



# City of Rialto

## Legislation Text

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For City Council Meeting [February 11, 2020]

TO: Honorable Mayor and City Council

APPROVAL: Rod Foster, City Manager

FROM: Perry Brents, Director of Community Services

Request City Council approval of a two-day event and adding Run Whatcha Brung and Taste of Rialto to the City's Special Events Calendar for Fiscal Year 2019-2020.

### **BACKGROUND:**

In the City Council meeting of December 10, 2019, the Rialto City Council adopted a Special Events Policy and identified City Sponsored or Co-Sponsored special events by title and approved a budget resolution to appropriate specific funding amounts for each event.

City Council in their deliberations decided to hold on its consideration of the Run Whatcha Brung and Taste of Rialto from the list of formally recognized events sponsored or co-sponsored by the City. Event organizers are asking that City Council re-consider their decision and place the events back onto the City's Annual Calendar of Special Events.

### **ANALYSIS/DISCUSSION:**

The City's Calendar of City Sponsored and Co-Sponsored events are those events utilizing City resources and have been 1) named by title and approved through City Council budget resolution and 2) have been determined by City Council to serve a public purpose. Rialto Rotary Club is the Event Organizer for Run Whatcha Brung. The Rialto Chamber of Commerce is the Event Organizer for Taste of Rialto. Rialto Rotary Club is requesting that City Council consider placing both Run Whatcha Brung and Taste of Rialto back onto the City's Calendar of Special Events as a singular City Co-sponsored event.

The event is proposed to be held on Foothill Boulevard on Friday evening May 29, and on Riverside Drive on Saturday May 30. The event routes and times would be the same as the 2019 event and includes various street closures as in 2019. Staff did discuss with Rotary representatives the possibility of holding the event both days on Riverside Drive as a means to lower City-related costs; however, Rotary representatives did state that their preference is for the Friday evening event to be held on the historic Route 66. Due to the complexities associated with Foothill Boulevard closures, the staff-related costs for the Friday evening event is higher than the longer Saturday daytime event. (The estimated costs are detailed in the financial impact section of this report).

Staff has met with representatives of the Chamber of Commerce and the Rialto Rotary Club. Both organizations wish to continue hosting their respective events. Rialto Rotary has expressed a desire to work with the City, including sharing ideas for how to reduce costs. Rialto Rotary is proposing to

work directly with the Chamber of Commerce and the City to combine the two events into one event; addressing solutions to address City Council concerns over costs and low attendance

Run Whatcha Brung has a 26-year history in the City of Rialto and the Taste of Rialto has a 16-year history in the City. The event organizers for Run Whatcha Brung have reached out to the Rialto Chamber of Commerce to combine the Taste of Rialto with the staging of Run Whatcha Brung. The expectation is that by combining the two events, the net result would potentially lower costs and increase expected attendance. The two organizations would work together with the Downtown business owners to create sponsorships for the event.

Collecting revenue for the two events has been a responsibility of the event organizers. Fees collected by the City include the application for business licenses and related special event permit fees. The City fees do not include any required permits needed for the proper permitting with the County Department of Environmental Health Services. All revenue for the mentioned events have remained with the event organizers. Revenue would include the traditional costs for registering vehicles in the car show, sponsor donations, vendor participation fees and any miscellaneous fees charged by the event organizers.

If funds are used for a public purpose of the city making the expenditure, they are not a gift within the meaning of Cal Const art XVI, §6. (*County of Alameda v Janssen* (1940) 16 C2d 276, 281.) A mere incidental benefit to an individual does not make a "public" purpose a "private" purpose. (*American Co. v City of Lakeport* (1934) 220 C 548, 556.) Thus, for example, social welfare expenditures of counties are not illegal gifts. (See, e.g., *City & County of San Francisco v Collins* (1932) 216 C 187, 193.)

The determination of what constitutes a public purpose is primarily a matter for the legislature (here, the City Council), and its discretion will not be disturbed by the courts so long as the determination has a reasonable basis. (*Board of Supervisors v Dolan* (1975) 45 CA3d 237, 243.)

A public purpose expenditure is one which relates to the purpose for which the City of Rialto exists and the duties and responsibilities of the City of Rialto, its elected and appointed officials, employees and other representatives. A public purpose is also present if the activity benefits the community served by the City. Every City of Rialto expenditure on special events must be valid based upon the public purpose for which it serves.

#### **ENVIRONMENTAL IMPACT:**

The requested action is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

#### **GENERAL PLAN CONSISTENCY:**

Guiding Principle: Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

**LEGAL REVIEW:**

The City Attorney has reviewed and approved the staff report.

**FINANCIAL IMPACT:**

The provision of this event will incur a cost. Funding to present Run Whatcha Brung and Taste of Rialto was identified in the FY 2019-2020 budget and identified in multiple Departments. The estimated expenses can be covered by the following accounts:

Public Works Fund Account No. 010-500-7308-1020

Police Department Fund Account No. 010-500-6281

Department	Friday (one-day)	Saturday (one-day)	Friday & Saturday (two-day)
Public Works	\$1,300	\$2,600	\$ 3,900
Police	\$11,240	\$4,757	\$15,997
<b>Grand Total</b>	<b>\$12,540</b>	<b>\$7,357</b>	<b>\$19,897</b>

Staff will continue to refine and reduce these cost while the event is in its planning stages over the next few months, if approved by the City Council.

**Operating Budget Impact:**

The scope and reach of the event may not provide enough revenue to make the event cost neutral.

**Capital Improvement Budget Impact:**

This report has no known impact to the capital budget.

**Licensing**

Participation of vendors would require licensing fees be paid to the City.

**RECOMMENDATION:**

Staff recommends City Council approval of a two-day event and adding Run Whatcha Brung and Taste of Rialto to the City's Special Events Calendar for Fiscal Year 2019-2020.