

Report from the **Special Events Task Force**

**Convened by the
Office of Economic Development
City of Seattle
March- June 2012**

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Prepared by Claudia Bach, AdvisArts Consulting, with Andrea Wagner

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Introduction

Special events create wonderful memories and provide the bonding experience for creating a healthy community to thrive and grow. These events encourage and support the interaction of residents, visitors and business leaders in providing positive cultural and economic impacts. Special events such as fairs, artistic performances, festivals, concerts, sporting activities and many others, bring people together from different backgrounds and different neighborhoods throughout the city. Together we share a day, a week or an hour of transformation, laughter and fun. Special events weave the fabric of our community by creating opportunities to interact, celebrate, enrich people's lives, promote inclusiveness, and stretch imaginations.

It is important that the City of Seattle play a strong role in encouraging and helping events that bring the community together to take place safely on its streets and in its parks. To enhance the role of special events in our culture and economy, the City of Seattle's Special Events function is now integrated into the Office of Economic Development. This new approach intends to bring communities and organizations together through a city-wide economic development strategy that provides leadership for the city's cultural and entertainment organizations that make Seattle a great place to gather, share and celebrate.

In addition to regulating impact and coordinating successful activity, this effort will:

- Strengthen Seattle's event hosting organizations through professional development programs and by facilitating connections to one another to learn how to better utilize and share resources; creating an infrastructural clearing house of staff, equipment and services.
- Encourage for-profit corporations and related associations to become more engaged in special event activities, adding capacity and improving quality.
- Increase the visibility of special events and their distinctive role in Seattle 's quality of life for residents and visitors by leveraging OED's highly effective communication and economic measurement programs.

The City of Seattle is embracing the opportunity to rethink how the City approaches special events. We look towards working with many public and private sector partners to strengthen special events as a valuable city-asset that celebrates our unique culture, grows our economy and will continue to build our sense of community pride.

The first effort underway in rethinking special event activity in Seattle was to address how the City and special event entities work together to provide benefits to the economic and community health of Seattle while minimizing costs both to the City and event organizers. To tackle these concerns, a short-term initiative was undertaken between March and June 2012.

The purpose of this initiative was defined as follows:

1. To develop recommendations to close the gap between City of Seattle expenses and revenues related to Special Events permitting by the City.
2. To use community input by means of a Special Events Task Force.
3. To examine a selection of Special Events best practices in relevant cities to inform the process.
4. To evaluate options and opportunities in alignment with the mission of the City of Seattle and in acknowledgment of the value of Special Events to the quality and economic life of Seattle.

AdvisArts Consulting was engaged to facilitate the initiative. A Special Events Task Force was assembled and met three times: March 19, May 14 and June 11, 2012. At each of these meetings the Task Force examined information, research and draft materials, and provided valuable insights and experience to help shape the recommendations found in this report.

Five cities were identified for research regarding comparative data on Special Events practices: Portland, OR; Denver, CO; Tucson, AZ; St Louis, MO; and Indianapolis, IN. AdvisArts Consulting, on behalf of OED, contacted representatives in each of these cities during April 2012. Telephone interviews were conducted following a research protocol (see Appendix A) and information collected was supplemented with online research. A matrix of Comparative Multi-City Research was compiled and used by the Task Force in their discussions. (See Appendix B for this document.)

Members of the Special Events Task Force

- George Allen, Seattle Chamber of Commerce
- Beth Knox, Seafair, President and CEO
- Oliver Little, The Workshop, Event Producer
- Louise Long, Seattle Marathon Association, Director
- David Meinert, Capitol Hill Block Party, Founder
- Ralph Morton, Seattle Sports Commission
- Beth Williamson-Miller, Ballard Chamber of Commerce, Executive Director

Lead City of Seattle Staff for the Task Force

- James Kebblas, Director, Office of Film & Music
- Joanne Orsucci, Manager, Citywide Events

Background

The City of Seattle Special Events fee structure was implemented in 1991 as part of ordinance 115982. The ordinance and fee structure were established to attract special events to the City of Seattle to promote economic development, build community, promote diversity and engage citizens with one another as well as to assist groups in exercising their rights to free speech with constitutionally protected events.

