



**CITY OF MONROVIA
COMMUNITY SERVICES COMMISSION
AGENDA REPORT**



DEPARTMENT: Community Services

MEETING DATE: January 14, 2014

PREPARED BY: Rebecca Romero,
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AGENDA LOCATION: AR - 3

TITLE: 2012 – 13 Community Center Revenue and Fee Analysis

OBJECTIVE: The purpose of this report is to provide the Community Services Commission with the annual Community Center revenue and fee analysis.

BACKGROUND: The Community Center is open Monday through Thursday from 8 a.m. to 9 p.m., Friday's from 8 a.m. to 5 p.m., and Saturdays and Sundays for rentals. There are nine rooms available to rent for receptions, anniversaries, birthday parties, sweet 16 parties, church related activities and business meetings. Rooms include the Kay Dalton Room, West Room, East Room, Monroe Room, Multi-Purpose Room, Iris Room, Craft Room, Dance Studio and Senior Game Room.

Staff reviews Community Center fees on an annual basis to ensure fiscal responsibility, and quality service to the public. Similar facilities in surrounding cities are surveyed to maintain competitively priced rental fees. The findings are presented to the Community Services Commission for review. Based on survey findings, Staff and Commission make recommendations to City Council for fee changes. The recommended changes are presented to City Council by the Administrative Services Department in June as part of the City's Annual Fee Resolution. All fees must go through the Fee Resolution process in order to be implemented and/or amended.

ANALYSIS: The fee structure for Community Center rentals is as follows:

Priority I: Full rate for private/general public rentals.

Priority II: Reduced rate for Monrovia businesses and non-profit organizations. (Discounted 25 percent)

Priority III: Free use for City Departments and established agreements and Memorandums of Understanding (MOU's) with organizations such as the Monrovia Unified School District.

Survey: Staff surveyed the following neighboring cities and compared the current rental fees with similar facilities. (Survey results outlined in attachment A)

- Azusa
- Baldwin Park
- City of Industry
- Claremont
- Covina
- Diamond Bar
- Duarte
- El Monte
- Glendora
- La Verne
- Pasadena
- San Dimas
- San Gabriel
- Sierra Madre
- West Covina

Large Rooms:

According to the fee survey (see Attachment A) the average fee for a banquet facility similar to the Community Center Kay Dalton Room is \$1,139 compared to Monrovia’s fee of \$475 - \$650. Though Monrovia’s rental fees are substantially lower than the average, Staff does not recommend raising room fees due to the aging aesthetics of the Kay Dalton Room. Many of the facilities surveyed with higher rates are ones with upgraded amenities including appealing sound proof paneling, upgraded sound systems, ballroom floors and chandeliers, and state of the art lighting systems.

Small Rooms:

The average fee for a small meeting room similar to the Monroe room is \$66 per hour, compared to Monrovia’s fee of \$25 - \$60 per hour. Based on survey results, the Community Center fees are competitive with surrounding agencies with similar amenities.

Room Overview:

The following information is an overview of the number of rentals and fees for each room.

Kay Dalton Room - The Kay Dalton Room (combination of the East and West Rooms) rental fee is \$650 for a 6 hour block of time. The room accommodates a maximum of 250 guests for dining and 570 for assembly seating. This room is used for receptions, community classes, senior activities, community seminars and exhibits. The amenities include:

- hardwood floor
- drop down ceiling projection screen
- sound system
- wireless internet access
- variety of lighting patterns
- portable stage
- full kitchen access
- tables and chairs

Kay Dalton Room - The chart below compares room rentals and free use between 2011-12 and 2012-13 fiscal years. There was a slight decrease in Priority I rentals and a decrease of 45 percent in Priority II rentals. Staff attributes the decrease in the Kay Dalton rentals to the loss of a weekly church group that moved to a larger facility due to their growing congregation.

| Kay Dalton Room – Rentals | | |
|----------------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 12 | 9 |
| Priority II | 36 | 16 |
| Priority III | 15 | 20 |
| Total Use | 63 | 45 |

West Room – The West Room rental fee is \$500 for a 6 hour block of time (the west half of the Kay Dalton Room) accommodating a maximum of 160 guests for dining and 340 for assembly seating. The same amenity options are available in this room as in the Kay Dalton Room. This room is used for small receptions, community classes, and senior events. The number of Priority I rentals remained fairly consistent with the number of rentals in the 2011–12 fiscal year. Priority II rentals decreased due to the loss of another local church group that moved to a larger facility due to their growing congregation.

| West Room – Rentals | | |
|----------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 10 | 8 |
| Priority II | 55 | 33 |
| Priority III | 189 | 167 |
| Total Use | 254 | 208 |

