general revenue purposes or the general governmental operations of the City. The City is prohibited by law from using revenue from HOT for “the general revenue purposes or general governmental operations of a municipality.”<sup>4</sup>

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<sup>4</sup> Texas Tax Code 351.101(b).

### ***Council Waiver Review Process for Large-Scale Events***

The Resolution also directed the City Manager to create a Council fee-waiver review process for large-scale events. Staff reviewed the list of events that received fee waivers in the past five years; the only large-scale events receiving fee waivers were City co-sponsored events. As a result, staff concurs with the Council-directed initiative to create a special event matrix that Council can use to review the events currently on the co-sponsored list as well as for any future events that may request City co-sponsorship. This matrix can be adapted to large- and small-scale events, and will provide a fair, unbiased review of events requesting co-sponsorship. Staff believes that creating such a matrix offers a unique and innovative approach to



evaluate existing and future fee waivers. No other city currently uses such a mechanism.



During the public engagement process, staff solicited feedback on categories or other considerations that might be included in this matrix. There was broad support for differentiating between nonprofit and for-profit events, between those that have been part of the Austin community for several years versus newer events, and by criteria such as the number of attendees or other objective metrics.

**Based on research into peer-city practices and feedback from stakeholders, City staff has created a draft evaluation matrix, located in the Appendix.** Staff stresses that the

recommended elements should not be considered comprehensive, but rather a starting point for discussion. **It is recommended that the City contract with an independent consultant to provide guidance and expertise in crafting the final matrix.** As part of that process, the contractor would solicit additional input from stakeholders, City Council, and the residents of Austin. The process should be reflective of the process used to create the WebLOCI matrix utilized by the City's Economic Development Department for Chapter 380 agreements. That process provides "performance-based



incentives to qualifying companies with a competitive relocation or expansion project that will make a significant investment in Austin.”<sup>5</sup>

## Recommendations

Taking into account all of the information received, researched, and evaluated, staff has developed a list of recommendations for Council consideration in response to the Resolution.

The recommendations include:

- Initiate a cost-of-service study for all services required to support events;
- Hire an outside consultant to develop a special events matrix as an evaluation tool; and
- Develop mandatory post-event reporting criteria to evaluate the benefit of the event to the City.

### *Special Event Fee Cost of Service Study*

In order to accurately evaluate the true cost impact of the demand for City services attributable to special events, staff recommends continuing the comprehensive cost-of-service study associated with all fees charged to special event organizers. Once the true cost of service is known, Council will be better informed as to the impact of moving to a full cost recovery policy as it relates to special events. As mentioned previously, peer city research has indicated that full cost recovery of City costs to support special events is a best practice.



Such a cost-of-service study involves the Budget Office partnering with departmental management and financial staff to identify all cost inputs

associated with providing services, including personnel, contractuels and commodities, and direct and indirect overhead costs (for example, administrative staff working overtime to process payroll after an event has concluded). Such an evaluation process is currently used in reviewing all requests for new or increased fees during the annual budget process; the Budget Office is also engaged in an ongoing, wider effort to analyze the cost-of-service associated with all City services required to support special

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<sup>5</sup> "Economic Development Contractual Compliance." *City of Austin Economic Development Department*. N.p., n.d. Web. 12 July 2016.

events on a multi-year, revolving basis to ensure compliance with state law, which dictates that fees cannot exceed the City's cost of providing the service for which the fee is charged. Once all cost inputs are accurately calculated and totaled for the services associated with all Special Events-related fees, staff will know the City's true and full cost of providing these services. With this information in hand, costs may be compared to existing fees to discover the current level of cost recovery for these services. This knowledge will establish a baseline on which to build toward a comprehensive policy on fees for Special Events. Moreover, this data will allow City Council to know the true cost of any fee waivers it may wish to grant to special events. Currently, all General Fund departments have completed their first round of cost-of-service studies; staff is beginning the second round with the FY18 budget planning process. The success of the current effort is evident in the 88% cost recovery realized in FY15.

### ***Special Event Evaluation Matrix Creation***

As mentioned above, staff recommends the development of an evaluation matrix for any special event that receives or requests City and/or Council sponsorship. This matrix could model itself from the matrix the Economic Development Department uses when it evaluates companies requesting a Chapter 380 agreement.

