This policy establishes parameters for City sponsoring of and waiving City fees associated with community special events (e.g. permit fees, facility rental fees, Police and Public Works fees).

I. DEFINITIONS
   a. Community Special Event: For the purposes of this policy, this term refers to special events sponsored and hosted by a non-profit, community-serving organization.
   b. Event Tiers: Special Events shall be categorized by tiers, dependent on scope and complexity.
      i. Tier I: Typically highly attended events that involve street closures, police presence and a Caltrans Encroachment Permit.
      ii. Tier II: Typically medium-large scale events that involve street closures and police presence.
      iii. Tier III: Typically medium scale events that involve either street closures or police presence, but not both.
      iv. Tier IV: Typically small-scale events that do not involve street closures or police presence which may take place in an outdoor City location or within a City facility/building.
   c. Special Event: Any planned activity that requires use of public property by 20 or more people, which is not within the normal and ordinary use of the property or which, by nature of the activity, may have a greater impact on City services or resources, neighborhoods, businesses or the community as a whole than would have occurred had the activity not taken place, including, but not limited to, parades, gatherings, arts and crafts shows/fairs, festivals, and athletic events. The Special Events Committee shall determine whether or not an activity is considered a special event.
   d. Special Events Committee: A committee comprised of representatives from several City Departments. The Committee is charged with determining whether or not an activity is a special event, determining event tiers, determining event requirements and fees per City guidelines and ensuring adherence to procedures set forth in this policy. For the purpose of selection of awards, the Executive Director of the Pajaro Valley Chamber of Commerce and Agriculture, or designee, will also sit on this committee.
   e. Sponsoring Organization: The organizing agency that assumes financial and liability risk for the event.

II. PURPOSE
   The purpose of this policy is to provide an equitable means for community organizations:
   1) To access fee reductions, fee waivers, and City funds,
   2) To establish mutually beneficial partnerships between City and the community, and
3) To effectively control the manner in which the City provides event sponsorship to the community.

III. RESPONSIBILITY
The Special Event Committee is responsible for the determination of fee reductions, waivers, and special considerations and shall ensure that procedures set forth in this policy are followed.

a. The Special Events Committee shall be comprised of at least one representative from the Parks and Community Services, Public Works, Community Development, Risk Management, Police and Fire Departments.

b. The number of special events the City sponsors will depend on budget and operating impacts and will vary annually. All events must occur within the Fiscal Year they are budgeted to occur.

IV. POLICY

a. Eligibility Requirements: City sponsorship through the granting of fee reductions and waivers are available to a wide variety of events including sporting, tourism, cultural, general, and major community events.

   i. Events must:
      1. Be sponsored by one or more not-for-profit organizations and non-profit entities that have a documented federal 501(c) (3) status or a similar non-profit status under state law.
      2. Be free and open to the whole community
      3. Take place within City limits
      4. Be scheduled to take place within the City's following fiscal year (July 1 through June 30) and the exact date(s), time(s) and location(s) within Watsonville have been determined
      5. Not be a private function
      6. Not be organized by individuals or private enterprise or organized as a for profit commercial venture
      7. Not primarily be a fundraiser or charitable in nature
      8. Not be financially dependent on receiving City of Watsonville support
      9. Not serve a political purpose

   ii. Sponsoring Organization must:
      1. Have no outstanding debt owed to the City
      2. Not be a political party, lobby group or religious group
      3. Be based inside the Watsonville city limits (unless the demonstrated benefits are primarily to the residents of Watsonville)
      4. Meet all special event application processing deadlines

   iii. Other Requirements
      1. Cannot be for retroactive funding
      2. Projects or organizations who have not satisfactorily fulfilled their obligations following previous fee reductions, waivers or other event requirements will not be eligible for sponsorship
      3. Event organizers must submit a Post Event Report to the City within 30 days following the event.

b. Event Selection: In evaluating the priority of the application, preference will be given to events that:
   i. Raise the profile of Watsonville through prominent acknowledgement of its support and assistance in event marketing materials and at the event itself.
ii. Have a high number of expected attendees.

iii. Address City Council priorities and adopted General Plan policies.

