



City of Del Mar Staff Report



TO: Honorable City Council Members

FROM: Kristen M. Crane, Management Services Director
Via Scott W. Huth, City Manager

DATE: April 18, 2016

SUBJECT: City Council Authorization to Waive Permitting Fees Required for
Temporary Relocation of the Farmers Market during City Hall Construction

REQUESTED ACTION/RECOMMENDATION:

Staff recommends that the City Council provide direction to staff on authorizing the waiver of fees associated with the permitting process for the temporary relocation of the Farmers Market during construction of City Hall.

DISCUSSION/ANALYSIS:

Demolition of the existing buildings and improvements on the City Hall property is planned to begin in early June 2016. In preparation, staff is working with representatives of the Del Mar Farmers Market to identify a temporary location for their event to operate while City Hall is under construction. After extensive research, thorough exploration of alternative options, and discussion, the recommended location for the Farmers Market is the upper lot of the Shores Park property.

In order to pursue this recommendation, a permitting process is required, which includes review by the Planning Commission of a Coastal Development Permit (CDP), and review by the City Council of three different Operations Permits (Swap Meet, Commercial Use of Public Property, and Large Assemblage).

The CDP will be brought to the Planning Commission at their meeting on May 10, 2016, and the Operations Permits will be brought to the City Council at the May 16, 2016 meeting, along with a Use Agreement between the City and the Farmers Market for their use of the City-owned Shores Park property. Detailed information will be presented at that time on the scope of their operations plan, the event layout, and recommended conditions for the event.

In the interim, staff is seeking City Council direction on whether it is acceptable to waive the fees associated with this permitting process. With the exception of the fees for the

City Council Action:

public noticing process (supplies and postage), the permitting fees off-set the cost of staff time required to review the permitting process materials and to prepare the necessary staff reports for the Planning Commission and City Council.

The value of the permitting fees (Coastal Development Permit, General Plan update 10% charge, and public noticing) associated with the approval process for the temporary relocation of the Farmers Market during the construction of City Hall is approximately \$1,200. In addition, there is also the cost of the three required Operations Permits, though there are no fees established by Council resolution for those permits. A past practice has been to set the fee for Operations Permits on a time and materials basis for processing, which in this case, is estimated to be approximately \$650. Though there is no direct cost to the City (with the exception of supplies and postage for required mailings, which costs approximately \$170), there is a value associated with the cost of required staff time (approximately \$650) to process the required permits for the relocation of the Farmers Market.

The Del Mar Farmers Market is a local non-profit organization, which has been in operation for 30 years. They have indicated that the cost of the required permits would be cost-prohibitive for them. Attached is a copy of their financial statement for 2015, which shows revenues and expenditures and notes charitable contributions made by the organization. Since this permitting process is required as part of the City Hall construction, it seems appropriate to consider waiving the fees in the interest of supporting the Farmers Market which is an important community amenity.

FISCAL IMPACT:

With the exception of the cost for public noticing, there is no additional direct cost to the City associated with waiving the fees for the required permitting process for temporary relocation of the Farmers Market, though there is a loss of revenue for cost recovery for staff time to process the required permits. The cost for the required public noticing is relatively minor and can be absorbed within the Fiscal Years 2015-2016 and 2016-2017 Operating and Capital Budget.

ENVIRONMENTAL IMPACT:

The waiver of permitting fees is not considered a project per the definition of the California Environmental Quality Act (CEQA).

PRIOR CITY COUNCIL REVIEW:

None

ATTACHMENTS:

