

AGENDA ITEM SUMMARY

DATE: 01/10/2011 DEPARTMENT: Parks/Administration DEPT. HEAD SIGNATURE: HD

SUBJECT:

Adoption of Hailey Rodeo Park Multi-Use Arena Management & Operating Policies for weekend events, or weekday large ticketed events anticipating the sale of 3000 tickets or more, during the inaugural season of 2011, beginning following the Sawtooth Rangers Fourth of July Rodeo during the first weekend of July, and applicable to weekend events during the remainder of calendar year 2011.

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The Hailey City Council discussed some draft Management and Operating Policies for the Multi-Use Arena on November 22, 2010. Several concerns emerged. The Hailey Parks & Lands Board President, the Parks Project Manager, and some city staff members met individually with council members. We have formed some new recommendations:

4th of July Weekend – Sawtooth Rangers have operated the Hailey Fourth of July Rodeo since 1947. Their events have won Professional Rodeo Association Awards during many of those years. However, in 2011, the rodeo will be held in a new facility, and the Sawtooth Rangers will have to learn on their feet, prior to the inaugural rodeo, how to conduct the rodeo in this new facility. They face a lot of unknowns. In an effort to support the Sawtooth Rangers in being able to continue to provide a successful 4th of July Rodeo event, the City of Hailey may wish to enter into an initial three-year contract with the Sawtooth Rangers for their use of the Arena during the July 4th weekend, which contract will be separate from the general use policies other event producers are subject to. See “Agreement Outline with the Sawtooth Rangers” document attached. This agreement will be drafted following council direction to city staff on January 10, for full consideration on January 24, 2011.

Business Plan for Arena Management – several City Council members have expressed that a comprehensive business plan be assembled for the arena. Researching the experience, successes, and failures of other public and private facilities, and developing financial analyses, is part of that work. We recommend that the business plan be developed and implemented for periods beyond the inaugural year of the Arena. As such, this would stand as an important and thoroughly executed long-range effort. We recommend, however, that the development of the business plan not preclude bookings which should be currently underway for 2011 summer Arena events.

Inaugural Year 2011 Weekend Events - The Parks & Lands Board met again in January to work on the Arena Management Policies with these concepts in mind. They discussed only weekend policies, as they expect that large ticketed events which may book the Arena will need to begin their reservation processes now. Other policies for local non-profits, 4-H, and weekday seasonal use will have recommendations formed at the February P&L Board meeting for consideration by the Hailey City Council at a later time.

Resolution Adopting 2011 Weekend Arena Use Policies – we recommend that the Hailey City Council adopt the Arena Management and Operation Policy attached, to be applied to weekend event bookings beginning the 15th of July, 2011, through the remainder of the 2011 calendar year.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Budget Line Item # _____	YTD Line Item Balance \$ _____
Estimated Hours Spent to Date: _____	Estimated Completion Date: _____
Staff Contact: _____	Phone # _____

Agreement Outline with the Sawtooth Rangers

Mutual Goal: To continue to provide a successful 4th of July Rodeo event in the new facilities

Term: An initial three year contract

Both the City of Hailey and the Sawtooth Rangers admit that the costs and means to maintain and efficiently operate the arena and its new facilities, as well as the rodeo event, won't be known until after at least the first year or two. It benefits both the city and the Rangers to have an initial adjustment period of three years. At the end of the term, both parties can reassess and renegotiate.

Rates:

The Rangers agree to pay the same daily rates as all other event promoters. In addition, because they have historically donated proceeds above the costs of their event to organizations such as the Hailey Lions Club, the Blaine County Senior Center, 4-H groups, and scholarship funds, they will discuss formalizing potentially contributing extra proceeds to the long-term maintenance needs of the arena, once those have been established.