The ordinance has done all of these things and has made Seattle a very desirable location to host a special event as well as creating a vibrant city atmosphere with engaged, active citizens.

In 2011 the City of Seattle issued permits for 327 special events. Special Events permitting by the City of Seattle currently falls into four categories:

- A. **Free public community events** such as parades and festivals from small neighborhood events to city-wide celebrations.
- B. **Free public-assembly “free speech” constitutionally protected events.** These include religious events, political events, and advocacy events.
- C. **Admission-based sports and culture events** such as runs and walks sponsored by nonprofits as fundraisers, and by businesses.
- D. **Promotional non-admission events** such as business activities that impact public sidewalk or park space.

At inception, the ordinance sought to recover a portion of city resources expended toward the safe operation of special events. Since 1991 Special Event permit fees have increased at the Consumer Price Index (CPI) rate.

City departments most impacted by special event expenses are Police, Fire, Seattle Department of Transportation (SDOT) and Parks, with Police being the largest, with Fire second. Other agencies play a role on the Special Event committee, and in the promotion of special events, but those overall department expenses related to special events have less impact. Parks offsets some expenses by assessing Park Use fees.

Key Findings from comparative city exploration

The comparative research gathered through telephone interviews and online searches was synthesized into nine Key Findings. The following reflects the consultants analysis of the most relevant information gathered on behalf of OED during April 2012 from representatives of the cities of Portland, OR; Denver, CO; Tucson, AZ; St Louis, MO; and Indianapolis, IN. These findings were reviewed and discussed by the Task Force in May 2012.

1. **Special Events is housed in various places in City government.** The Special Events function is housed in a variety of city agencies/departments. This reflects some variation in each city's philosophy and approach to permitting and cost recovery. All cities surveyed express that SE activities bolster civic pride and are economic engines.
2. **City role in Special Events varies from serving as the coordinator of the event process and acting as a liaison with other departments to actively issuing permits.** All cities have a review process and coordination with multiple departments. A city's "signature" special events may or may not be connected to Special Events permitting. Portland and Denver provide a limited number of events with direct financial support, and Tucson previously did, but now has a grant program to support events that promote tourism. In Denver and St Louis the Special Events role does not issue permits but links the event organizers to various other City departments. Some actively seek major sports and other events and promote the City's involvement and brand via marketing attention. (Note that Chicago takes a much more active ownership/producer role for Special Events, but they were not interviewed as part of this process.)
3. **Rates of cost recovery, and concern about it, vary.** Portland is wrestling with very low levels of cost recovery rate (they estimate less than 4% of costs) and they have recently done a major study to start implementing cost recovery. Indianapolis recently did significant examination and reconfiguring working with an actuarial firm that calculated the expense of operating their SE department to be \$75,000. They then created an algorithm for fees to recover this \$75,000 expense.
4. **Fee structures vary widely as a way to capture cost recovery.** Only Seattle and Portland have flat fees based on various event criteria. Others have a menu of fees based on cost recovery, and extent of services expected to be used. Indianapolis sees the fees as "temporary licenses" to access use or space.
5. **Police/public safety approaches impact Special Event producers' options and costs, and cities' cost recovery.** In four of the five cities contacted, Special Event fees are decoupled from public safety costs. With few exceptions, costs for public safety and security are paid directly by the event producer. Options include a variety of sources and rates in addition to on-duty police:
 - Denver has a requirement of 4 hour minimum at off-duty officer rates of \$45-70 per hour.
 - Tucson has a requirement to hire off-duty officers at prevailing rates.
 - St Louis and Indianapolis offer the option to hire off-duty officers as well as the option for the event to provide their own security (with police approval for large events.)Exceptions are primarily for First Amendment events and short parades (under 15 blocks) in Denver, and civic sponsored or grandfathered events. These have police security provided at no charge by city.