Following the process established during the development of the City's WebLOCI matrix for Chapter 380 agreements, staff further recommends hiring a consultant to fully develop this matrix. The consultant will work with staff, the City Council, and stakeholders within the community to accomplish this task.

### ***Post-Event Review Process***

Staff recommends the creation of a post-event review process in conjunction with the creation of the special events matrix. This would include an accounting of the actual costs incurred by the City in support of the event. Currently, staff only provides estimates before the event begins. Similar to the process utilized by EDD in evaluating the incentive payments for companies under a Chapter 380 agreement, this would allow the City to ensure those events receiving fee waivers or other City support are meeting the goals outlined in the special events matrix. Those events that no longer meet the established criteria may be removed from the City co-sponsorship list and/or may not receive fee waivers in the future.

Special events are a crucial component to the makeup of the City of Austin- from celebrations of live music to remembering those who came before to supporting local businesses. Implementing the recommendations above will allow for continued support of these important fixtures of the Austin landscape, while providing more fully for City staff costs associated with them. To that end, staff will bring next steps to the City Council for approval, including a contract with an outside consultant, in the near future.

# Appendix

**RESOLUTION NO. 20140501-036**

**WHEREAS**, Austin's festivals, road races, and other special events have a significant cultural and economic impact and have become a part of the identity of our City; and

**WHEREAS**, special events in Austin range from very small neighborhood-level events to large-scale, multi-million dollar productions; and

**WHEREAS**, the City Council sponsors fee waivers for small events up to a total annual amount of \$42,000; and

**WHEREAS**, the City Council also annually co-sponsors the Pride Parade, the Martin Luther King Jr. Parade, the Veteran's Day Parade, the Juneteenth Run Parade and Celebration, and the Celebrate Texas Parade and Run; and

**WHEREAS**, City support for small and moderately-sized co-sponsored events typically takes the form of fee waivers rather than actual expenditures for staff or other resources; and

**WHEREAS**, supporting small and moderately-sized events allows the City to achieve important community objectives and should be continued; and

**WHEREAS**, producing large-scale events requires considerable financial and personnel resources from public and private entities; and



**WHEREAS**, large-scale events generate significant sales tax and hotel occupancy tax revenue and have a positive economic impact on many local businesses; and

**WHEREAS**, large-scale special events should be regarded as important economic development investments; and

**WHEREAS**, in the past, individual fee waivers for large-scale events have totaled nearly \$1 million in waived fees and actual costs, have come forward for Council consideration with the sponsorship of two or three Council Members, and have often appeared on the agenda with little advance notice – a situation that provides little certainty for event promoters and that could create challenges for the city budget; and

**WHEREAS**, a dedicated funding stream for events could assist in providing support for public safety costs, among other departmental needs; and

**WHEREAS**, creating a more sustainable source of funding for special events would allow greater budget planning ability for city staff as well as events promoters; and

**WHEREAS**, Resolution No. 20130926-078 asked that the City Manager produce a comprehensive financial analysis of the direct and indirect cost of special events over the last five years; and

*Council Resolution No. 20140501-036 (Page 3 of 5)*

**WHEREAS**, staff estimates that between 2009 and 2013, the City spent approximately \$24 million on special event costs and collected approximately \$13 million in fees; and

**WHEREAS**, initial estimates suggest that the Austin Police Department has absorbed more than \$8 million of special event costs between 2009 and 2013; and

**WHEREAS**, more comprehensive economic analysis would enable the Council and the public to better evaluate the economic development benefits of large-scale events; and

**WHEREAS**, ticket surcharges are a possible funding method that has been mentioned to help offset municipal expenses; and

**WHEREAS**, the City collected approximately \$54.8 million from hotel occupancy taxes in Fiscal Year 2012 and these collections from Austin hotels are used to fund the Austin Convention Center, the Austin Convention and Visitor's Bureau, and the City's Cultural Arts Program; and

**WHEREAS**, the City's Music Commission has recommended that City Council explore other funding mechanisms for special events, including considering whether anticipated increases in hotel occupancy taxes could support special events costs; **NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Manager is hereby directed to investigate potential methods for funding costs associated with special events. In exploring this matter, the City Manager should seek input from stakeholders including, but not limited to, event producers and promoters, the Hotel Lodging Association, the Austin Neighborhoods Council, the Arts Commission, the Music Commission, and the Austin Convention and Visitors Bureau, review best practices from other cities, consider all possible funding sources, and explore the film incentives proposal as a possible model.

