



City of Chula Vista

Staff Report

File#: 14-0258, **Item#:** 5.

RESOLUTION NO. 2014-083 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA 1) APPROVING AN APPLICATION TO THE PORT OF SAN DIEGO FOR \$75,000 IN FUNDING FOR HARBORFEST 2014 AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A GRANT AGREEMENT; 2) WAIVING THE CITY OF CHULA VISTA COMPETITIVE FORMAL BID REQUIREMENT AND APPROVING AN AGREEMENT WITH MCFARLANE PROMOTIONS, INC. TO COORDINATE HARBORFEST 2014; AND 3) APPROVING AN APPROPRIATION FROM THE GENERAL FUND OF \$7,500 FOR INITIAL PAYMENT TO MCFARLANE PROMOTIONS (4/5 VOTE REQUIRED)

RECOMMENDED ACTION

Council adopt the resolution

SUMMARY

The City of Chula Vista is collaborating with local agencies and volunteers to hold HarborFest August 16, 2014. The event will attract residents and visitors from throughout the region and promote entertainment and outdoor activities on the Port of San Diego tidelands and Chula Vista Bayfront.

ENVIRONMENTAL REVIEW

The Development Services Department Director has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378(b)(5) of the State CEQA Guidelines because the project is approval of City sponsorship for the Harbor Fest and approval of an application for grant funds for the Harbor Fest, all of which are administrative activities that will not result in a direct or indirect physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

BOARD/COMMISSION RECOMMENDATION

Not Applicable

DISCUSSION

The City of Chula Vista is collaborating with local agencies and volunteers to hold HarborFest in the summer 2014. The event will support activation of the City of Chula Vista Bayfront and Port of San Diego Tidelands. Activities include entertainment, a Kids Zone, live music performances, a Seafood Festival and Wine and Craft Beer Garden, a car and boat show, paddle board demonstrations, and other activities. Sponsorship and fundraising activities are underway through a committee established by Councilmember Pamela Bensoussan. A \$10,000 grant for Community Enhancement Funding from the County of San Diego has been requested. A grant for \$75,000 is being requested from the Port of San Diego. The attached resolution supports the filing of an application with the Port of San Diego for a Community Event Sponsorship grant.

The success of HarborFest 2014 depends upon expert coordination and planning with vendors,

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musical groups, festival participants, and others. McFarlane Promotions' experience, qualifications and success in planning large-scale public events makes the firm uniquely qualified to coordinate HarborFest 2014. Additionally, the City requires third-party accounting assistance that McFarlane Promotions will provide to collect and manage funds from ticket sales, booth registration fees, and other event fees. The attached resolution supports approval of a sole source agreement with McFarlane Promotions to coordinate HarborFest 2014.

Potential City risks and liabilities have been mitigated through standard levels of insurance required of the event provider and a special events policy to be purchased by the City and reimbursed out of event proceeds.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 500 feet of the boundaries of the property which is the subject of this action. Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

LINK TO STRATEGIC GOALS

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. HarborFest 2014 will advance the Economic Vitality goal by activating the Bayfront and bringing new and returning visitors to enjoy activities, shop, and dine. The connected Community Goal Emphasizes activities, like HarborFest, that enrich the community's quality of life.

CURRENT YEAR FISCAL IMPACT

There is no fiscal impact from approving the filing of an application with the Port of San Diego for sponsorship funding for Harborfest 2014. Should the Port of San Diego approve the application, these one-time funds will be used to help offset the cost of the event.

Staff is requesting an appropriation of \$7,500 from the General Fund to allocate the initial payment for services outlined in the agreement for McFarlane Promotions. This amount will be reimbursed to the General Fund by HarborFest sponsorship dollars when they are received. The McFarlane Promotions fee and HarborFest event costs should be funded by revenue generated from HarborFest 2014. There may be an impact to the General Fund if insufficient funds are generated through HarborFest revenues.

ONGOING FISCAL IMPACT

There is no ongoing fiscal impact.

ATTACHMENTS

Attachment A: McFarlane Promotions Agreement