iv. Benefit the residents of Watsonville.

v. Contain an education component.

vi. Create revenue-generating opportunities for local businesses.

vii. Are reoccurring.

viii. Involve more than one Watsonville community group (in event organization and/or participation).

ix. Commit to tracking event attendance and vendor sales.

c. Fee Reductions, Waivers and sponsorship:

i. Level of assistance available: Fee reductions and waivers are limited to the following amounts/percentages per event, based on the Tier that events fall under:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Fee Reduction/Waiver</th>
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<tbody>
<tr>
<td>Tier I</td>
<td>Maximum of 50% of City fees or $10,000, whichever is higher</td>
</tr>
<tr>
<td>Tier II</td>
<td>Maximum of 50% of City fees or $4,000, whichever is higher</td>
</tr>
<tr>
<td>Tier III</td>
<td>Maximum of 50% of City fees or $1,500, whichever is higher</td>
</tr>
<tr>
<td>Tier IV</td>
<td>Maximum of 50% of City fees or $750, whichever is higher</td>
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ii. Special Consideration: Greater funding may be available if the significance or scale of the event warrants it, including additional conditions such as in-kind or other contribution of goods, services, or programs that will benefit the City of Watsonville or its residents. All proposed in-kind contributions must equal or exceed the value of the awarded funding or provide a substantial but measurable public benefit. In-kind contributions may include, but are not limited to, equipment or materials, free attendance for classes or programs, or service projects to improve or add to City programs.

iii. Other Obligations: Any reduction in or waiver of fees allowed above will not affect the obligation of a permittee to comply with the remaining qualifications, restrictions, and criteria of this policy or to pay other costs or to provide insurance as required. Business license, encroachment permit fees, health permit, and liquor license fees will not be waived or reduced.

d. Acknowledgement: All recipients of fee reductions, waivers, and/or sponsorships shall acknowledge the City's support in all publicity relating to the event or activity. This includes logos and statements in all advertising and promotional material, media releases and in other promotional contexts. Promotional opportunities should be detailed in the event application.

V. PROCEDURES

a. On or before February 28 of each year, the City shall issue an annual Call for Applications for the Program for special events occurring during the following fiscal year. A pre-application meeting shall be held prior to the application deadline. Attendance of all applicants at the pre-application meeting is recommended.

b. To qualify to receive a fee reduction or waiver, the Program application must be submitted by the advertised deadline. All applications must comply with the following:

i. Must be submitted on time and must have complete information. Late or incomplete applications, or applications that do not fully comply with instructions, may not be considered.

ii. Include a copy of:

1. The organization’s IRS 501(c)3 determination letter
2. Financial statements from the prior year’s event (if applicable)
3. The proposed budget for the current year’s event. Applicants sponsoring an event for the first time will only be required to submit the current year’s proposed budget.
4. Special Event Application
c. Applications will be forwarded to the Special Event Committee to evaluate eligibility, estimate fees and determine fee reductions and waivers. The Special Events Committee will notify applicants of status of award.

VI. OTHER CONSIDERATIONS
a. Scheduling and use of City facilities are subject to the availability of the requested facilities. Sponsored events do not have preference over City programs and activities or previous commitments to third parties.
b. Fee reductions and waivers may be revoked if:
   i. Event sponsor fails to comply with City requirements and deadlines as determined by the event’s Special Event Application and Permit.
   ii. Changes to the status of the event and/or event sponsor occur causing it to no longer be eligible
c. Applicants are required to adhere to all applicable rules, regulations, laws, and ordinances of the City of Watsonville and other applicable governmental entities.
d. Applicants that fail to abide by the policy and procedures set forth in this document will be ineligible to request fee waivers or fee reductions for a period of at least one year.

VII. OFF-CYCLE FEE REDUCTION AND WAIVER REQUESTS
a. Notwithstanding the provisions of this Policy and the Program requirements, the Special Events Committee retains discretion to consider additional special event sponsor requests presented outside of the Call for Applications period set forth in this policy, if funds are available. All off-cycle special event fee reduction and waiver requests shall be forwarded to the Special Event Committee for evaluation utilizing the eligibility and evaluation criteria set forth in this Policy.