East Room – The East Room rental fee is \$475 for a 6 hour block of time (the east half of the Kay Dalton Room) accommodating a maximum of 110 guests for dining and 225 for assembly seating. The same amenity options are available in this room as in the Kay Dalton Room. This room is used for small receptions, community classes, and senior events. Staff attributes the decrease in Priority II rentals to the loss of the church group noted under Kay Dalton Rentals who utilized the East Room for meetings and small staff trainings.

| East Room – Rentals | | |
|----------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 9 | 6 |
| Priority II | 22 | 3 |
| Priority III | 40 | 61 |
| Total Use | 71 | 70 |

Monroe Room - The Monroe Room rents for \$60/hour and can accommodate a maximum of 60 guests for dining and 80 for assembly seating. The Monroe Room has the following amenities:

- new ceiling
- energy efficient lights
- wireless internet access
- dry-erase board
- tables and chairs
- kitchen access
- variety of lighting patterns

This room is used for community classes, inter-department meetings, seminars, business meetings, small parties and exhibits. Priority I rentals increased by four rentals compared to 2011–12 fiscal year. The room was primarily used for smaller events such as bridal showers, baby showers, and celebrations of life. Priority II rentals decreased in fiscal year 2012–13 due to the loss of a non–profit group that relocated to another facility that charged them a lower rental price than Monrovia could offer. The decrease in Priority III rentals is due to the relocation of City department meetings to other City facilities.

| Monroe Room – Rentals | | |
|------------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 6 | 10 |
| Priority II | 35 | 22 |
| Priority III | 235 | 213 |
| Total Use | 276 | 245 |

Multi-Purpose Room – The Multi-Purpose Room rents for \$25/hour and can accommodate a maximum of 25 guests. The amenities include:

- linoleum floor
- separate door access to Palm Avenue
- tables and chairs

This room is used for community classes, seminars, community meetings, inter-department meetings, birthday parties, and baby showers. The number of Priority I rentals remained consistent with the 2011-12 fiscal year. The decrease in priority II rentals was due to a Monrovia Business relocating their meetings to a smaller room in the Community Center (the Iris Room). The increase in Priority III rentals was due to the implementation of a new Senior Stretch Program.

| Multi-Purpose Room – Rentals | | |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 13 | 13 |
| Priority II | 24 | 9 |
| Priority III | 26 | 39 |
| Total Use | 63 | 61 |

Iris Room – The Iris Room rents for \$25/hour and can accommodate a maximum of 10 guests. The amenities include:

- carpeted floor
- private restroom
- tables and chairs

This room is used for community classes, business rentals and meetings. Staff attributes the significant increase in Priority I & II rentals to the replacement of Iris room furniture which created better layout options, an on-going monthly rental by a Monrovia business and a few of the on-going Senior Game Room renters down-sizing to the Iris Room.

| Iris Room – Rentals | | |
|----------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 2 | 6 |
| Priority II | 23 | 43 |
| Priority III | 135 | 86 |
| Total Use | 160 | 135 |

Craft Room - The Craft Room rents for \$25/hour and can accommodate a maximum of 15 guests. The amenities include:

- linoleum floor
- side counter tops and two fully-functioning sinks
- tables and chairs

This room is used for community classes, senior events, meetings, seminars and department programs. Priority I rentals increased by a total of four compared to fiscal year 2011–12. Priority II rentals increased due to a referral from the Santa Anita Family YMCA. The YMCA could no longer accommodate a rental group at their facility so they were referred to the Community Center.

| Craft Room – Rentals | | |
|-----------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 2 | 6 |
| Priority II | 10 | 37 |
| Priority III | 165 | 114 |
| Total Use | 177 | 157 |

Dance Room – The Dance Room rents for \$25/hour and can accommodate a maximum of 20 guests. The amenities include:

- carpeted floor
- dry erase board
- tables and chairs

This room is used for classes and meetings. The Priority II rentals increased due to a small church group reserving the room on a weekly basis beginning in July 2012. The increase in Priority III was a result of additional use by the Senior Clubs for meetings and weekly programs.

| Dance Room – Rentals | | |
|-----------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 2 | 0 |
| Priority II | 15 | 71 |
| Priority III | 56 | 70 |
| Total Use | 73 | 141 |

Senior Game Room – The Senior Game Room rents for \$60/hour and can accommodate a maximum of 60 guests. The amenities include:

- new ceiling
- energy efficient lights
- new carpet, paint
- hi-tech projector system
- tables and chairs

| Senior Game Room – Rentals | | |
|-----------------------------------|-----------------------------------|-----------------------------------|
| Rental Options | Number of Uses 2011-12 | Number of Uses 2012-13 |
| Priority I | 9 | 4 |
| Priority II | 40 | 20 |
| Priority III | 137 | 109 |
| Total Use | 186 | 133 |

Staff attributes the decrease in Priority I rentals to patrons choosing to rent the Monroe Room instead of the Senior Game Room due to it being adjacent to the kitchen, which is an appealing option. The decrease in Priority II rentals is attributed to several of the on-going Senior Game Room renters downsizing to the Iris Room.