**BE IT FURTHER RESOLVED:**

The City Manager should coordinate the work of the Austin Center for Events, Economic Development Department, Parks and Recreation Department, the Austin Police Department, the Transportation Department, and any other relevant departments to solicit feedback and ideas about how to create a special events fund and application and an evaluation process.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to create a proposal for a special events fund that will support small and moderately-sized community events as well as providing a more sustainable, consistent, and analytical method of evaluating and providing financial support for large-scale special events. Any proposal should seek to minimize the impact on individual City departments.

**BE IT FURTHER RESOLVED:**

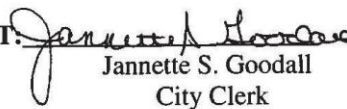
The City Manager is directed to create a process for Council review of fee waiver requests for large-scale events. The process should include a matrix similar to that used for Chapter 380 agreements or other evaluative methods.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to present the proposal for the special events fund and fee waiver process by August 7, 2014 to allow Council to consider the proposals as part of the City's budget process.

**ADOPTED:** May 1, 2014

**ATTEST:**

  
Jannette S. Goodall  
City Clerk



## Special Events Evaluation Matrix - Small to Moderate Local Community Events

Section 1: Quantitative Measures; Estimating Fiscal Impact		Develop methods to measure variables
A. Special Event Project Budget		
B. Number of Event Attendance		
C. Fiscal Impact Statement <i>Event effect on city budget, estimate of expenditures and costs, and identification of revenue.</i>		
D. Disclose of other funds received for event support		
E. Local Business Partnerships <i>Partnerships with local vendors and/or businesses to increase financial impact and community connections.</i>		
F. Potential Sales Tax Revenue <i>Estimate of food and beverage sales</i>		
Section 2: Qualitative Measures; Evaluating Quality of Life Impact		Develop methods to measure variables
A. Non-profit status (tax certified 501C)		
B. Neighborhood/Community Event		
C. Historical Context of Event <i>Evaluate the uniqueness, history, and cultural merit of event.</i>		
D. Community Outreach <i>Evaluate efforts by event organizer to engage community.</i>		
E. Event Diversity <i>Is the event diverse, inclusive, and supportive of city values?</i>		
F. Sustainability <i>Is the event organizer a Green Business Leader? Is the event a certified zero-waste event?</i>		
G. Time Period of Event <i>Does the event take place during an off-peak season? Does it conflict with other major events?</i>		
H. Event Location/Mobility Efforts <i>Does the event organizer make efforts to incorporate and support alternative transportation?</i>		
Post - Event Action		
A. Completion of Post - Event Compliance Contract/Report		
B. Staff Debrief with Event Organizer		

## Special Events Evaluation Matrix - Large Scale Events

Section 1: Quantitative Measures; Estimating Fiscal Impact	Develop methods to measure variables
A. Special Event Project Budget	
B. Number of Event Attendance	
C. Fiscal Impact Statement <i>Event effect on city budget, estimate of expenditures and costs, and identification of revenue.</i>	
D. Disclose of other funds received for event support	
E. Local Business Partnerships <i>Partnerships with local vendors and/or businesses to increase financial impact and community connections.</i>	
F. Potential Sales Tax Revenue <i>Estimate food and beverage sales</i>	
G. Promotion of Tourism to the City <i>Evaluate efforts by event organizer to promote the event and the city.</i>	
H. Evaluation on Regional/National/International Impact <i>Utilizing guidelines established by Miami-Dade County as a basis for review of special event impact.</i>	
Section 2: Qualitative Measures; Evaluating Quality of Life Impact	Develop methods to measure variables
C. Historical Context of Event <i>Evaluate the uniqueness, history, and cultural merit of event.</i>	
D. Community Outreach <i>Evaluate efforts by event organizer to engage community.</i>	
E. Event Diversity <i>Is the event diverse, inclusive, and supportive of city values?</i>	
F. Sustainability <i>Is the event organizer a Green Business Leader? Is the event a certified zero-waste event?</i>	
G. Time Period of Event <i>Does the event take place during an off-peak season? Does it conflict with other major events?</i>	
H. Event Location/Mobility Efforts <i>Does the event organizer make efforts to incorporate and support alternative transportation?</i>	
Post - Event Action	
A. Completion of Post - Event Compliance Contract/Report	
B. Staff Debrief with Event Organizer	

