

Community Services Advisory Commission
Regular Meeting
City Hall - Caldwell Park Conference Room
777 Cypress Avenue
Redding, California
May 12, 2010, 3:01 p.m.

MINUTES

ATTENDANCE

The meeting opened with the following Commissioners present; Susan Hinz, Leona McCoach, Jason Waybright and John Wilson. Absent was Commissioner Adam McElvain

Also present were City Council Members Mary Stegall, City Council Member Missy McArthur, Community Services Director Kimberly Niemer, Support Services Director Gerry Kersten, Convention Center /Convention & Visitors Bureau Manager John Johnson, Tourism Officer Bob Warren, Management Analyst Matt McCallum, Management Analyst Michele Davis, Marketing Coordinator Peter Griggs and Executive Assistant Mari Szyal.

PUBLIC COMMENT

None

CONSENT CALENDAR

The minutes from the meetings on March 23, 2010 and April 14, 2010, the monthly Recreation Division Activity Report, the Convention Center Activity Report, the Convention Center Calendar, and the Convention Center Capital Projects List were presented.

Motion: To approve Consent Calendar.
(Made by Commissioner McCoach, Seconded by Commissioner Hinz)

AYES: Commissioners Hinz, McCoach, Waybright and Wilson

NOES: None

ABSTAIN: None

ABSENT: Commissioner McElvain

PRESENTATION OF RECREATION WEBSITE

Director Niemer introduced Marketing Coordinator Peter Griggs. Griggs was hired in Recreation two years ago to provide a coordinated branding effort to the Recreation Division marketing program including the Activity Guide, brochures, flyers and division website.

Marketing Coordinator Griggs noted that over the past two years a number of structures have been implemented to help promote Recreation programs. This was accomplished by the following:

- **Redesigned Activity Guide**
The redesign of the Activity Guide included implementing new, cost-saving distribution methods which resulted in a cost savings of \$1200-\$2000.
- **Implemented advertising revenue stream**
The implementation of new advertising program for complementary organizations and businesses will bring a projected total revenue in 2010 of \$12,000 for the Activity Guide and \$4,000 for the Redding Aquatic Center.
- **Built a demographic profile of client base**
This data allows us to tailor our marketing efforts based on the information gathered.
- **Initiated web site upgrades and improvements for traffic and tracking**
Web site upgrades and improvements for traffic and tracking includes submission to popular search engines, implementation and management of Google Analytics and Google Adwords campaigns, navigation and organizational structure which reflects that of the Guide, a website redesign with changing backgrounds and color schemes based on the quarter/season and a flash header for announcements/events.
- **Built social networking presence**
A social networking page was developed on Facebook, which posts weekly updates on programs or special events.
- **Developed consistent marketing/branding efforts across all programs**
A standardized layout was developed for all flyers and printed collateral materials with high standards of presentation for all marketing products

Future efforts involve:

- Develop opt-in list for email marketing
- Increase ad revenue- make the Activity Guide financially self-sufficient
- Continue Social Network outreach and growth with marketing efforts
- Custom search engine development
- Implement and integrate online registration

Commissioner Wilson inquired into the cost of utilizing the Google Analytics on the website. Marketing Coordinator Griggs responded that they are available to anyone free of charge from Google within their webmaster toolkit.

No action was required on this informational item.

PRESENTATION OF REDDING SOCCER PARK BY SHASTA REGIONAL SOCCER ASSOCIATION

Director Niemer recalled that the Redding Soccer Park was opening in 2007 with the construction funded entirely by Park Development. The City has a lease agreement with the Shasta Regional Soccer Association (SRSA) to manage the park. The SRSA is a local non-profit whose sole purpose is to manage the Redding Soccer Park. Keith Hunting, a local CPA is chair of the SRSA, and Mark Starr, the General Manager of the Redding Soccer Park (RSP), are here today to present an update to the Commission.

Mr. Hunting and Mr. Starr proceeded to provide the Commission with an update on RSP programs and events since the park opened in May, 2007. It was noted that while the name is Redding Soccer Park, the facility is quickly growing to become a regional park. Mr. Starr reported that revenue is derived from leagues, tournament week-ends (currently 12 to 13 per year), and entry fees (players & children under 12 are free).

