



## Item No. 17 Town of Atherton

### **CITY COUNCIL STAFF REPORT – PUBLIC HEARING**

**TO:** HONORABLE MAYOR AND CITY COUNCIL

**THROUGH:** ROBERT OVADIA – DIRECTOR OF PUBLIC WORKS

**FROM:** SALLY BENTZ-DALTON, PARK MANAGER

**DATE:** JULY 18, 2018

**SUBJECT:** CONSIDER SETTING A PUBLIC HEARING TO ADOPT A FEE RESOLUTION AMENDING FEES AND CHARGES RELATED TO RENTAL FEES FOR THE PAVILION AT HOLBROOK PALMER PARK

### **RECOMMENDATION**

Consider setting a Public Hearing to adopt a fee resolution amending fee and charges related to rental fees for the Pavilion at Holbrook Palmer Park.

### **BACKGROUND**

In 1977 the Jennings Pavilion was constructed at the Park to accommodate larger groups for weddings, receptions, dinners, meetings and lectures. The room comfortably seats up to 150-theatre style and can accommodate dinner for 120 - 130 guests served at round tables. A large kitchen with a commercial sized refrigerator, one home-size ovens, and commercial gas range enables caterers to serve quickly and efficiently. The large adjoining patio is often used for barbecues and cocktail receptions and a walkway connects the building to the Main House and its patio area. The Jennings Pavilion rental includes Pavilion, patio behind the Pavilion, the Event Garden, the Water Tower Lawn, and the small lawn on the kitchen side of the Pavilion. Tables and chairs are included in the rental fees.

Catering by Dana (CBD) has managed facility rentals at the park for the past 4 years. During this time, they have gained valuable experience in terms of the demand and use of facilities at Holbrook Palmer Park. Utilizing this knowledge along with their understanding of the rental market of similar facilities in the region, CBD has worked with staff to identify recommended adjustments to our current fee schedule to improve the town's competitive position and increase revenues.

**ANALYSIS**

Though there continues to be a growing demand for the Pavilion for larger corporate events such as picnics and business meetings, CBD believes that the lower rental rate in relation to other facilities has an impact on higher end weekend events such as weddings. Fees related to the rental of Park facilities can be based upon market conditions and are set at the discretion of the City Council. Facility rental fees are split evenly between the Town and CBD and the Town retains the administrative fees associated with the facility rentals.

After review of current rental fees and rates at nearby facilities, CBD is suggesting adjustments to the existing facility rental fees for the Pavilion to improve utilization of the facility and increase revenues.

The current fee schedule for the Pavilion is a fee based on the day and time. The current fee and proposed fee is as follows:

<b>Jennings Pavilion</b>	<b>Current</b>	<b>Proposed</b>
(Monday – Thursday afternoon)		
Half day	\$700	\$800
Full day (until 4:00PM)	\$900	\$1,200
Evenings (5:00 PM to midnight)	\$900	\$1,200
Friday (until 4 pm)	\$900	\$1,500
Friday (5 pm to midnight)	\$1,200	\$4,000
Saturday & Sunday day use (half day until 4 pm)	\$1,500	\$2,250
Saturday & Sunday (full day)	\$2,500	\$4,000
Saturday & Sunday evenings (5:PM to midnight)	\$2,500	\$4,000

*The above fees are exclusive of the 30% Administration Fee for Non-Atherton Residents or the 15% Administration Fee for Atherton Residents, and any required security deposits.*

CBD initially presented the proposed fee adjustments at the March 2018 Park & Recreation Committee meeting. The Committee asked for additional information regarding facility and rental rate comparisons with similar venues. Julie Simonin and Stephanie Tchalamov of CBD presented the additional information at the May 2, 2018 Park & Recreation Committee meeting. The venue rate comparison is provided as Attachment 1 to this report. The motion recommending the rate increases to the City Council was passed 5-0.

**POLICY FOCUS**

The City Council’s policy discussion should revolve around the setting of fees for facilities and use at Holbrook Palmer Park.