## Non-Feasible Funding Options

Funding Method	Reason for Exclusion
<b>Idea 1: Collect a percentage of ticketed event revenue to fund the Special Events Fund (SEF).</b>	The City may only collect an amount that does not exceed the cost to support the event. This method would require a post-event audit to ensure the amount collected accounted for all costs and did not exceed the actual amount to support the event, which is impractical and may create collection problems for the City. This may be resolved with special event policies that allow for full cost recovery.
<b>Idea 2: Add a ticket surcharge or per participant fee for events to fund the SEF.</b>	Staff does not recommend creation of SEF. Currently, the Parks Department collects a ticket surcharge for park maintenance at Zilker Park; it is part of the contract for events holding ticketed events on parkland. The City does not have the authority to charge this fee outside of City-owned land.
<b>Idea 3: Charge fees for special event temporary TABC permits to fund the SEF.</b>	Per State Law, local governments are not able to collect fees related to temporary TABC permits.
<b>Idea 4: Implement a percentage surcharge on events that use public safety personnel.</b>	See 1 above.
<b>Idea 5: Parking fine surcharge to fund the SEF.</b>	The City cannot charge a City fee for an unrelated cost.
<b>Idea 6: Allow special event signs on City property to be sold as marketing packages.</b>	Code Chapter 25 dictates the use of signs for special events. The City currently allows signage in limited areas; there are restrictions on using this method beyond what the City does now.

## Stakeholder Groups

Organizations Solicited	
▪ ABC Kite Fest	▪ Folding Table Productions
▪ ACVB	▪ Gilbert & Sullivan Society
▪ ALMA, TMM Crossroads Events	▪ Greater East Austin Youth Assoc.
▪ Ariel Dance Theatre	▪ Groundwork Music Project
▪ Arts Commission	▪ Hilton Hotels
▪ Austin Civic Orchestra	▪ Imagine Art
▪ Austin Community Steelband	▪ KMFA
▪ Austin Creative Alliance	▪ Koop 91.7 FM
▪ Austin Film Festival	▪ KOOP Radio
▪ Austin Film Society	▪ La Pena
▪ Austin International Poetry Festival	▪ Long Center
▪ Austin Jazz Workshop	▪ Mexic-Arte Museum
▪ Austin Lodging Association	▪ Omni Hotel
▪ Austin Lyric Opera	▪ Paramount Theatre
▪ Austin Marathon	▪ Red Velvet Events
▪ Austin Music Foundation	▪ South Austin Popular Culture Center
▪ Austin Music People	▪ Sustainable Food Center
▪ Austin Playhouse	▪ SXSW
▪ Austin Polish Society	▪ Texans for Act
▪ Austin Symphony Orchestra	▪ Texas Early Music Project
▪ Ballet Austin	▪ Texas Folklife Events
▪ Bouldin Creek Neighborhood Assoc.	▪ Texas Hotel & Lodging Assoc.
▪ Capital City Men's Chorus	▪ Turnkey Operations
▪ Capital Theater	▪ UMLAUF
▪ CapMetro	▪ Writer's League of Texas
▪ City of Austin Arts Commission	▪ Zach Scott Theatre



## Peer City Information – City Demographics

	Has Special Events Office	Has Special Events Ordinance	Process to Differentiate Event by Type	Co-Sponsors Special Events	Has Co-Sponsor / Funding Decision Process
<b>Boulder</b>	Yes	Yes	Yes	Yes	Yes
<b>Portland</b>	No	Yes	Yes	No	Yes
<b>Indianapolis</b>	Yes	Yes	Yes	Yes	No
<b>San Antonio</b>	Yes	No	Yes	Yes	Yes
<b>Houston</b>	Yes		Yes	Yes	Yes
<b>New Orleans</b>	No		No	No	No
<b>San Diego</b>	Yes		Yes	No	No
<b>Seattle</b>	Yes	Yes	Yes	Yes	No
<b>Austin</b>	Yes	Yes, but approved on 1st reading only	No	Yes	Yes