Right to use the facilities:

- For the first three years, the arena is reserved for the Rangers' exclusive use for the week or so needed for the 4th of July rodeo events. The Rangers need to let the city know the specific dates as soon as possible.
- No other professional rodeo event will be able to book the arena for the first three years.
- Within six weeks after the rodeo event, staff and the City Council will review the event for compliance with performance standards. If the event did not have or create any problems, then the Rangers can be guaranteed use of the arena for the following year's 4th of July Rodeo.
- Suggested initial Performance Standards:
 - event was well-attended
 - event was well advertised and promoted
 - facility is left in a good condition
 - event was well organized
 - event did not present any issues for police or emergency services, or with traffic and parking

Mutual Aid and Benefits:

The 4th of July Rodeo is a community signature event, and as such, needs to be better promoted by the city, the Chamber, and the Rangers.

The Rangers are pursuing a website that could sell reservations and tickets. Both the Chamber and the city can provide links to the Rangers' site. A three-way partnership should be established that utilizes the Chamber's marketing expertise to promote the rodeo.

The Rangers agree to contribute some of the proceeds from the rodeo event to a maintenance fund for the arena. The city's goal is to build up a maintenance fund for the arena that will help the facilities be self-sustaining.

It is important to emphasize the positive aspects of the partnership between the City and the Sawtooth Rangers, and to recognize the many community benefits that come from the 4th of July Rodeo.

Escape Clause:

If it is not working, the agreement should be able to be severed by either party.

**CITY OF HAILEY
RESOLUTION 2011-02**

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, ADOPTING 2011 HAILEY MULTI-USE ARENA MANAGEMENT & USE POLICIES FOR WEEKEND EVENTS AND WEEKDAY TICKETED EVENTS ANTICIPATING TICKET SALES IN EXCESS OF THREE THOUSAND (3000) SEATS

WHEREAS, the Hailey City Council seeks to fill the new Hailey Rodeo Park Multi-Use Arena with diverse and vibrant activity during its inaugural year of 2011; and

WHEREAS, Hailey recognizes that event promoters will need to begin booking the arena early in the calendar year for the successful planning of large-scale events; and

WHEREAS, the Hailey Parks and Lands Board have fully discussed and recommended weekend use policies and fees, but recognize that a complete business plan should be developed to protect Hailey taxpayers from subsidizing event costs; and

WHEREAS, the Hailey City Council finds that several short-term agreements are necessary during the period that a comprehensive business plan is being developed, including agreements with promoters of weekend events and weekday events anticipating ticket sales in excess of three thousand (3000) seats during calendar year 2011.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Hailey to adopt the **CITY OF HAILEY ARENA MANAGEMENT & OPERATING POLICIES** for calendar year 2011 weekend use or weekday ticketed events anticipating in excess of 3000 ticket sales beginning July 15, 2011.

THIS RESOLUTION is adopted by the Mayor and Hailey City Council and is in full force and effect upon its adoption this 10th day of January, 2011.

Richard L. Davis, Mayor

ATTEST:

Mary Cone, City Clerk

CITY OF HAILEY
ARENA MANAGEMENT & OPERATING POLICIES
FOR 2011 WEEKEND USE BEGINNING JULY 15, 2011
January 2011

Multi-Use Arena:

Goal:

- Arena facility gets used more than just the 4th of July.
- Diverse and varied events are welcomed within the Arena.
- The facility is available and accessible for community events.
- The facility is self-sustained with user fees.

Separate Agreement with Rangers:

1. The Sawtooth Rangers have operated the Hailey Fourth of July Rodeo since 1947. Their events have won Professional Rodeo Association Awards during many of those years.
2. In 2011, the rodeo will be held in a new Arena, built by the City of Hailey with taxpayer funds. Although the Sawtooth Rangers have been consulted in the building of this arena, operating the inaugural rodeo within the new facility will require significant adjustments to their previously established methods of operating the rodeo.
3. In an effort to support the Sawtooth Rangers in being able to continue to provide a successful 4th of July Rodeo event, the City of Hailey wishes to enter into an initial three-year contract with the Sawtooth Rangers, which contract will be separate from the general use policies other event producers are subject to.
4. The weekends prior to, following, and including July 4th 2011 and 2012 will not be available to other event producers. In addition, no professional rodeos other than those produced by the Sawtooth Rangers will be allowed within the arena during 2011 and 2012.
5. The full terms of the Short-Term Agreement with the Sawtooth Rangers are established by separate Agreement from this Policy.

