

ALTERNATIVE FUNDING OPTIONS FOR SPECIAL EVENTS OVERACHING OUTCOMES FROM FEBRUARY 10, 2016

<p>Broad support for differentiating non-profits from for-profits. Possibly through a matrix or tier system.</p>	<p>Possible considerations for a tier or matrix: Community event or not; ticketed or not; entrance fee or not; restricted access to public domain or not; for or non-profit.</p>
<p>Broad support to treat cultural events, local, and historical events differently from commercial events.</p>	<p>Support for keeping the revenue generated from the fees within relevant departments rather than kicking it all to the General Fund.</p>
<p>Broad support for a board that sets matrix criteria.</p>	<p>Support for making the process very simple and brief (this could be a trade-off for higher revenues).</p>
<p>Support for removing the waiver process from council's hands, possibly into the hands of a board of some sort.</p>	<p>Surcharges, council control of waivers, the cost of police services, and raised fees seem to be unpopular.</p>

IDEA #1: Use the City's General Fund to create a special event fund for each City department

COMMENTS

Revenue from the events are not going back to the departments that facilitate the events	1=special events are part of operating costs
Not \$ tax base, but earmarking for <u>specific</u> fund	Additional \$ potentially
Right now, General Fund covers special events	

SUGGESTIONS

Rental revenue fund which goes back into parks, not General Fund; should go to parks	
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IDEA #2: Let the City continue to pay or waive fees for events

COMMENTS

Some events should have fees waived	Requirements for fee waiver for events
The financial impact of waiving fees to the city (time it takes, stuff to see if it should be waived)	ACL and SXSW are commercial events, not cultural, historical (Austin)
Council changes 2 years, but (2)?=politically dependent	2=fee waivers given to organizations that can pay it
Should the fees be waived	

SUGGESTIONS

Waiver of fees to non-profit if city council deems it helpful for Community	There should be a separation of for-profit and non-profit events
Take SXSW out of ordinance and financing; leave money for farmers markets, Blues on Green etc. (events supporting Austin culture and every day society)	Take into account the impact of tax revenue created by the event to the ability to waive fees. For profit should be able to pay all fees
Have the city look at the financial information of events	Take into consideration the ability of the organization to pay for the fees.
Consider if event companies are local Austin organizations doing events in Austin	Incentive Fund instead of fee waiver/ change in philosophy
Waivers should be depoliticized (remove council, use matrix with objective criteria)	Create a report card for annual events to evaluate if you did what you said under the matrix to get your fees waived
“arbitrary”; needs to be a process with transparency	

IDEA #3: Develop a tier system for community events vs. large scale special events

Comments

Community event—if its local/ has a history in Austin	ACL and SXSW are commercial events, not cultural, historical (Austin)
Are non-profit events able to be called a Community Event	Idea makes sense, BUT...easily blurred lines, no delineation...maybe impact, benefit to the city
Permitting consistent w/ planning process	Why increase the fees?
Insufficient time for permitting recurring events based on tier system (example, film festival)	Don't understand purpose of tier system from the city's perspective
City fiscal planning does not align w/ permitting approval, fees, waivers	Using street closures to gauge the event size is problematic
Some looked at profit vs. non-profit events	Transparency in actual cost of services
Confirm tier system <ul style="list-style-type: none"> • Ex. Austin symphony. July 4 is large scale AND community • Ticketed or non (charge fee) • Free to public or street closure w/ fee to enter • Restricted access to public domain • For profit vs. non profit 	Appeals to them <ul style="list-style-type: none"> • 3= revisit for broader input
Size of the event impacts the community	

Suggestions

Take into account the impact of tax revenue created by the event to the ability to waive fees	There should be a separation of for-profit and non-profit events
Find out what events are affecting the budget and not returning investment	Find out what events bring people from out of town and which ones bring in locals
Look at parks department—they have tiered system	Have the city look at the financial information of events
Consider if event companies are local Austin organizations doing events in Austin	The financial impact of waiving fees to the city (time it takes, stuff to see if it should be waived)
For profit—City needs to treat like a business; should pay all fees	Take into consideration the ability of the organization to pay for the fees.
Why not have large events pay the fees?	You could do a fee based on <u>impact</u>
Take SXSW out of ordinance and financing; leave money for farmers markets, Blues on Green etc. (events supporting Austin culture and every day society)	

IDEA #4: Develop a fee waiver matrix/point system to determine waived fees

COMMENTS

For profit—City needs to treat like a business	Requirements for fee waiver for events
Community event—if its local/ has a history in Austin	Are non-profit events able to be called a Community Event
Size of the event impacts the community	Should the fees be waived
Generally good...depending on what the criteria are	Objective points (on matrix) and subjective decision
ACL and SXSW are commercial events, not cultural, historical (Austin)	Appeal to them <ul style="list-style-type: none"> • 4=accountability and transparency
Hard for people to use parks for event	