Commissioner McCoach inquired whether the RSP has been able to meet their cash flow projection? Mr. Hunting acknowledged that they are behind where they expected to be. The fact that they are not losing money, given the current state of the economy, is considered a success. Mr. Starr mentioned that they are currently looking to attract more events during the summer months, which is the slow season.

Mr. Hunting related that one of the challenges they are facing is that the lease with city requires them to begin funding a replacement reserve for the artificial turf, HVAC system, parking lot, etc. They are working toward that goal but are not currently on track. The good news is that the fields are holding up much better than expected.

Commissioner McCoach inquired whether SRSA is able to provide any funding for the reserve. Mr. Hunting replied that they are provide funding. The lease requires them to begin funding during the fourth year of operation. Due to revenue, they were able to begin funding during the third year, but at this time will not be able to fund it at the level required by the lease.

No action was required on this informational item.

CONSIDERATION OF DRAFT SERVICE AGREEMENT WITH SHASTA CASCADE WONDERLAND ASSOCIATION

Director Kersten recalled that at the March 4, 2010, meeting of the Community Services Advisory Commission, the Commission recommended to the City Council the merger of the Convention

Visitors Bureau (CVB) with the Shasta Cascade Wonderland Association (SCWA). The Commission's Letter of Recommendation was presented at the April 6, 2010, City Council meeting. At that meeting, the City Council directed staff to negotiate an agreement with the Shasta Cascade Wonderland Association to transfer all tourism marketing operations to the SCWA and close the Redding Convention and Visitors Bureau. Staff has since drafted an agreement which is substantially complete, but is still under review by both parties and subject to negotiation. In the interest of timing the privatization of the CVB with the beginning of the new fiscal year (starting July 1, 2010), this draft is being presented for review so that any concerns can be relayed to the City Council. Staff has a high degree of confidence that negotiations will not lead to any substantive changes to this draft agreement.

Commissioner Hinz questioned how the amount of \$750,000 was arrived at. Director Kersten responded the figure was derived through negotiation between Steve Gaines and the City Manager. It is less than is currently being spent for the CVB.

Commissioner McCoach inquired how much is being reduced for staffing? Mr. Steve Gaines, President of the SCWA, replied that the number was arrived at by looking at the projections for Transit Occupancy Tax (TOT) this year and reducing the current budget by the TOT shortfall.

Commissioner Wilson expressed his concern regarding the contract dollar amount. That there is nothing in the contract regarding salaries and the amount seemed to be quite a bit for what is being required. Director Kersten noted the contract states that no less than 25% of compensation shall go to direct advertising, which comes to roughly \$180,00. This is more than is currently spent on direct advertising.

Commissioner Hinz advised that while the contract is performance-based, it does not delineate to the detail that she had anticipated. Commissioner McCoach concurred. Director Kersten responded that they did try to lay out minimum levels that must be maintained. The more successful SCWA is at the promotion, the better the market and the higher the TOT, which will result in financial increases for them.

Director Niemer related that the service is being contracted out and not directly managed by the city. The contract is a balance of the expectations regarding the duties they will perform and the staffing they will commit to. There are regular reporting requirements back to the Commission and to city staff. If the Commission has specific conditions, they can be looked at for consideration.

Commissioner McCoach stated that she was expecting larger savings to the General Fund from the merger with the CVB and SCWA. Mr. Gaines noted that the SCWA will now have the equivalent of three full-time employees. Director Niemer pointed out that the contract is performance-based and the continuation of the contract requires that the Commission and the City be satisfied with the results of the marketing efforts.

Commissioner Wilson related his consternation regarding the five year term of the contract with the auto-renewal. He would like to see a three-year contract with three year renewals. Commissioner Hinz agreed that the length of the contract and the auto-renewal clause is a serious concern for her

also. Director Kersten responded that it is important to remember that there is a clause which allows the city to terminate the contract for no cause.

