

REPORT OF GENERAL MANAGER

NO. 06-203

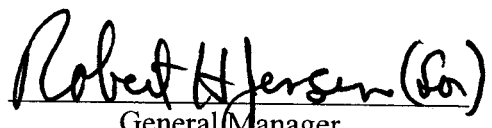
DATE July 12, 2006

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RANCHO CIENEGA RECREATION CENTER – FEES FOR THE AFRICAN MARKET PLACE AND CULTURAL FAIRE

*J. Combs 	J. Kolb _____
H. Fujita _____	F. Mok _____
S. Huntley _____	K. Regan _____
B. Jensen _____	M. Shull _____


 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board deny a request for a reduction of fees for the African Market Place and Cultural Faire to be held on three consecutive weekends at the Rancho Cienega Recreation Center from Saturday, August 19, through Monday, September 4, 2006 (August 19, 20, 26, 27 and September 2, 3 and 4).

SUMMARY:

African Market Place (AMP) is an event that started with the Department of Cultural Affairs and is now produced by a non-profit 501(c)(3) organization. This event is considered to be one of the top tourism attractions in the State of California, bringing thousands of visitors to Los Angeles from different cultures around the world. This year, AMP is celebrating their twenty-first year anniversary and they have applied for a permit to host the event at the Rancho Cienega Recreation Center. In recent years, AMP has held this event at the Los Angeles Sports Arena, and last year it was moved to Exposition Park's south lawn. The Exposition Park site is co-managed by the Department of Recreation and Parks (RAP) and the State of California (State). The State's permit fees for its portion of the south lawn (east section) were \$18,565. RAP fees for its portion for the south lawn (west section) were \$85,900; however, on August 17, 2005, the Board voted to reduce the fees to \$20,000 (Board Report No. 05-231).

This year, AMP is relocating the event once again since Exposition Park south lawn is not available. Based on RAP's current Schedule of Rates and Fees, the projected permit fees are \$81,768 and the breakdown is as follows:

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Cost of Recreation Staff fee:	\$ 814
Cost of Maintenance Staff fee:	\$ 504
Cost of Facility Use Fee on 7 Event days:	\$ 9,800
Cost of Facility Use Fee on 19 Non Event days:	\$ 4,750
Vendor booths: (87 booths x 100 x 7 days)	\$60,900
<u>Clean-up / Security Deposit (Refundable):</u>	<u>\$ 5,000</u>
Total Permit Fees:	\$81,768

In order to host the AMP event at Rancho Cienega Recreation Center this year, RAP has coordinated with Council District 10 to relocate the programs that will be displaced during the five week period in which the event is being conducted. These displaced programs include the Adult Municipal Sports, Baldwin Hills Pop Warner Football, and Wilshire Youth Pop Warner Football.

AMP has informed Department staff that they have been experiencing a continuous decline of attendance due to relocation from site to site in recent years. They also state that the delay in securing a venue has negatively impacted their ability to fund-raise and secure sponsorships and that they have had to place marketing and advertising on hold since the use of Rancho Cienega Recreation Center is pending approval. AMP also states that their event cannot afford to pay the Department's estimated fees and if such fees are assessed, AMP would have to cancel the event. Therefore, AMP is requesting a substantial reduction in fees for this year's event (Attachment A).

RAP is sympathetic to AMP's situation, but it is the stated policy of the Board and of the Department that it is reasonable and fair to have all non-profit organizations treated equitably and that the assessed fees should not be waived. Numerous non-profit organizations conduct events at RAP facilities and are required to remit the full rates and fees.

FISCAL IMPACT STATEMENT:

The proposed fees will generate \$76,768.28 in revenue (Total Permit Fee of \$81,768.28 minus \$5,000 Refundable Deposit) to the General Fund.

This Board Report was prepared by Debby Rolland, Superintendent, West Region.



rap.commissioners@lacity.org

April 14, 2006

ATTACHMENT A

Christina Sanchez-Camino
President
Los Angeles City Recreation and Parks Department
Office of Board of Commissioners
1200 W. 7th Street, Suite 762
Dear Councilman Wesson:

Re: Request for Waiver of Fees for Use of Rancho Cienega Park

Dear Commissioner Sanchez-Camino:

The African Marketplace Inc. has submitted a permit application for use of Rancho Cienega Park for the 21st Annual African Marketplace & Cultural Faire (Cultural Faire) to the Department of Recreation and Parks (Parks) for three consecutive weekends during the period August 19-September 4. We recently met with James Combs and Debby Rolland to discuss the project and the fees that will be charged for use of the facility. **We have been quoted \$81,000 in fees by Parks and hereby respectfully request that a substantial portion of these fees be waived by the Board of Commissioners. The fees we have been quoted are prohibitive and if we are not able to obtain a waiver we will unfortunately be forced to cancel the Cultural Faire.**

Historically, the fees we have been charged by the department were substantially less than what we have been quoted for this year – averaging less than 25% of the fees projected for this year. Our production costs run over \$500,000 – over and above the fees paid to Parks. We are able to produce the Cultural Faire only with the support of companies, foundations and in-kind contributions and services. It is not a profit making entity and all fees that we charge vendors as well as contributions that we receive go toward payment of production expenses.

With the support of Councilman Herb Wesson, we are excited about bringing the African Marketplace back to South Los Angeles and based on what we are hearing, the community is looking forward to it as well. We view the relationship between Parks & the Cultural Faire as a partnership that has mutual benefits, including substantial parking revenue that is collected by Parks for parking fees during the event. *The Cultural Faire is more than just another event.* Producing it creates 1,500 jobs each year for community residents with a focus on youth and serves as a business incubator for over 200 small cottage businesses and artists. – it is valuable community institution that has built 21 years of goodwill,

In consideration of the fee waiver, we will enthusiastically promote the programs and activities of the Dept. of Recreation and Parks with a booth space in the Youth Village of the Cultural Faire. We will also include the agency logo on all of our printed materials as a major partner. We thank you in advance for your kind consideration of this request. We look forward to presenting this request at the next commission meeting on July 12. If you have questions or need additional information, please call me at 323-293-1612.

Sincerely,

Meta Williams

cc: Honorable Herb Wesson, Councilmember, 10th District
John Mukrie, General Manager, Dept of Recreation & Parks
James L. Combs, Asst. General Manager-Operations West, Dept of Recreation and Parks
Debby Rolland, Supervisor
James Burks, Department of Cultural Affairs

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Patrick Johnson,
Etaxbiz

Meta Williams
Chief Operating Officer, AMP, Inc.