6. **Cleaning/sanitation is an area of cost recovery difference.** All cities except Portland require event producers to perform cleanup after their events. Some cities offer the service; others require the event producer to contract with local maintenance companies.
7. **Street closure and lost parking revenues are handled in different ways.** Some cities have flat fees per block, some have per meter fees, and a variety of ways requiring/providing barricades. All cities except Portland require event producer to pay lost meter revenue and to provide their own barricades.
8. **Categories by type of event have limited impact on cost recovery, other than First Amendment/Freedom of Speech events.** Little difference was found regarding non-profit vs. for profit and public vs. private events. Some waving or lowering of fees occurs but these are relatively insignificant. All cities provide support at no cost for First Amendment events, though definitions vary. All cities underscore their preference for advance knowledge and planning related to First Amendment events.
9. **Oversight of Special Events is generally by City employees but there it increased attention to stakeholder involvement.** Oversight is primarily by city representatives of various departments meeting via regular review committees though Seattle, Portland, Denver and Indianapolis either have, or are currently developing, community/stakeholder representation, with a city staff member serving as administrator. Cities give the Special Events staff person varying degrees of autonomy to make decisions on behalf of other City departments.

Special Events Recommendations

The following seven recommendations were initially drafted by James Kebblas and Joanne Orsucci, OED, with Claudia Bach and Andrea Wagner of AdvisArts Consulting, based on information gathered via the Special Events Task Force, available financial data, and comparative cities research from Portland, OR; Denver, CO; Tucson, AZ; St. Louis, MO; and Indianapolis, IN. The final recommendations here reflect input by the Task Force, requiring both short-term and long-term steps for implementation.

Recommendation 1.

Articulate a City of Seattle vision for Special Events in Seattle. Identify desired outcomes as well as City attitudes and priorities to improve Seattle as a Special Events city, exploring values regarding the economic and community benefit of events. Delineate plans and timelines for advancing these outcomes. Consider the City's intentions regarding use of public spaces and streets and approaches towards investment, capacity, public support and partnership with commercial and community entities.

Recommendation 2.

Develop improved methods of tracking and reporting Special Events expenses and revenues within the City of Seattle. Request that the CBO and FAS clarify best practices and methods to gather the data desired and needed in an efficient and timely manner, with a regular reporting cycle. Develop a consistent framework for collecting and analyzing such data.

Recommendation 3.

Implement policies and a revised fee structure that puts the primary cost burden of public safety for Special Events on events themselves rather than the City. Develop options to allow Special Events organizers to directly hire a variety of sources to provide for public safety and security at variable costs. In addition to on-duty Seattle Police officers, such sources may include off-duty police, private security services and/or volunteers, with the requirement of City approval of event safety plans.

- Streamline the process for submission and review of such safety plans.
- Develop a safety plan review system that balances the perspectives of the City of Seattle and event producers.
- Identify a threshold for size/type of event for which no formal security is required.
- Identify what regulatory factors determine public safety requirements and evaluate opportunities to utilize peer security instead of police.
- Develop flexible options for event producers to meet public safety and security needs, based on event specifics.
- Maximize police presence and use where it has the greatest impact on public safety.

Recommendation 4.

Create a streamlined, consolidated menu of Special Events permit fees that includes all City of Seattle fees. Efforts should focus on reducing expenses for entities engaged in event production and for the City of Seattle. Eliminate the current flat fee structure and create a simplified, more efficient and equitable one-stop City of Seattle (including Parks) permitting process for events of all sizes, with a conduit to other relevant government agency permitting, as necessary.

