



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Tell and Members of the City Council

**THROUGH:** David N. Carmany, City Manager

**FROM:** Richard Gill, Director of Parks and Recreation  
Mark Leyman, Recreation Services Manager

**DATE:** April 3, 2012

**SUBJECT:** Status of the International Surf Festival's Charlie Saikley Six-Man Beach Volleyball Tournament

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### **RECOMMENDATION:**

Staff recommends that the City Council discuss the status of the International Surf Festival's Charlie Saikley Six-Man Beach Volleyball Tournament and provide direction.

### **FISCAL IMPLICATION:**

The fiscal impact for the 2012 International Surf Festival's (ISF) Charlie Saikley Six-Man will be \$101,428 given the current team registrations. The total operational costs are estimated to be \$160,000 based upon the final costs for the 2011 event. Revenue from entry fees as of March 23, 2012 is \$59,800. The loss may be reduced through International Surf Festival sponsorship dollars.

### **BACKGROUND:**

At the November 15, 2011 City Council Meeting, City Council discussed the issues associated with the 2011 International Surf Festival's Charlie Saikley 6-Man Volleyball Tournament and provided direction for the 2012 event.

In order to reduce the crowds and address issues at the event, City Council changed the dates of the event to mid-week (Tuesday and Wednesday – July 31 and August 1, 2012) prior to the International Surf Festival (August 3-5<sup>th</sup>). Although the event was changed to mid-week, the Charlie Saikley Six Man event will remain part of the International Surf Festival.

In addition to the date change, City Council asked staff to establish a Six-Man Committee with representatives from the downtown businesses, downtown residents and volleyball players to address many of the issues that were reported during the November 15, 2011 City Council Meeting.

**DISCUSSION:**

In establishing the Six-Man Committee, Staff selected four representatives from each of the following groups: downtown businesses, downtown residents and volleyball players. The Committee met on three separate occasions to address the many discussion items regarding the Six-Man event. These discussion items centered upon downtown issues including: overcrowded parties on private property, public intoxication, amplified sound on private property, private parties beer truck deliveries and placement of City rented porta-potties. The Committee also discussed crowd management, the use of social media, unauthorized guerrilla marketing, and volleyball team registrations. Many of these items were addressed at the staff level to improve our operations at the event. The big picture items that the Committee discussed to provide solutions for the event were in three areas.

First, the Committee discussed the use of implementing an ordinance to regulate short term rentals and large parties. The City Attorney discussed a variety of ordinance options which would regulate private rentals of homes during the event. These options would include the regulation of short term rentals and would require a homeowner who desires to rent their home, or portions of it, to obtain a permit and comply with specific regulations such as but not limited to occupancy limits during the day and evening. This ordinance requires involvement by the owner of the home to ensure that the persons who rent the home abide by the City's rules and regulations. The City Attorney also discussed with the Committee the need for a special event permit ordinance to regulate large commercial "house" parties. These are the type of events that have a commercial component such as an admission fee, promotes commercial products or is advertised to the public. Again, the permit process would require homeowner involvement and the permit would have the ability to place restrictions on the event to limit its impact to the neighborhood. The Committee expressed some concern with the ordinance being too restrictive for homeowners that would like to have a private party apart from the Six-Man weekend and that a new ordinance would affect residents throughout the entire year when there aren't any large events or impacts on the downtown area.

Next, the Committee addressed the use of communication tools. The Committee discussed the use of social media, press releases, e-mail blasts, letters to homeowners and website updates to send out strong messages to the public and monitor individuals or commercial organizations that plan to host large parties during the event. The Committee centered on the use of social media and its importance in tracking activity and sending out clear messages to the general public. The Committee selected a number of individuals that will volunteer their time to monitor the social media outlets and inform City Staff to approach the homeowners. Beachsport will also have a staff member monitor social media and will inform City Staff. The Committee also discussed the importance of involving and communicating with the homeowners in the downtown area.

The third area discussed by the Committee is enforcement. Committee members discussed the importance of citing individuals violating State Laws and/or Manhattan Beach Municipal Code sections, to send a clear message that the City of Manhattan Beach will be prosecuting those individuals who do not comply with the Law.

**Event Revenues / Department Costs**

Cost projections for the Six-Man will remain at the same levels as the 2011 event. This is due to the lack of historical data for a weekday event and therefore, each department must provide appropriate staffing levels to ensure safety. If the attendance does drop significantly, staffing levels will be reduced during the event which will provide a cost savings. Last year's event had a final cost of \$160,228.

The Six-Man Committee Volleyball Player Representatives were concerned about the registration fees and having to take two days off from work. They stated that it is impacting their ability to field teams. The players also expressed concern with the early registration period, as the normal registration dates began on June 1<sup>st</sup> in previous years. The registration period for the 2012 event began January 23<sup>rd</sup> through March 5<sup>th</sup> and was extended to April 2<sup>nd</sup>. As of March 23<sup>rd</sup> we have 66 teams registered. City Staff provided outreach to drive registrations by sending out e-mail blasts to past team captains and posted updates on the City's and International Surf Festival's website. In addition, the CBVA (California Beach Volleyball Association) sent e-mail blasts to their extensive database (5,000+) of volleyball players and contacted each team captain from the 2011 event asking them to register. Staff is concerned with further extending the deadline, as City Council will be in the same position as last year; having to deploy Police Department resources for the anticipated crowds, even if the event is cancelled.

The total operational costs include the following:

<b>Staffing</b>	<b>2011 Final Costs</b>	<b>2012 Current Estimate</b>
Police department staff	\$57,986	\$57,986
CSC security	\$29,534	\$29,534
Fire department	\$5,212	\$5,212
P&R staff (with contractors)	\$8,200	\$8,200
Volleyball officials	\$11,935	\$11,935
Public works staffing (with contractors)	\$24,398	\$24,398
<b>Operations</b>		
ISF shirts, medals and tournament supplies	\$4,000	\$4,000
Bicycle fencing and porta-potties	\$16,063	\$16,063
4X4 trucks and gators	\$2,900	\$2,900
<b>Total Cost</b>	<b>\$160,228</b>	<b>\$160,228</b>
<b>Total Revenue (team registrations)</b>	<b>(121 teams) \$124,400</b>	<b>(66 teams) \$59,800</b>
<b>Revenue from ISF Sponsorship</b>	<b>\$15,400</b>	
<b>Total Net (loss)</b>	<b>\$20,428</b>	<b>\$100,428</b>

***Sponsorship***

Sponsorship of the event is provided through the International Surf Festival's contract fundraising agency, (Beachsport). The ISF Committee uses this money to offset all of the costs associated with ISF events.

Specific to the Charlie Saikley Six-Man event, the contract company Beachsport provides an insurance policy (\$2,000,000 in coverage) for the event which covers the City of Manhattan Beach and contributes a number of in-kind contributions (i.e. pallets of water, Muscle Milk, granola bars, etc.) which are not reflected in the budget estimates. For the 2012 Six-Man event, Beachsport has purchased twenty team entries totaling \$20,000 in revenue for the event. For the 2012 event the funding gap is currently \$100,428. In addition to the team entries, Beachsport will pursue event sponsors to further increase revenue if City Council approves moving forward with the event.

**CONCLUSION:**

Staff recommends the following options for City Council consideration:

- A) Approve moving forward with the 2012 Charlie Saikley Six-Man Beach Volleyball Tournament.
- B) Extend the registration date to June 2012 to increase team registrations
- C) Suspend the 2012 Charlie Saikley Six-Man Beach Volleyball Tournament event until additional funding options are identified for future year's events.