



November 6, 2024

ITEM TITLE: REVIEW AND DISCUSSION OF THE 2024 SUN & SEA FESTIVAL EVENT PRESENTATION, FINANCIAL REPORT, AND CITY’S SPONSORSHIP. (1040-10)

ORIGINATING DEPARTMENT:

City Manager

EXECUTIVE SUMMARY:

On April 3, 2024, the City Council approved a special event permit and conditionally authorized financial support by the City for the 2024 Sun & Sea Festival, hosted by the Sun & Sea Festival Committee on Saturday, August 17, 2024. As part of the special event terms and conditions, the event organizer must present a formal overview and a detailed financial report to the City Council post-event.

RECOMMENDATION:

The recommendation is that the City Council accept and file the presentation and financial report from the event organizer and provide further direction to staff as needed regarding the City’s sponsorship of the event.

OPTIONS:

- Accept and file the report
- Request additional information and a supplemental report
- Provide direction to the City Manager

BACKGROUND/ANALYSIS:

The Sun and Sea Festival, originated in 1960 as a tribute to the incorporation of Imperial Beach, evolved to become the U.S. Open Sandcastle Competition from 1980 to 2011. Over the years, the event has featured major sand sculptures, live music at Pier Plaza, and family activities at Dunes Park. The event was not held in 2023 due to various factors.

At the May 5, 2023 City Council meeting, the City Council discussed the matter with the event coordinator and requested a follow-up discussion later in the year when it could be identified what City resources would be required to hold the event in 2024. At the December 6, 2023 City Council meeting, Councilmember Fisher was designated to meet with the Committee to explore unique, cost-effective ideas reminiscent of the past, while addressing water quality concerns. The Sun & Sea Festival Committee ultimately submitted a special event application for August 17, 2024, proposing a Mega Castle, live entertainment, vendors, and street closure along Seacoast Drive. The Kids N’ Kastles family activity at Dunes Park was not initially included in this application.

On April 3, 2024, the City Council conditionally approved the event, allowing planning to commence for the special event deadlines and the required City in-kind support requested by the applicant.

On April 27, 2024, the City issued the Special Event Conditions of Approval based on Council's direction. After meeting all conditions, the Sun and Sea Festival event was permitted with City support. The Sun & Sea Festival event took place on Saturday, August 17th, 2024.

The following is a summary of the City in-kind services provided to the applicant:

- In-kind staffing and City fee waivers
 - Setup and cleanup
 - Road closure staffing
- Insurance
- Safety
- Security
- Fencing
- Portable Restrooms
- Water supply

Description	Cost
In-kind staff support (payroll costs)	\$4,660
Event insurance*	\$2,000
Sheriff costs	\$2,500
Security	\$2,440
Fencing	\$482
Portable restrooms**	\$840
Water Supply	Difficult to calculate due to water meters.
Subtotal	\$12,922.00

*Costs based on vendor/attendee numbers.

** This amount was programmed to be paid by the Sun & Sea Festival Committee.

The following is a summary of the City sponsorship provided to the applicant:

- City Fee, Inspection, and other Waivers – based on adopted 2024 City's Fee Schedule

Description	QTY	Rate	Cost
Special event application processing fee*	1	\$1,000	\$1,000
Amendments to application	3	\$25	\$75
Banner hung in City (per pole)	2	\$25	\$50
Sound application fee	1	\$100	\$100
Pier Plaza hourly rental fee (first hour)	1	\$158	\$158
Pier Plaza hourly rental fee (each additional hour)	6	\$79	\$474
Pier Plaza overnight/day before set up fee	1	\$175	\$175
Cleaning fee	1	\$175	\$175
Electrical fee	2	\$88	\$176
Canopy fee	1	\$60	\$60
Reserve parking fee (flat fee)	1	\$120	\$120
Reserve parking lot (flat fee)	1	\$250	\$250
Fire Department Safety Inspection	3	\$173	\$519
Parks & Rec staff event inspection	3	\$34	\$102
Parks & Rec staff resident notification	3	\$110	\$330
Public Works staff bollard barricade set up	3	\$110	\$330
Tidelands staff utility setup and breakdown	3	\$110	\$330
Subtotal			\$4,424.00

Grand Total City Sponsorship \$17,346.00

*Processing fee does not include City management administration and meetings.

The Sun & Sea Festival Committee paid the City \$805.00 in special event business license fees, including vendor permits. The event included a Mega Castle, food vendors, live entertainment, and a street closure. Although the Kids N' Kastles activity was not originally included in the event application, it was permitted administratively following the initial City Council authorization due to its positive impact on children. Recognizing the value of this activity for engaging families and providing an enriching experience for young attendees, the City approved it to enhance the overall community benefit of the event. Kids N' Kastles set up north of the Imperial Beach Pier in close proximity to other event activities.

As part of the special event terms and conditions, the event organizer is required to return to the City Council with a formal presentation and a detailed financial report following the event. The presentation should include the number of attendees, benefits to the community, positive economic impact as a result of the event, beneficiary of funds, and overview of the event budget and future outlook. The financial report is attached (Attachment 1), and a PowerPoint presentation will be provided at the meeting.

In considering future sponsorship of the Sun & Sea Festival, staff recommends addressing key issues observed during this year's event to improve safety, efficiency, and resource allocation. Some vendors did not meet essential safety standards, such as securing canopies with appropriate weights or providing fire extinguishers to meet event requirements. Additionally, the full road closure may not have been necessary, as only a small number of vendors occupied the closed streets, resulting in underutilized space, though it is recognized that it allowed for a more pedestrian friendly environment. Adjusting the street layout to match vendor needs could reduce staffing costs to the City associated with road closures. Addressing these factors in advance would enhance event safety, organization, and cost-effectiveness in the future.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The City's fiscal impact for sponsoring the 2024 Sun & Sea Festival event totaled approximately \$17,346, covering in-kind contributions such as staff support for setup, cleanup, road closures from Elder Avenue to Evergreen Avenue, and security, as well as fee waivers for permits, facility rentals and additional services based on the City's 2024 fee schedule. The City also funded event insurance, security, and law enforcement, with certain costs varying depending on attendance and vendor numbers. Future sponsorship costs would depend on the size, timing, layout, and specific activities included in the upcoming Sun & Sea Festival events, as these factors influence the level of support and resources required.

ATTACHMENTS:

- ATT 1 - Sun & Sea Festival financial report
- ATT 2 - Sun & Sea Festival special event conditions
- ATT 3 - Sun & Sea Festival event application
- ATT 4 - Sun & Sea Festival activation map
- ATT 5 - Sun & Sea Festival road closure map
- ATT 6 - Sun & Sea Festival vendor map
- ATT 7 - Sun & Sea Festival list of vendors