Weekend Events Reservation Policies

1. This Weekend Event Reservation Policy is not intended to limit events to weekends only. Policies for non-weekend events are established separately from this Policy.
2. Weekend events could range from small local events, such as the Tractor Pull inaugurated in 2010 as a fund-raiser, to very large concert events for which all seating and ground-space is ticketed. A flexible event booking policy is needed to encourage and accommodate diverse events within the Arena during its first year.
3. All event costs are to be born by the event producer, with set-up and clean-up efforts potentially requiring assistance from city staff. Because staff engagement is expected to be higher during the first year's bookings, the following fee policy is hereby enacted for 2011 events:

Fees, Deposits and Reservation Policies

1. 2011 Weekend Events can be reserved within the Arena as far in advance as event promoters want, as long as all deposits are paid in advance.
2. Rental fees for the facility will be \$500 per day for the Arena, and an additional \$250 per day for the Concession area, including set-up and clean-up days. A day is defined as midnight to midnight.
3. Ticketed events will be subject to an additional \$1.00 per ticket fee on tickets up to \$20.00. For tickets above \$20.00, an additional 5% of ticket price shall be paid on the ticket value over the minimum \$20.00. For example, a \$45.00 ticket shall pay \$2.25 for each ticket sale to the City of Hailey. The ticket fee shall be payable within 30 days following the event, and shall be accompanied by a full report of the event's financial activity, including costs and revenues, unexpected challenges, and whether the event producers expectations for the event were met.
4. A refundable Security Deposit of \$500 plus ½ of rental fee is due when reserving the facility. All remaining fees are due following Hailey City Council approval of an executed agreement for the event with the event producer, and will be collected prior to the execution by the City of that agreement.
5. Executed Agreements shall have cancellation provisions, which will allow partial refunding of fees based on the date of cancellation, it's proximity to the event, and the city's ability to fill the reserved dates of that event with another event.
6. Should an event cancel prior to an Event Agreement being approved, the city shall bill staff time against the advanced fees required in Paragraph 4 above, and refund any remaining fees.
7. City Staff will coordinate with the construction project at the Hailey Ice Facility and within the Interpretive Center to insure safety for event producers, and to avoid unnecessary costs and delays to the construction projects.

Additional Policy Provisions – Operations and Maintenance:

In an effort to invite a variety of weekend events, and to assist event producers as needed, an individual agreement for each event will be required, with some flexibility based on event producer's needs to elements outlined below.

1. The event shall not cause a public safety hazard to the remainder of the city by interrupting emergency response by police, fire and ambulance.
2. The set-up and removal of the facilities needed for the event and operation of the event shall be conducted, designed, constructed, operated and maintained to be harmonious and appropriate with the Arena facility.
3. The event shall not substantially interrupt the safe and orderly movement of traffic contiguous and near its venue. A parking and shuttle plan shall be required as part of an event agreement.

4. The event shall not be reasonably likely to cause injury to persons or property, to result in disorderly conduct or to create a disturbance.
5. Adequate steps shall be provided for protection of persons and property, which may include proof of general liability insurance coverage in the minimum amount of one million dollars naming the city as an additional named insured.
6. Adequate trash receptacles and/or dumpsters, portable toilets, recycling containers and crowd control measures shall be provided. The city will evaluate each event and be allowed broad discretion on the number of trash receptacles and/or dumpsters and portable toilets required. For high impact events, such as concerts, the applicant shall provide, at a minimum, one six yard dumpster per 500 people, one permanent or portable bathroom per 100 people, unless the applicant can demonstrate that modification of the requirements is justified. In addition, the applicant shall be responsible for providing all traffic and pedestrian control devices, such as cones, barricades, flags, signs and ropes.
7. If required, a security plan shall be approved by the Hailey chief of police, an emergency medical care and ambulance support plan shall be approved by the Hailey fire chief, a traffic, parking and busing plan for the event shall be approved by the Hailey fire chief and police chief, and/or a lighting plan for the special event shall be approved the Hailey lighting administrator.
8. The applicant shall agree to indemnify, defend and hold harmless the city and its officers and employees from any and all demands, claims or liability of any nature, caused by or arising out of, or connected with the special event.
9. The applicant has made no false statements or misrepresentations upon any present or former application for an event agreement.
10. The applicant has not substantially violated any provision of city, state or federal laws, in conducting any previous event.
11. The event is subject to other applicable city, state, federal or other governmental rules, regulations or laws, including but not limited to regulations pertaining to glass containers, signage, lighting, and noise.