- Reexamine Special Events Ordinance (#115982) to identify and categorize the size/type of events requiring various levels of permitting and fees.
- Eliminate per-person fees and replace with a more appropriate fee structure based on expected event scale.
- Smallest and simplest events should pay lower fees and have a less cumbersome process.
- Improve online application process, with integrated system connecting to relevant governmental agencies and departments, eliminating the need to fill out multiple forms that are duplicative.
- Evaluate ancillary fees and requirements that have an impact on event producers, including fencing, insurance, generator use, etc. and consider efficiencies and adjustments.
- Provide an expedited process for vetted event producers who have a track record of working effectively with the City.

Recommendation 5.

Identify and clarify factors that qualify an event as a designated First Amendment Special Event in Seattle. By doing so, assure that there are adequate resources for the City to provide these events with Police and Fire security at no cost. Commercial activity should be reviewed as a possible defining factor.

Recommendation 6.

Equalize parking meter loss of income costs for all Special Events permitted by the City of Seattle, except for First Amendment events. Events, whether commercial or nonprofit, should pay relevant fees.

Recommendation 7.

Advance options and opportunities for commercial use and activity to occur in public spaces, including City parks. Such opportunities should be introduced in tandem with a strategic approach to educate Seattle residents of the economic and community benefits of Special Events.

The Special Events Task Force has identified the following as important to the effective implementation of these recommendations:

- Establishing a vision of the value our community places on Special Events -- and our expectations of the resulting community and economic benefits -- is fundamental to building a shared framework for advancing Seattle's Special Events future.
- Efficiencies that are beneficial to both the City of Seattle and Special Event producers should be fully explored and introduced before fee increases are considered.
- Small, simple steps should be undertaken as quickly as possible.
- Longer-term tools and policy development should be planned for, with engagement from the Special Events community.

APPENDIX A.

Interview Protocol for City of Seattle Special Events Task Force Comparative City Research, March 2012

1. Where does the Special Events permitting function sit within your city's government? How does the permit function interact with other city departments:
 - a. Departments that may generate events such as Parks and recreation, Arts and culture, etc.
 - b. Departments that provide direct services to support Special Events such as Police, Transportation, etc.
 - c. Does the city actively seek or support the development of Special Events? If so, how?
2. About how many special events per year are handled through your office? Are there other offices that deal with special events as well? (Probe: how do they deal with professional and collegiate sports, parks, etc)
 - a. Are there 2 or 3 special events that you consider "signature" event for your city?
3. Does your city require a Special Events Application fee? If so, is it a flat fee or does it vary? How much is/are the fee(s)?
4. How do you structure permit fees? PROBE: For example, how much would a permit be for:
 - a. A 5000 person admission-based sporting or cultural event?
(Seattle's fee: \$2306 + .50 pp)
 - b. A 75,000 person free public community event such as a festival or parade? (Seattle's fee: \$34,367)
 - c. Would there be a difference in permit fees if this were a "free speech" public assembly event?
 - d. A promotional non-admission event such as a business activity that impacts a public sidewalk of park space?
 - e. Are non-profit and for-profit entities paying different fees?
5. Are there any additional fees in addition to the Special Event permit?
6. Do you permit "private/commercial" ticketed/fenced events (such as admission-based concerts) in parks that result in restricted access to parks or portions of parks by the general public? How is this handled, and are there specific fees or restrictions?
7. How do you handle cost recovery, such as costs for police or other City agencies time or expenses? (GET EXAMPLES if possible)
8. Do you have a Review Process for permits? If so, how is this accomplished? (PROBE: Is there a citizen review committee or other such entity? If so, make up and frequency it is convened?)
9. How long does it generally take for a permit application to be processed?

10. Overall, how would you characterize your City's approach to (perspective on) and position on Special Events? (PROBE: Is the City a producer of events? Does the city put itself in a position of risk related to events, or is the risk on the event producer?)
11. What areas do you see most likely to change in the near future?
12. Has your city produced any reports or audits related to special events, or economic impact studies that examine special events? (If yes, ask if we can access, how to get...)
13. Anything else you would like to add