



City Council Memorandum

To: City Councilmembers
From: Chris Jenkins, Parks & Recreation Director
Date: March 16, 2016
Item: 2nd Reading and Public Hearing: Parks & Recreation Fee Schedule – Rotary Pavilion

Background Information:

As a part of the Riverfront Renaissance Phase 2, the Rotary Pavilion was constructed in 2015. This magnificent, 2,800 square foot, open air, multi-use structure situated on the bank of the Mississippi River in Levee Park is a tremendous asset for the residents and visitors of Hastings. Being such a unique asset, and one that will be desirable for a multitude of events and occasions, City staff sought out to create a rental fee schedule which is both reasonable and equitable.

On March 2nd, staff met with the Administration Committee of Council (*Elling Schultz, Balsanek, Vaughan) to discuss staff's recommended fee schedule, rental procedures and event guidelines. A thoughtful discussion occurred with staff and committee where many scenarios were examined, questions were posed, and information was provided for clear understanding.

At the March 7th City Council meeting, this item was introduced to the Council. There was discussion related to the proposed non-resident fees and the delineation of spaces for rentals.

Most often non-resident rates for facility rentals are greater than a resident rental rate. The greater fee recognizes that non-residents do not pay City property taxes, which ultimately support the construction, maintenance and programming of City facilities as well as the general operating budget of the City.

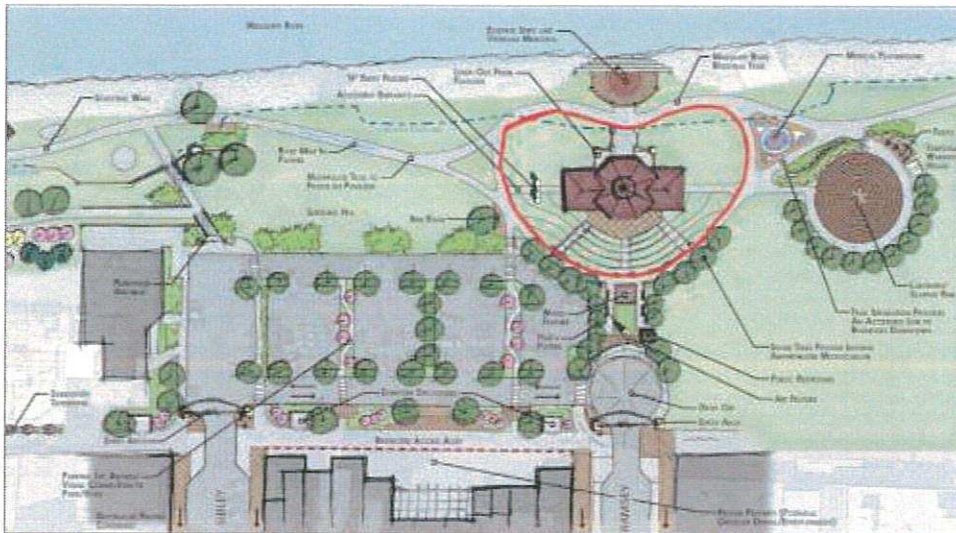
The fee proposal for the Rotary Pavilion is for a 120% non-resident fee. Upon further review, it appears as if many communities charge a higher non-resident rate.

What the renter gets for their fee:

For clear understanding, a rental fee for a picnic shelter provides for the exclusive use of that facility by the renter. The remainder of the park is always open to the public for use, and the guests of the event are also welcome to enjoy the other amenities of the park. If a renter desires additional space for exclusive use, there is an additional fee to be paid.

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Staff have suggested identifying what is thought to become the most desirable additional space surrounding the Rotary Pavilion and Amphitheater, and have depicted that in the graphic below. The circled area includes the pavilion, amphitheater and the grass area directly around the pavilion. It is thought this area would most often be requested in addition to the pavilion for exclusive use for events, and would likely be used for tents, yard games, inflatables, ceremony seating, etc. The additional space provides a direct benefit to the renter and their event, and pulls the area from use by the general public, therefore it is reasonable to apply a rental fee.



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Rotary Pavilion fee structure proposals:

The table below displays the proposed 2016 Rotary Pavilion fee rates discussed at the March 2nd Administration Committee meeting, and further discussed at the March 7th City Council meeting.

