



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: JULY 7, 2020**

**FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT** **WARDS: ALL**

**SUBJECT: RESOLUTION TO POSTPONE PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT YOUTH FIELD RENTAL FEE INCREASE IN THE CITY OF RIVERSIDE MASTER FEES AND CHARGES SCHEDULE UNTIL FISCAL YEAR 2021/22**

## **ISSUE:**

Approve the resolution to postpone Parks, Recreation and Community Services Department Youth Field Rental Fee increases in the City of Riverside Master Fees and Charges Schedule per Resolution No. 21960 until Fiscal Year 2021/2022.

## **RECOMMENDATION:**

That City Council approve a resolution to postpone the adopted Youth Field Rental Fee increases as amended in the City of Riverside Master Fees and Charges Schedule per Resolution No. 21960 until Fiscal Year 2021/2022.

## **BACKGROUND:**

On June 21, 2011, City Council adopted a resolution approving Fiscal Year (FY) 2010/11 user fees and charges adjustments, which included the implementation of market-based rental park fees and charges. Market based fees were proposed for various facilities and equipment operated by the Parks, Recreation and Community Services Department (PRCSD), in order to charge an appropriate amount for the private or exclusive use of these resources and to ensure they are maintained.

On January 17, 2017, City Council approved a fee increase for certain services. The fees updated at that time included Picnic Facility Rentals, Community Center Rentals, and Private Youth Group Field Lighting.

On November 19, 2019, City Council approved Resolution No. 23513 authorizing fee increases for specific services and programs including youth and adult field rental fees. Increases for fees were to be effective January 1, 2020. Annual incremental increases for youth field rental fees would be effective for FY 2019/20 through FY 2022/23.

## **DISCUSSION:**

In FY 2017/18, PRCSD Staff began a comprehensive review and market analysis of fees and charges. During the study, fees were calculated for new programs and amended for current programs, activities and facilities, based on the analysis performed. One of the fees surveyed was the youth field rental fees. PRCSD staff determined that the former youth and adult field rental rates were well under the market value and proposed an increase in the field rental rates using the Field Rate Market Study (Attachment).

The proposed incremental increases would have taken effect in FY 2019/20 through FY 2022/23 for youth groups lit and unlit field rentals. However, the majority of sports organizations had completed their spring 2020 registrations when the fees were approved in November 2019. Therefore, PRCSD notified the leagues the increased fees would be applied to their fall 2020 rental permits.

Staff notified field users that a fee increase would take effect beginning FY 2020/21. However, due to economic hardships caused by the Coronavirus (COVID-19), staff recommends the approved increase for youth field rentals be postponed until FY 2021/22. It's projected that due to COVID-19, all sports organizations will experience a decline in registrations, especially youth sports programs. In addition, many local youth organizations had to cancel their spring 2020 seasons and are delaying their summer and fall registrations due to the COVID-19's Social Distancing precautions. Many leagues will not be able to afford to pay for field use because they will not have the participation numbers to support the rental fees, in addition to other costs such as uniforms, officials, etc. Local leagues, such as little league and Pony, also rely heavily on previous season concession sales to help offset such expenses. Postponing the increase to the youth field rental fees would allow leagues to continue their operation beginning this summer.

Field rentals are one of the most significant revenue-generating activities PRCSD offers, with over 130,000 hours of rental use annually. It is in the best interest to work with leagues to assist them in continuing to provide youth sports amidst financial hardship.

### **Youth Field Rental Fees**

The approved youth field rental rates were to increase incrementally beginning FY 2019/20 - 2022/23. However, with the recommended postponement, the new incremental fee increase schedule will extend to FY 2024/25 (see chart below). Field rates will continue to be maintained well below market value with minimal increases each year ensuring youth sports organizations have access to affordable athletic facilities.

User Group	Fee	Current Rate	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	Market Rate
Qualified Resident Groups	Must meet the 80% resident participation requirement							
	Unlit Field	\$2.00	\$2.00	\$2.50	\$2.50	\$3.00	\$3.00	\$18.13
	Lit Field	\$7.00	\$7.00	\$8.00	\$8.00	\$9.00	\$9.00	\$28.19
	Game/Competitive	\$20.00	\$20.00					
Other Youth Groups	Does not meet the 80% resident participants requirement							
	Unlit Field	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$8.00	\$41.55
	Lit Field	\$18.00	\$18.00	\$18.00	\$19.00	\$20.00	\$21.00	\$57.45
	Game Competitive	\$20.00	\$20.00					

## **FISCAL IMPACT:**

The fiscal impact of this action will decrease General Fund estimated FY 2020/21 Youth Field Rental revenue in the amount of \$70,000. The FY 2020/21 adopted General Fund budget includes a potential 10% revenue shortfall resulting from COVID-19 offset with vacancy savings targets, Measure Z support, and other balancing measures. Approximately \$7.7 million of the revenue shortfall contingency is uncategorized. If approved, \$70,000 of the uncategorized revenue contingency will be reclassified as a shortfall in Youth Field Rental revenue for a net zero effect on the adopted budget.

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director  
Certified as to  
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer  
Approved by: Rafael Guzman, Assistant City Manager  
Approved as to form: Gary G. Geuss, City Attorney

### **Attachments:**

1. Field Rate Market Study
2. Resolution
3. Power Point