User Fees (Cost of Service) - Phase II Community Room Rentals
Outreach Presentation

October 15, 2019

Agenda

- User Fee Study Overview
- Background
- Methodology
- Proposed Fees
- Next Steps

User Fee Study

Legal Framework

- User fees charged by local agencies "…may not exceed the estimated reasonable cost of providing the service for which the fee is charged"
- A user fee can be no more than necessary to cover the reasonable cost

Overview

- Identifies the full cost (direct and indirect) for staff and overhead associated with fee-supported services and associated revenue gaps
- Ensures compliance with State and local laws (e.g., Prop 218 and 26)
- Informs staffing levels and service delivery model
- Streamlines fee schedules to eliminate outdated fees or ranges
- Incorporates new fees and services

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Background

- Current inconsistencies across facility rentals
  - Room rental rates vary across facilities
  - Restrictions and guidelines for food and beverage differ
  - Types of users varied across City departments
- Various community groups have expressed interest in lower to no cost facility rentals
  - Meetings

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Methodology

- A "bottom up" approach was employed, where time spent per unit of fee activity is determined for each position within a Department or program.
- -   Widely accepted
- -   Most defensible
- Update fee schedules and structures
- Calculate fully burdened hourly rates for each position
- Establish time estimates by position for each service provided
- Collect volume statistics to project workload and revenue impacts
- Analyze the gaps between cost and revenue.

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Library Policy Impacts

- User Fee Study
  - Reviewed Library Guiding Principles, Parks & Recreation Facility Use Guidelines, and Other municipalities practices
  - Established shared definitions between Library and Parks & Recreation for the Municipal Fee Schedule
  - Priorities integrate with Library Meeting Room Policy
  - Applies to non-City functions and community rooms
- Library Meeting Room Policy impact:
  - Library Community Room Rentals limited to 3 hours
  - Library Meeting Room Policy will point to Municipal Fee Schedule for other fees associated with room rentals and List Community rooms available for Rent

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Types of Use

- **Meetings**:
  - Limited to three hours
  - Minimal attendees
  - Generally, smaller room use
  - Less dependent on location/amenities

- **Events**:
  - Longer than three hours
  - Numerous attendees
  - Generally, larger room use
  - Specific locations/amenities are required

Types of User

- **Priority 1 – Reciprocal/Affiliation** – the City partners with a variety of organizations within the community for whom reciprocal services are provided/with whom the City is affiliated (i.e.: Santa Clara Unified School District, West Valley/Mission College, Friends of the Library)

- **Priority 2 – Resident** – individual residents or businesses that reside within the City of Santa Clara (i.e.: members of the community or businesses with offices residing within City limits) *note: currently, the City only rents to this user type*

- **Priority 3 – Non-Resident** – individuals or businesses that reside outside the City of Santa Clara (i.e.: members of the community or businesses with offices residing outside City limits)

Proposed Fees – Parks and Community Centers

	Meeting (up to three hours)			Event (over three hours)		
	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3
Community Recreation Center Room Rental						
Arts & Crafts Room	$0	$0	$303	$0	$76	$303
Diablo Room	$0	$0	$303	$0	$76	$303
Mary Louise Mello Auditorium	$0	$0	$463	$0	$116	$463
Music Room	$0	$0	$303	$0	$76	$303
Park Building Room Rental						
Agnew Park Building	$0	$0	$173	$0	$43	$173
Bowers Park Building	$0	$0	$173	$0	$43	$173
Lick Mill Park Building	$0	$0	$173	$0	$43	$173
Machado Park Building	$0	$0	$173	$0	$43	$173
Maywood Park Building	$0	$0	$173	$0	$43	$173
Montague Park Building	$0	$0	$173	$0	$43	$173
Senior Citizens Center Rental (all functions must be for the benefit of adults over the age of 50)						
#101 Auditorium & Kitchen – Dining Style	$0	$0	$463	$0	$116	$463
#101 Auditorium & Kitchen – Theater Style	$0	$0	$463	$0	$116	$463
#149 Ceramics	$0	$0	$303	$0	$76	$303
#205 Conference	$0	$0	$303	$0	$76	$303
#222 Dance Aerobics	$0	$0	$303	$0	$76	$303
#232 Dance Theater	$0	$0	$303	$0	$76	$303
Mezzanine	$0	$0	$303	$0	$76	$303

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Proposed Fees – Parks and Community Centers

	Meeting (up to three hours)			Event (over three hours)		
	Priority 1	Priority 2	Priority 3	Priority 1	Priority 2	Priority 3
Youth Activity Center Room Rental (events must be for youth groups under 18 years of age)						
Cabrillo Room	$0	$0	$303	$0	$76	$303
Gymnasium	$0	$0	$463	$0	$116	$463
San Tomas Room	$0	$0	$303	$0	$76	$303
Teen Center Room Rental (rooms may be rented for social functions for the benefits of teens age 11-18)						
Arts & Crafts Room	$0	$0	$303	$0	$76	$303
Classroom	$0	$0	$303	$0	$76	$303
Conference Room	$0	$0	$303	$0	$76	$303
Multi-purpose Room	$0	$0	$463	$0	$116	$463
Staffed Facilities Rental						
Meetings During Open Hours – Attendant Hourly	$64	$64	$64	$64	$64	$64
Meetings During Closed Hours – Attendant Hourly	$193	$193	$193	$193	$193	$193

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Proposed Fees – Libraries

	Meeting (up to three hours)		
	Priority 1	Priority 2	Priority 3
Library (meetings must be open to the general public and held during open hours)			
Central Park Redwood	$0	$0	$134
Central Park Edinger	$0	$0	$134
Northside Community Room	$0	$0	$134
Mission Branch Evans Community Room	$0	$0	$134
Library Technology Staff Support - hourly	$72	$72	$72

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Proposed Fees – Police

	Meeting (up to three hours)		
	Priority 1	Priority 2	Priority 3
Police			
Community Room Rental	$0	$0	$71

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Revenue Impacts

- **Meeting Use** – the City is proposing to subsidize room rentals for Priority 1 and Priority 2 type users and fully charge Priority 3 type users.

- **Event Use** – the City is proposing to subsidize room rentals for Priority 1 type users, subsidize 75% for Priority 2 type users and fully charge Priority 3 type users.

- If the fee schedules are approved, meeting revenues would be eliminated completely, while event revenues would be reduced by 75% for **Priority 2** type users (the only type of user the City has rented these facilities out to)

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Next Steps

- Outreach Meetings/Board of Library Trustees and Commissions discussion
  - October 15, 2019
- City Council Study Session
  - October 22, 2019
- City Council Consideration and Fee Approval
  - November 19, 2019

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