SUGGESTIONS

Impact <ul style="list-style-type: none"> • Financial • Quality of life (clean up, schedule kept, days used public space) 	Peer panel in conjunction w/ matrix to score the fee waiver <ul style="list-style-type: none"> • Most important aspect is the criteria by which the granting of the fee waiver is decided/ evaluated
Past performance should be a decision factor of the matrix	Take into consideration the ability of the organization to pay for the fees
Take into account the impact of tax revenue created by the event to the ability to waive fees.	For profit should be able to pay all fees
Find out what events are affecting the budget and not returning investment	Waiver of fees to non-profit if city council deems it helpful for Community
Waivers should be depoliticized (remove council, use matrix with objective criteria)	Should be limited to fees and waivers, not event approval
Incentive Fund instead of fee waiver/ change in philosophy	There should be a separation of for-profit and non-profit events
Same as 3 because you can factor in economic, cultural, community, historical impacts etc. into the matrix	Trust people instead of matrix <ul style="list-style-type: none"> • Set up rough guidelines and give them to a board to make the best decisions
Take SXSW out of ordinance and financing <ul style="list-style-type: none"> • Leave money for farmers markets, Blues on Green etc. (events supporting Austin culture and every day society) 	Create a report card for annual events to evaluate if you did what you said under the matrix to get your fees waived
Find out what events bring people from out of town and which ones bring in locals	Consider if event companies are local Austin organizations doing events in Austin
Have the city look at the financial information of events	The financial impact of waiving fees to the city (time it takes, stuff to see if it should be waived)
Suggest a work group to build matrix criteria	

IDEA #5: Add a surcharge onto parking spaces for events; especially large events

COMMENTS

5-city allocation of parking spaces is piecemeal approach to event impact	Affects people working / volunteering at the event
Infeasible	If you live in downtown core, expect traffic
Bad Public Relations (like Uber and Lyft)	How much revenue?
Undue tax on locals without cars; allowing people (i.e. tourist using Uber and Lyft)	

SUGGESTIONS

People would rather get a ticket and pay less than they do for parking. Maybe increase tickets?	Meters in the parkland
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IDEA #6: Use street closures as a factor to determine whether fees are waived

COMMENTS

Street closures—why would events be penalized for providing safety?	Using street closures to gauge the event size is problematic
Can't have any new street closures	Street closures do show impact on infrastructure

SUGGESTIONS

Thursday through Saturday every weekend translates into an enormous impact; maybe street closures, but measure against impact (cost/ benefit analysis) <ul style="list-style-type: none">• Should not be binary	
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IDEA #7: The City should increase fees charged for special events

COMMENTS

The fees that event companies pay for city services are not well known	Why increase the fees?
<ul style="list-style-type: none">• Pushback from locals<ul style="list-style-type: none">○ Fees too high already○ Music venues not doing well already, businesses suffer as well○ BAD public relations	Event organizers do not want to have fees increased to cover unorganized events that happen in city
Bad Idea	

SUGGESTIONS

City should negotiate prices with event companies	Why not have large events pay the fees?
Calendar events <ul style="list-style-type: none">• Maybe at peak times of infrastructural needs, increase permit fees...but still not one size AND...is it legal?	

IDEA #8: Collect a percentage or surcharge from event admission tickets

SUGGESTIONS

Surcharges on a ticket where there is no gate.	Maybe if it is a city sponsored event. But if so, consumer gets the short end of the stick because seller knows money comes back to them
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Other Comments

- Taxes going to events that people cannot afford to go to
- The cost of events vs the revenue
- Halloween on 6th St., how to minimize cost
- Fees for safety—What are the new fees paying for
- Open records concern—If the event site is used by COA
- Financial information of event holders
- Special events funding, should they get money for special events or not
- Events adding to the General Fund debt
- Parking issues, noise, litter, (after events)
- COA needs to enforce sound ordinance
- Cost of living going up because of these events
- How to balance events and the effects on the city
- Getting events to pay for funding of helping departments
- The city quadrupled since the 90's
- Ideas for funding special events
- Hire economist
- Check and balance for fee increases
- Need more information
 - Incremental cost to city of events
 - Need profit and loss information for events
- Overhaul of system
- Does it need more money or does it need different management?
- Non sponsored events are normal operating parameters of a city (calendar driven events)
 - These should not be considered special events for this purpose
 - These are public/private sector partnership/ sponsorship options.
- Current
 - General Fund—Giant special fund
 - Instead
 - Not \$ tax base, but earmarking for specific fund
 - Additional \$ potentially
- Concern
 - Not enough permits; not enough volume to do it
 - Events for which COA has nowhere to bill (Halloween)
 - Revenue Neutral—so, charging more for permits at one point=legal? *Italian Mafia Voice* “Oh, would need other revenue because you are already in the red”
- Use Street closures as a factor to determine whether fees are waived
- The major cost is public safety, and only APD is available for this. We can't change the numbers they choose. It is not an option for organizers to contract security independently (with outside police departments or security firms), and the pricing for APD is much higher than in other cities
 - However, if it is not a safe public place, then nobody will want to come to events.
- New Ideas
 - Carve out SXSW

- Public Safety because of alcohol...so tax the booze!
- 25% sales tax/ beverage tax, city gets 2%
- Tax high cost of public safety areas
 - BUT would have to go through Texas Legislature
 - HOT tax passed; can you use on special events infrastructure?
 - City Staff should talk to Dallas, San Antonio, Houston and see how they host events for 1/6th the price; they probably went through growing pains
- Don't overprescribe ordinance; give good people leeway to do their job; rough roadmap, not over encumbered
 - Too many permits, need to be reviewed
 - Review fee schedule
 - Understandable
 - Addresses real problems
 - CONCISE
- Fire Department has raised fees just doing their jobs
- Bars on 6th street and Rainey Street; is any of that money hitting the special events fund?
- Costs deter small or less funded events
- RE: Commercialized events like SXSW and ACC should stop being a part of local, cultural, beneficial events like farmers markets and other local, cultural, historical events
- We want a 5K!
- Can we de-politicize?