Attachment A – 2015 Financial Statement for Del Mar Farmers Market



| | 2015 Actual |
|--|------------------------|
| Total Vendor Sales (12 Months) | \$414,510 |
| Money In | |
| Market Day Income (12 Months) | \$ 29,149 |
| Weekly average Market Day Income in \$ | \$ 583 |
| Money Out | |
| Accounting Fees | \$ 0 |
| Advertising | \$ 623 |
| Market Improvement | \$ 275 |
| Dues & Subscriptions | \$ 0 |
| Insurance | \$ 1,124 |
| Licenses & Fees | \$ 1,641 |
| Manager Gross Salary | \$ 14,275 |
| Office Supplies, Bank Fees | \$ 593 |
| Tax - Payment | \$ 0 |
| Tax - Payroll | \$ 1,592 |
| Tax - Special | \$ 0 |
| Utilities | \$ 507 |
| Vendor Holiday Gifts | \$ 224 |
| Website | \$ 100 |
| Workers' Comp Ins. - Mgr. | \$ 1,541 |
| Total Operating Expenses | \$ 22,494 |
| Charity/Donations | \$ 3,362 |
| Scholarships | \$ 3,500 |
| Total Charity and Scholarships | \$ 6,862 |
| Total Expenditures | \$ 29,357 |
| Net Income / (Net Loss) | \$ (208) |

Approximately 7% of total vendor sales

Includes cost of Del Mar Business License (\$424.64 based on 2014 total vendor sales)

See page 2 for additional detail

Category Summary

Date Range: Custom Dates (1/1/2015 - 12/31/2015)

Accounts: All Accounts

Categories: Charity/Donations, Scholarship

Tags: All Tags

Type: Custom

Show Memo/Notes

Money In **\$0.00**

Money Out **-\$6,862.44**

Charity/Donations **-\$3,362.44**

cash **-\$60.00**

| | | | | |
|-----------|-----------|----------------------------|---------------------------|----------|
| 2/17/2015 | UnionBank | Lifeguard / Bag of Goodles | for their continuous help | -\$60.00 |
|-----------|-----------|----------------------------|---------------------------|----------|

Check #434 **-\$1,000.00**

| | | | | |
|------------|-----------|----------------------------|---------------|-------------|
| 12/17/2015 | UnionBank | Friends of Del Mar Library | Donation 2015 | -\$1,000.00 |
|------------|-----------|----------------------------|---------------|-------------|

Check #436 **-\$1,000.00**

| | | | | |
|------------|-----------|--------------------------------------|---------------|-------------|
| 12/17/2015 | UnionBank | Friends of San Dieguito River Valley | Donation 2015 | -\$1,000.00 |
|------------|-----------|--------------------------------------|---------------|-------------|

Check #432 **-\$302.44**

| | | | | |
|------------|-----------|----------------|---------------------------|-----------|
| 12/16/2015 | UnionBank | Vernie McGowen | Flowers f/Library in 2015 | -\$302.44 |
|------------|-----------|----------------|---------------------------|-----------|

Check #433 **-\$1,000.00**

| | | | | |
|------------|-----------|-----------------------|---------------|-------------|
| 12/17/2015 | UnionBank | Community Connections | Donation 2015 | -\$1,000.00 |
|------------|-----------|-----------------------|---------------|-------------|

Scholarship **-\$3,500.00**

Check #395 **-\$1,000.00**

| | | | | |
|-----------|-----------|----------------|----------------------------|-------------|
| 8/14/2015 | UnionBank | Cuesta College | Brenton Nevarez/Annie Eggs | -\$1,000.00 |
|-----------|-----------|----------------|----------------------------|-------------|

Check #396 **-\$1,000.00**

| | | | | |
|-----------|-----------|-----------------|-------------------------|-------------|
| 8/14/2015 | UnionBank | Palomar College | Fabian Huerta/BlueHeron | -\$1,000.00 |
|-----------|-----------|-----------------|-------------------------|-------------|

Check #397 **-\$500.00**

| | | | | |
|-----------|-----------|-----------------|----------------------------|-----------|
| 8/14/2015 | UnionBank | Palomar College | M.LeNeouanic/FrenchCuisine | -\$500.00 |
|-----------|-----------|-----------------|----------------------------|-----------|

Check #398 **-\$1,000.00**

| | | | | |
|-----------|-----------|-------------------|--------------------|-------------|
| 8/14/2015 | UnionBank | S D. City College | Adrian Adams/Asana | -\$1,000.00 |
|-----------|-----------|-------------------|--------------------|-------------|

| | |
|-------------------|--------------------|
| Money In: | \$0.00 |
| Money Out: | -\$6,862.44 |
| Net Total: | -\$6,862.44 |