## Peer City Information – Special Event Funding

	Has Established Fee Structure	Assesses Surcharges	Conducts Post Event Review	Has Problems Account for Special Event Costs	Has Alternative Funding Methods
<b>Boulder</b>	Yes	No	Yes	Yes	No
<b>Portland</b>	Yes	Yes	Yes	No	No
<b>Indianapolis</b>	Yes	No	Yes	No	No
<b>San Antonio</b>	No	No	Yes	No	No
<b>Houston</b>	Yes			No	No
<b>New Orleans</b>	Yes			Yes	No
<b>San Diego</b>	Yes	No	Yes	Yes	No
<b>Seattle</b>	Yes	No	Yes	Yes	No
<b>Austin</b>	No	No	No	Yes	No

## City Co-Sponsored Events

City Co-Sponsored Events	
<ul style="list-style-type: none"> <li>Fiesta de Independencia</li> <li>Veteran's Day Parade</li> <li>Juneteenth Parade</li> <li>Martin Luther King, Jr. Day Parade</li> <li>September 11 Commemorative Event</li> </ul>	<ul style="list-style-type: none"> <li>Added on October 3, 2002; Adopted by Resolution No. 021003-40</li> </ul>
<ul style="list-style-type: none"> <li>Austin July 4<sup>th</sup> Symphony Concert</li> </ul>	<ul style="list-style-type: none"> <li>Added on February 10, 2003</li> </ul>
<ul style="list-style-type: none"> <li>The Zilker Park Kite Festival</li> </ul>	<ul style="list-style-type: none"> <li>Added on February 10, 2003</li> </ul>
<ul style="list-style-type: none"> <li>Celebrate Texas Parade and Run</li> </ul>	<ul style="list-style-type: none"> <li>Added on February 26, 2004</li> </ul>
<ul style="list-style-type: none"> <li>Austin Farmer's Market</li> </ul>	<ul style="list-style-type: none"> <li>Added on March 24, 2005</li> </ul>
<ul style="list-style-type: none"> <li>SXSW</li> </ul>	<ul style="list-style-type: none"> <li>Added on March 8, 2007</li> </ul>
<ul style="list-style-type: none"> <li>Asia Fest 2008</li> </ul>	<ul style="list-style-type: none"> <li>Added on April 10, 2008*</li> </ul>
<ul style="list-style-type: none"> <li>Night of the Bat</li> </ul>	<ul style="list-style-type: none"> <li>Added on April 7, 2010*</li> </ul>
<ul style="list-style-type: none"> <li>Austin Trailer Food Festival</li> </ul>	<ul style="list-style-type: none"> <li>Added on October 14, 2010*</li> </ul>
<ul style="list-style-type: none"> <li>Austin PRIDE Event</li> </ul>	<ul style="list-style-type: none"> <li>Added on August 25, 2011</li> </ul>
<ul style="list-style-type: none"> <li>Viva la Vida Festival</li> </ul>	<ul style="list-style-type: none"> <li>Added on August 25, 2011</li> </ul>
<ul style="list-style-type: none"> <li>Gypsy Picnic Trailer Food Festival</li> </ul>	<ul style="list-style-type: none"> <li>Added on October 20, 2011*</li> </ul>
<ul style="list-style-type: none"> <li>Welcome Home Iraq Veterans Parade and Job Resource Fair</li> </ul>	<ul style="list-style-type: none"> <li>Added on May 24, 2012*</li> </ul>
<ul style="list-style-type: none"> <li>HOPE Farmer's Market</li> </ul>	<ul style="list-style-type: none"> <li>Added on December 13, 2012</li> </ul>
<ul style="list-style-type: none"> <li>Merry Memories</li> </ul>	<ul style="list-style-type: none"> <li>Added on December 12, 2013</li> </ul>
<ul style="list-style-type: none"> <li>Viva! Streets Ciclovia</li> </ul>	<ul style="list-style-type: none"> <li>Added on November 6, 2014</li> </ul>

\* Denotes an approved City co-sponsored event that no longer requests sponsorship