**FISCAL IMPACT**

It is expected that any fee adjustments will increase the Town’s Park revenues.

**COMMISSION/COMMITTEE FEEDBACK/REFERRAL**

This item  X  has or \_\_\_ has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)
- Tree Committee (meets each month)

**PUBLIC NOTICE**

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service providers (water, power, and sewer), and regional elected officials.

**ATTACHMENTS**

- Attachment 1 – Venue Rate Comparison
- Attachment 2 – Proposed Fee Resolution

**RESOLUTION NO. 18-XX**

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ATHERTON  
UPDATE FEES TO THE PARK AND BUILDING DEPARTMENT  
SECTION OF THE MASTER FEE SCHEDULE**

**WHEREAS**, the City Council established a Master Fee Schedule for the Town in September, 2013;

**WHEREAS**, it is proposed that the Master Fee Schedule be updated to include the following increase to the fees for the rental of the Pavilion at Holbrook Palmer park

**WHEREAS**, the City Council must take action to revise the Park Fee Section of the approved Master Fee Schedule. Upon approval, the fees will be included in the Master Fee Schedule.

\* \* \* \* \*

*NOW, THEREFORE, BE IT RESOLVED that the City Council of the Town of Atherton passed and adopted the fees in Exhibit A. I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the Town of Atherton at a regular meeting thereof held on this 18<sup>th</sup> day of July, 2018, by the following vote:*

- AYES: Council Members:*
- NOES: Council Members:*
- ABSENT: Council Members:*
- ABSTAIN: Council Members:*

\_\_\_\_\_  
Cary Wiest, Mayor

ATTEST:

\_\_\_\_\_  
Theresa DellaSanta, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
William Conners, City Attorney

**EXHIBIT A**

Proposed fees to be adjusted/added to the Town Master Fee Schedule

<b>Jennings Pavilion</b>	<b>Current</b>	<b>Proposed</b>
(Monday – Thursday afternoon)		
Half day	\$700	\$800
Full day (until 4:00PM)	\$900	\$1,200
Evenings (5:00 PM to midnight)	\$900	\$1,200
Friday (until 4 pm)	\$900	\$1,500
Friday (5 pm to midnight)	\$1,200	\$4,000
Saturday & Sunday day use (half day until 4 pm)	\$1,500	\$2,250
Saturday & Sunday (full day)	\$2,500	\$4,000
Saturday & Sunday evenings (5:PM to midnight)	\$2,500	\$4,000

## Venue Comparisons to Jennings Pavilion

Venue	City	Guest Max	Event Time	Cost (approx)	MISC
Allied Arts	Menlo Park	140	8 hours	\$4000	Ceremony only \$3000 (garden setting)
Los Altos History Museum	Los Altos	200	8 hours	\$9300	Extra Hours \$425.00 (Garden setting)
Dominico Winery	San Carlos	500	10 hours	\$5250	Cost based on 150 people (Winery) (Community center & garden setting)
Lucie Stern Foster City Community Center	Palo Alto Foster City	300 200	10 hours 8 hours	\$4400 \$1760	(Community Center on the water)
Arrillaga Rec Center	Menlo Park	250	8 hours	\$4760	(Community center)
Twin Pines Manor	Belmont	75	8 hours	\$1600	\$315 Misc fees (Large House)
Twin Pines Senior	Belmont	250	8 hours	\$2200	\$315 Misc fees (Community Center)
Kohl Mansion	Burlingame	300	8 hours	\$12,500	\$2000, outside caterer (Mansion/Garden)
San Mateo History	Redwood City	170	8 hours	\$4195	\$3145, 1st Floor only (Museum w/banquet rooms)
Ladera Oaks Swim	Portola Valley	100	8 Hours	\$3000	Non-members very limited
<b>Holbrook (Pavilion)</b>	<b>Atherton</b>	<b>200</b>	<b>8 hours</b>	<b>\$2500 Increase to \$4000</b>	<b>Plus 15-30% Admin fee (Park/Garden setting)</b>