



Cover Memorandum/Staff Report

File #: 25-069

Agenda Date: 1/21/2025

Item #: 5.A.3.

TO: Mayor and Commissioners
FROM: Jeffrey L. Oris, CEcD, Assistant City Manager
THROUGH: Terrence R. Moore, ICMA-CM
DATE: January 21, 2025

SMALL NON-PROFIT SPECIAL EVENTS WAIVER.

Recommended Action:

The City Commission is asked to consider and provide input regarding a potential amendment to the Special Event Policy that would create a waiver for up to \$2,000 for the 2nd 50% of City costs charged to Non-Profit Special Event Producers that are based in the City of Delray Beach.

Background:

The Special Event Policy updated in September of 2023, has allowed for the City Commission to provide a "sponsorship" for events that donate all of their proceeds to non-profit organizations. The amount of charitable donations must be at least two times the amount of City provided sponsorship. This sponsorship is not available to any event producer keeping funds for themselves nor is it available to any event that takes advantage of the City's allowable 50% reduction in fees and costs (verifiable non-profit organizations). (NOTE: this 50% reduction does not apply to direct (hard) costs to the City such as barricade or other equipment rentals). With no other way to request any additional waiver or reduction of fees all non-profit produced special events have had to pay for fees and costs to the City of their events. This is a burden on some of the small, non-profit organizations that produce small events to directly benefit residents of the City. In order to provide relief for some of these organizations, it is proposed that a program be created to allow for a waiver of the 2nd 50% of the costs of City Services (which excluding hard costs).

This program would be available to Delray-based, non-profit organizations that produce events with TOTAL City costs (the cost of City services + hard costs) of no more than \$5,000 and which the event directly impacts City residents. City staff would verify the non-profit met all conditions, DSMG would make a formal recommendation to the City Commission as to approval or denial, and the City Commission would make a final determination whether to grant the waiver.

The amount available could be capped, which would assist in budgeting and encourage non-profits to submit their Special Event applications at the earliest possible time. If this were to be a consideration, the Commission should note that a program designed as presented would have resulted in no more than the waiving of \$9,720.33 in FY 2023-24, given this a \$15,000 might be appropriate to consider.

It is suggested that language similar to the following be inserted into the Special Event Policy:

E. The City Commission may waive the second 50% of the costs of City Services

identified in Section 12.B., up to \$2,000, for a Non-Profit Producer.

1. In order to be qualified for this waiver, the Non-Profit Producer/event must meet the following conditions:
 - a. The request is made at the time of initial application.
 - b. The Non-Profit Producer must be based within the City of Delray Beach
 - c. The event must directly impact the residents of the City of Delray Beach
 - d. The estimate of total cost of services from the City (both soft costs and hard costs) does not exceed \$5,000.
2. Before being placed on a City Commission agenda for consideration:
 - a. The Special Events Manager will review and verify the information required in 12.E.1.
 - b. The request will be transmitted to the DSMG for their consideration of a formal recommendation to the City Commission whether to approve or deny the request.
 - c. The item will be placed on the next available City Commission meeting agenda for final consideration.

City Attorney Review:

N/A

Funding Source/Financial Impact:

Based on FY 2023-24, this policy would have potentially waived \$9,720.33. A similar, but probably slightly increased, amount could be expected in future years.

Timing of Request:

Timing of this item is not critical.