Motion: Request staff to inform the City Council that it accepts the draft agreement with the exception that the auto-renewal language be removed.
(Made by Commissioner McCoach, Seconded by Commissioner Wilson)

AYES: Commissioners Hinz, McCoach, Waybright and Wilson
NOES: None
ABSTAIN: None
ABSENT: Commissioner McElvain

CONSIDERATION OF CONVENTION CENTER RECOMMENDATIONS TO CITY COUNCIL: Authorize Chair to Sign Letter to the City Council and Assign Chair or Other Commissioner to Present the Recommendations at a Following City Council Meeting As Soon As Practicable.

Director Kersten noted that he appreciated the diligence of the Commission addressing this issue which has brought them to this point where they are now ready to present the findings and recommend them to the City Council. Director Kersten recalled that at their last meeting the Commission requested that staff draw up the recommendations in the form of a memo from the Commission Chair to the City Council. Staff is here today to discuss this memo and bring it to final form for the City Council meeting on May 18, 2010.

Director Kersten stated that there is one paragraph in the memo which he would not be able to support. That paragraph requests that the City Council consider forgiving the internal debt amount of \$800,000.

Commissioner Wilson inquired where the \$1.6M debt came from. Director Kersten responded that there area couple of sources. Of the internal debt - half is a loan from the General Fund to perform capital improvements to the building and the other half was an advance from the General Fund. Prior to Transit Occupancy Tax (TOT) being used to support operating expenditures, the General Fund subsidized those costs. The General Fund does not give money to an Enterprise Fund, they advance it with the expectation of being repaid. This portion of the debt is from the late 1980's - early 1990's. Director Niemer informed the Commission that the debt had recently been moved to the Risk Management Fund, which made the forgiveness even less likely.

Commissioner McCoach advised that since the Convention & Visitors Bureau (CVB) recommendation had previously been sent to the City Council, she strongly urged that this recommendation focus solely on the Convention Center. Director Kersten responded that mentioning the CVB provided an overview of the entire scope of work, but that the references could be removed at the Commission's request.

Commissioner Hinz noted that the issue before the Commission is whether the paragraph referencing forgiveness of the internal debt should be deleted. Commissioner McCoach opined that

the paragraph should stay but an explanation be provided regarding how the debt was derived so that the City Council understand the issue better.

Motion: Accept Commission's Letter to City Council with the one paragraph being corrected.
(Made by Commissioner Wilson, Seconded by Commissioner Waybright)

AYES: Commissioners Hinz, McCoach, Waybright and Wilson

NOES: None

ABSTAIN: None

ABSENT: Commissioner McElvain

PROJECTS UPDATES

Director Niemer provided updates on the following projects:

Budget

The City Council has voted to cut \$2.3 million from the General Fund budget, which has the impact of laying off two additional full-time Parks workers and one part-time clerk in the Recreation office. Reorganization will reduce some management positions and align the Parks Division and Convention Center the under Community Services Department.

Riverland Drive

On April 24, the CA Conservation Corps workday began the process of removing the himalayan blackberries. Next week, Dr. Randy Smith will begin spraying the berry bushes so they will be reduced and ready for removal in the Fall. Staff has received several letters in support of rezoning the property to Open Space and will be taking the issue to the City Council in June.

May 8 Day of Service

300-400 members of the local Mormon churches volunteered their time this past Saturday. Work was done in The Sculpture Park to help replenish plants which did not make it through the freeze this past winter. The mosaiculture along Cypress Avenue was removed and the area planted with a demonstration vegetable garden. There were also groups working at the Redding Library, the MLK Library, the Redding Aquatic Center and Buckeye Park.

Recreation On-Line Registration

The Request for Information responses have been received and are less than satisfactory. The team working on this are looking at other alternatives.

MLK Playground

The playground was completed with much assistance from volunteers. This was funded primarily by a Community Development Block Grant.

Salt Creek Heights

The Planning Commission met yesterday to consider the subdivision proposal and conditions. All of the CSAC recommendations were accepted and included in the Planning Commission's recommendations to the City Council.

Director Kersten provided an update on the following project:

Buckeye Park Tennis Courts

The weeds have been taken eradicated and at some point, when the budget allows, the courts will need to be resurfaced.

No action was required on these informational items.

COMMISSIONER COMMENTS

None.

DIRECTORS' COMMENTS

None.

ADJOURNMENT

There being no further business, at the hour of 5:23 p.m. Chair Hinz declared the meeting adjourned.

Susan Hinz, Chair