Marketing and Publicity: The following marketing strategies were used in the 2012-13 fiscal year to promote Community Center facility rentals.

- Community Center rental information was highlighted in the Monrovia Today publication which was mailed four times in the 2012-13 fiscal year to over 17,500 homes and business in Monrovia.
- Rental information was placed on the City's Web Site and Facebook
- Staff attended two Monrovia Chamber Showcases at the Friday Night Family Festival to advertise rental opportunities
- Staff provided direct information by e-mail to customers
- Rental fees and photos were listed on the free myeventbook.net website which enabled Staff to secure two rentals
- The Community Center's lobby monitor had a variety of facility rental slides which included images from previous events and rental information

ENVIRONMENTAL IMPACT: To increase energy efficiency and reduce operating costs, the Public Works Department installed new air conditioning units and energy efficient lights in two rooms at the Community Center in 2011. Also, in compliance with the City's Green Accords, Staff e-mails potential customers facility rental information and confirms reservations via e-mail verses traditional paper mailings.

FISCAL IMPACT: Room rentals, such as the Kay Dalton Room, typically book six months to a year in advance, and revenue collected may not fall within the same fiscal year as the event. For example, the Kay Dalton room is reserved in January 2014 for an event taking place in September 2014; therefore, the number of rentals taking place during the fiscal year does not always coincide with the amount of revenue collected within that same fiscal year.

Community Center room rental revenue decreased from \$70,258 in 2011 -12 to \$54,678 in 2012-13, however, the revenue collected in 2012-13 exceeded the \$50,000 rental revenue goal. Staff attributes this revenue decrease to the loss of on-going church rentals that relocated to larger facilities. Other factors contributing to the decrease in revenue are aging equipment and declining room aesthetics. Due to City budget constraints, the Kay Dalton Room floor, lights, ceiling and grey sound panels have become worn and antiquated. As a result, the room looks less appealing to potential rental customers. For example, the Kay Dalton room divider was damaged, unsafe and had to be removed in April 2012. The new divider replacement was placed on the Public Works capital project list, along with the replacement of the Kay Dalton room floor, ceiling, and light system. After the removal of the room divider, Staff has had difficulty renting half of the room. Staff can no longer hold contract classes consecutively and City programs and events no longer have the option of closing the divider for seminars, meetings or showcases.

The program costs outlined in the report do not include full-time staff costs associated with the Community Center operations.

| Revenue | | |
|----------------------------------|------------------|------------------|
| Room Rental Revenue | 2011 - 12 | 2012 - 13 |
| Kay Dalton Room | \$ 39,300 | \$ 30,778 |
| West Room | \$ 12,370 | \$ 9,400 |
| East Room | \$ 4,010 | \$ 2,550 |
| Monroe Room | \$ 3,158 | \$ 2,200 |
| Multi-Purpose Room | \$ 2,075 | \$ 1,500 |
| Iris Room | \$ 1,630 | \$ 2,100 |
| Craft Room | \$ 2,100 | \$ 3,150 |
| Dance Room | \$ 1,275 | \$ 2,050 |
| Senior Game Room | \$ 4,340 | \$ 950 |
| Total Room Rental Revenue | \$ 70,258 | \$ 54,678 |

PROGRAM COMMENTS:

1. The loss of church rentals significantly affected fiscal year 2012–13 revenue. Staff will continue to seek out weekend rental groups, which will increase overall revenue.
2. The removal of the Kay Dalton Room divider may continue to cause a decrease in rentals and revenue for the 2013–14 fiscal year.
3. Budget restrictions and limited funds make it difficult to upgrade facility amenities in order to compete with other venues.

OPTIONS: The Community Services Commission has the following options to consider:

1. Maintain all existing Community Center rental fees.
2. Direct Staff to increase one or more fees.
3. Direct Staff to investigate other options.

RECOMMENDATION: Staff recommends the Community Services Commission move to approve option number one; maintain all existing Community Center rental fees as outlined in this report.

COMMISSION ACTION REQUIRED: If Community Services Commission concurs, the appropriate action would be a motion to approve option number one as outlined in this report.