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MEMORANDUM

To: Mayor and City Council

From: Kimberly Greer, Assistant to the City Manager

Date: September 8, 2014

Subject: Discussion of Event Fees

ITEM DESCRIPTION

Staff requests Mayor and City Council's consideration of updating event fees to better align with the cost of administering and providing service to events.

BACKGROUND

Staff has researched and examined event-related fees in surrounding jurisdictions. Although the fees vary by city, each of the cities surveyed either have significantly higher application fees, significantly higher permit fees, or both.

Dunwoody's comparatively low fee structure has made Dunwoody an attractive venue for both local and regional event producers. Although special events are desirable for their activation of our parks and streets, an overabundance of events can be detrimental.

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|-------------|------|------|------|------|------|------|
| Events | 31 | 29 | 41 | 43 | 72 | 37 |
| Assemblages | 11 | 10 | 2 | 1 | 2 | 0 |
| TOTAL | 42 | 39 | 43 | 44 | 74 | 37 |

Of Dunwoody's 72 special events in 2013, 20 of them were 5K road races which require greater police participation than most stationary events. All but six of the 74 total events occurred between March and October further compounding the demand for city facilities and services.

Having events every weekend, limits the availability of park facilities for casual, residential use and increases the demand for support services which in turn competes with the daily operational responsibilities of those called to prepare and staff events.

In discussing with cities across the Atlanta area, Dunwoody's experience with the proliferation of events is not unique. Cities including Marietta, Suwanee, Decatur, and Roswell, have all worked strategically to create a sustainable balance of events.

The two most commonly found approaches to creating a sustainable balance of events are limiting the number of allowed events and aligning event fees with the true cost of providing services such as the time, labor, and other costs associated with the review, preparation, and staffing. Of the cities that have worked to create a sustainable balance of events, each first opted to adjust their fee to closer align with the cost of administering and supporting the events.

DISCUSSION

The following chart details a comparison of event fees for several surrounding cities.

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| Jurisdiction | Application | Event Permit | Deposit/Bond | |
|---------------------|--------------------------------|-----------------|---------------|--|
| Atlanta | \$50-\$100 | \$100 | \$100 | |
| Decatur | \$50 | \$200-\$500 | \$200-\$500 | |
| Dunwoody (current) | \$25 - \$50 + \$10/add. day | \$0 | \$400-\$600* | |
| Marietta | \$15 | \$500-\$5,000 | \$150 | |
| Roswell | \$50-\$150 | \$2,000-\$4,000 | variable | |
| Sandy Springs | \$100-\$250 | \$0 | \$500 | |
| Suwanee | \$25-\$250 | \$300-\$2,750 | \$300-\$1,000 | |
| Dunwoody (proposed) | \$25-\$50 | \$250-\$500 | \$400-\$600 | |

*Dunwoody's current damage deposit only applies to pavilion rentals

A notable difference between Dunwoody's current event fee structure and that of the surrounding cities is a differentiation of event types. Presently the only fee differentiation Dunwoody has is that the application fee for public assemblages is \$25 and a special event application fee is \$50 plus \$10/additional day for multi-day events.

Neighboring cities have expanded this concept to recognize the different level of support to administer and support events based on the factors of the event. For example, Suwanee and Decatur both have different permit fees based on expected event attendance. Roswell and Marietta both differentiate "low-impact" and "high-impact" race events based on the race route (and requisite use of staff and equipment to support the route).

Our neighboring cities have also adopted either damage deposits or sanitation bonds for all events. Some have chosen to tier the deposit or bond based on the size of the event. Although Dunwoody presently has a damage deposits for events renting park pavilions ranging from \$400-\$600 (based on event size), we do not have a damage deposit for events that do not rent pavilions but still occur on city property.

RECOMMENDATION

Staff recommends updating our event fees to recognize the different levels of support necessary to administer and staff events. Given Dunwoody's events, staff recommends dividing events into two categories, "low impact events" and "high impact events."

| Low Impact | High Impact | | |
|--|--|--|--|
| Projected attendance less than 300 persons | Projected attendance 300 or more persons | | |
| No public safety staff support required | Required public safety staff support | | |
| No street or lane closures | Street or lane closures | | |
| No alcohol service or sale | Alcohol service or sale | | |
| No fireworks or pyrotechnics | Fireworks or pyrotechnics | | |

Staff recommends having differing application fees, permit fees, and damage deposits based on the impact of the event. Events with any of the characteristics of a high impact event

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would pay the fees for high impact event. Staff recommends that all public assemblages be considered "low impact" for application fees and exempted from the event permit fees.

Staff believes these suggested fees strike an appropriate balance between compensating the City for cost of providing staff time, labor, and associated with utilizing City property without being inappropriately high or out of line with neighboring cities. Council may choose to further increase or decrease the proposed fees.

If the Council desires to move forward with adjusting event fees, staff will work with the City Attorney to prepare a Resolution for the adoption of updated fees. To improve administration of event fees, the Resolution will list both proposed fees and the previously adopted (but not recommended to change) event-related fees such as pavilion rental fees.