	Resident	Non-Resident (+20%)
Rotary Pavilion – full day (6a-10p)	\$150	\$180
Rotary Pavilion – half day (6a-1:30p or 2:30p-10p)	\$80	\$100
Amphitheater	\$100	\$120
Pavilion/Amphitheater and surrounding area	\$300	\$360

Based on the conversation and feedback to date, staff would recommend the rates as outlined above. We will review our rate structure as a part of the 2017 budget process, including the non-resident fee.

Advisory Commission Discussion:

None

Committee Discussion:

At their March 2nd meeting, Administration Committee walked through each of the proposed fees and agreed they were reasonable fees to charge for the Rotary Pavilion and surrounding areas. Committee members further suggested staff investigate a couple of options to save a percentage of revenues from rentals for future replacement/major maintenance, as well as direct a percentage of non-resident rental fees towards a Parks & Recreation scholarship fund.

Financial Impact:

Rental revenues collected are directed back into the general fund currently. Ultimately those revenues offset a portion of the maintenance related expenses incurred annually. Members of the Administration Committee suggested staff investigate our ability to direct a percentage of rental fees towards a replacement/major maintenance fund for picnic shelters, and further suggested a percentage of the non-resident rental fees be directed towards a Parks & Recreation scholarship fund. City staff will investigate options and may propose implementation as a part of the 2017 budget process.

Attachments:

- Attachment 1 – Open air shelter costs from other communities.

Attachment 1:

Open Air Shelter Cost Comparison

City	Damage Deposit	Resident Rate	Non-Resident	Non-Resident %
Burnsville		\$117/day	\$147/day	+25%
Eagan	\$150	\$149/day	\$186/day	+25%
Eau Claire		\$125/day		
Eden Prairie	\$200	\$205/day, \$60/hour/amphitheater		
Farmington		\$55/8 hours		
Inver Grove Heights	\$50	\$100/5 hours		
La Crosse		\$420/day		
Lakeville	\$150	\$100/day	\$150/day	+50%
Maplewood		\$150/day	\$200/day	+33%
New Port	\$100	Free		
Oakdale		\$400/day	\$550/day	+38%
Prescott	\$200	\$120/day	\$150/day	+25%
Red Wing	\$150	\$300/day		
Rosemount	\$150	\$150/day	\$250/day	+66%
Shaar's Bluff	\$100	\$85/day		
St. Paul	\$200	\$80/1.5 hours + \$50 each adtl hour		
Stillwater	\$100	\$125/day	Same	+0%
Winona		\$160/day		
Woodbury	\$100/\$300 w/alcohol	\$125/day	\$175/day	+40%
Freedom Park	\$200	\$100/day		

CITY OF HASTINGS, MINNESOTA

ORDINANCE NO. 2016- 03 THIRD SERIES

AN ORDINANCE OF THE CITY OF HASTINGS, MINNESOTA AMENDING CHAPTER 34 OF THE HASTINGS CITY CODE PERTAINING TO FEES FOR MUNICIPAL SERVICES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HASTINGS AS FOLLOWS:

Chapter 34 of the Hastings City Code is hereby amended as follows:

Section 34.03 Fee Schedule

	Resident	Non-Resident(+20%)
Rotary Pavilion – full day (6a – 10p)	\$150	\$180
Rotary Pavilion – half day (6a - 1:30p or 2:30p - 10p)	\$80	\$100
Amphitheater	\$100	\$120
Pavilion/Amphitheater and surrounding area	\$300	\$360

Section 34.03 Effective Date

This ordinance shall be effective seven (7) days after publication.

Moved by Councilmember _____, seconded by Councilmember _____
to adopt the ordinance as presented.

Adopted by the Hastings City Council on this 21st day of March 2016, by the following vote:

Ayes:

Nays:

Absent:

CITY OF HASTINGS

Paul J. Hicks, Mayor

ATTEST: _____

Julie Flaten, City Clerk

I hereby certify that the above is a true and correct copy of the Ordinance presented to and adopted by the City of Hastings, County of Dakota, Minnesota, on the 21st day of March 2016, as disclosed by the records of the City of Hastings on file and of record in the office.

Julie Flaten, City Clerk