



Agenda Report

19-457

Agenda Date: 6/4/2019

REPORT TO COUNCIL

SUBJECT

Update and Direction to Staff on the Parade of Champions Non-Profit Status and Fundraising Efforts

BACKGROUND

On October 19, 2018, the Santa Clara Parade of Champions (SCPOC) formed as a domestic non-profit corporation with the State of California (Entity # C4205627), and is a volunteer organization with a focus on restarting the Parade of Champions (Parade). The Parade is planned to take place in the historic downtown area of Santa Clara on Saturday, September 28, 2019 from 11:00 a.m. to 1:00 p.m.

On March 5, 2019, Council considered a request by SCPOC for City financial support for the Parade (Attachments 1 & 2). Council indicated support for the event provided that SCPOC receive Internal Revenue Service (IRS) determination of non-profit tax status, sufficient funds are raised by SCPOC to produce the event, and that the value of City services to be provided be limited to the amount of \$71,028. Council also requested a progress report on event logistics, planning and fundraising, as well as answers to questions and concerns related to the feasibility, alternatives and plans for the event (Attachments 3 and 4).

DISCUSSION

As of this report, SCPOC has raised \$70,000 in monetary donations. Additionally, a total of 13 entrants have signed up to participate in the Parade. While the IRS 501(c)(3) determination is still pending, the City Manager wrote a letter of support requesting the IRS to expedite processing of the SCPOC application.

SCPOC submitted a special event application (Attachment 3), which will be processed once the Parade is approved. The Parade route and staging areas block private property and will require consent from the property owners. Staff requested that SCPOC complete neighborhood outreach along the Parade route and communicate with Santa Clara Valley Transportation Authority (VTA) to reroute transit lines that may conflict with the proposed route prior to June 4, 2019.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has not potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The City conditionally approved \$71,028 to be allocated for City Services for the SCPOC during the March 5, 2019 City Council meeting. The Parade of Champions was initially intended to be funded by

the General Fund's City Council discretionary fund in the Non-Departmental operating budget. Because there is insufficient funding in this discretionary allocation, funding is recommended to come from the General Fund Budget Stabilization Reserve. The appropriation of these funds will be presented at a separate date for City Council approval once the organization receives an IRS determination and additional funds are raised. SCPOC is responsible for the remainder of its own Parade expenses and has reportedly raised over \$70,000 to pay for Parade production and related expenses.

COORDINATION

This report has been coordinated with the City Manager's Office, City Attorney's Office and Finance Department.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Staff has no recommendation; however, if there is direction to prepare to fund this event, staff requests to return on June 25 2019 with the appropriate action to fund the City's portion of sponsorship from the Budget Stabilization Fund.

Reviewed by: James Teixeira, Director, Parks & Recreation

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. SCPOC Report to Council 19-118 March 5, 2019
2. Parade of Champions Community Grant Application
3. Parade of Champions FAQ
4. Parade of Champions Timeline