



TOWN OF FAIRFAX

STAFF REPORT

May 7, 2014

TO: Mayor and Town Council

FROM: Garrett Toy, Town Manager

SUBJECT: Adopt a resolution updating Exhibit D to the Master Fee Schedule to increase youth rental fee from \$25/hr to \$50/hr and non-profit resident fee from \$50/hr to \$60/hr for the rental of Town facilities

RECOMMENDATION

- 1) Open/close the public hearing
- 2) Adopt a resolution updating the Master Fee Schedule to increase the rental fee for "Fairfax, Youth Event" from \$25/hr to \$50/hr and the day rate from \$150/day to \$300/day; and for "Fairfax, non-profit group" from \$50/hr to \$60/hr and day rate from \$300/day to \$360/day.

DISCUSSION

The Council last increased youth rental and non-profit fees in November 2010. Given the cost of operating the Pavilion, Women's Club, and Community Center, staff has reviewed the current rates and found an increase is warranted for the youth fees. The proposed increase in the fee for non-profit groups in Fairfax is to provide some differentiation between the youth and non-profit rates. The proposed increases are consistent with rentals of other similar community facilities in the area (see attached matrix). While it is not an "apples to apples" comparison, PARC reviewed the comparison rates and is recommending an increase in the youth and non-profit rental fee. Staff is not proposing increases in any other rental fees at this time.

For FY13-14, staff estimates the maintenance costs for the facilities, including direct administrative costs, to be over \$60,000 per year. Currently, the Town estimates it will receive approximately \$30,000 in total rental fees for these facilities. Of the \$30,000, approximately \$18,000 is the amount generated from youth rental fees. The proposed increase would take effect July 1, 2014, so approving the fees now provides an approximate 60 day notice. To minimize the impact to youth groups such as CYO or youth classes such as Kung Fu, staff would phase in the increase over 2 years: \$37.50/hr effective July 1, 2014 and \$50/hr on July 1, 2015. Staff believes the increase will not impact demand for birthday parties. Total youth rental fees collected would be increased from \$18,000 to \$27,000 in FY14-15 and increased from \$27,000 to \$36,000 in FY15-16. The non-profit group rate increase is recommended to differentiate between the youth rental fee and non-profit group rate. The impact on revenue estimates is nominal as that rate is not often used.

In order to increase the fees, the Council must update the Master Fee Schedule by resolution. Only Exhibit D "Facilities Rental Fee" of the Master Fee Schedule is being updated at this time.

FISCAL IMPACT

Total rental fees generated would increase from \$30,000 to \$39,000 in FY14-15 and to \$48,000 in FY15-16.

**SUPPLEMENT TO
AGENDA ITEM # 11**