Agreement Outline with the Hailey Chamber of Commerce for use of the Interpretive Center as a combined-use Interpretive and Visitor Center

Mutual Goal: To provide the community with an easily accessible Interpretive Center and Visitor Center, which invites travelers to stop within Hailey, and encourages them to stay to explore and enjoy Hailey fully. To discuss this outline in such detail that city staff and the chamber of commerce staff have sufficient guidance to work with the Interpretive Center Architect on the final design of the interior space and proceed to construction drawing.

Term: An initial three year contract for services, which would begin approximately October 1, 2011. Preceding that contract for services, Hailey would develop a comprehensive Business Plan for all pertinent facilities within the complex.

Both the City of Hailey and the Hailey Chamber of Commerce include within their primary mission an element of economic development within Hailey. Economic activity is fostered by tourism and events.

Mutual Aid and Benefits:

Along with new recreational facilities including a multi-use Arena and the Hailey Ice Facility, Hailey plans to construct an Interpretive Center which is of sufficient size to house an office, in anticipation that the interpretive center may be staffed. Although the City of Hailey has the means by which to staff this facility, or could build the facility in such a manner that it can be fully viewed from the exterior of the building and no staffing would be needed, mutual interests and benefits may be served by leasing the facility to the Hailey Chamber of Commerce. Those benefits include:

- The facility is on the south end of town and on the right of Main Street, with access assisted by a traffic light, which location will encourage travelers from the south to stop, use restroom facilities, and be welcomed by both an active Chamber of Commerce Visitor Center and a vibrant historical Interpretive Center.
- Ingress, egress, and parking are of sufficient size to encourage large recreational vehicles to park at the facility.
- Hailey has previously assisted the Chamber of Commerce monetarily with its Main Street rental costs, in exchange for services which encourage visitors to remain in Hailey through information distribution and development of events and activities within Hailey.
- A contract arrangement wherein a public facility rental is afforded the Chamber of Commerce in exchange for a public service conducted by the Chamber of Commerce may be a way to reduce both the Chamber of Commerce and the City of Hailey's budgets.

Rates:

The City of Hailey should establish a rental cost for the offices within the facility, which should reflect the market price of commercial office rental space within Hailey. This amount would then be factored toward services provided by the Chamber of Commerce.

The Interpretive Center final design is pending this discussion. The Gallery may be constructed separately from the offices, or constructed with a customer service (docent) space within the Gallery. A significant point of discussion for the City of Hailey and the Chamber to hold is whether this customer service (docent) counter adds more responsibility to the Chamber or assists the Chamber in meeting its mission. Rental rates may be different under the two design scenarios.

Additional Services:

City Staff recommends that long-term Arena Event Management be contracted to an outside party. City staff will develop, in concert with the Arena Business Plan, specific elements of the Scope of Services for Arena Event

Management, including advertising of the arena's availability for events, soliciting event promoters' interest in the facility, advertising specific events, developing event agreements, managing those agreements, and insuring clean-up and reporting to the City about the events successes and challenges. That Scope of Services may then be put out to bid as a professional contract for services. The Hailey Chamber of Commerce may want to be one of those bidders. (The Hailey Ice Facility Program Manager may also be a contender). Should the Hailey Chamber of Commerce be identified as the best contractor for this service, the Chamber could increase its funding and potentially its staffing to allow some weekend staffing of the Interpretive/Visitor Center.

Escape Clause:

If it is not working, the agreement should be able to be severed by either party.