



MUNICIPALITY OF ANCHORAGE
ANCHORAGE PARKS & RECREATION

Memorandum



DATE: October 5, 2007
TO: Jeff Clarke, Parks and Recreation Commission Chair
FROM: Mari Steinbach, CPRP, and Recreation Division Manager
Cc: Jeff Dillon, Parks and Recreation Director
SUBJECT: Percentage of Gross Sales Fee Replacement Policy

The Department requests a Parks and Recreation Commissioner now serving on the finance committee, be assigned to a special subcommittee, formed to review and establish the fee in lieu of percentage of gross sales (concessions) policy.

You will recall that the Anchorage Assembly mandates that as of January 1st, 2008, the percentage of gross sales surcharge be deleted from the fee policy. Generally, this applies to special users of park spaces for festivals and events. Additionally, it impacts concession stand operations, such as those run by Little League and adult sports organizations. The Department projects an expected loss of \$38,000 minimum in revenue, unless the fees are somehow replaced.

Victor Molozzi has the most familiarity on the commission on this topic, and has expressed a willingness to serve as the PRC liaison if needed. We request that you appoint a PRC member to lead the discussion. The Department has a list of six community members who have expressed an interest and desire to work with the Department to resolve this issue. The time commitment for subcommittee members will be 5-8 hours over the next four weeks.

I recommend a similar structure to the Aquatic Subcommittee, where two meetings are scheduled and additional meetings would be scheduled contingent upon specific outcomes.

The January deadline places a projected timeline for subcommittee work as follows:

Oct 10th or 11th, Percentage of Gross Sales Fee Replacement Subcommittee meeting
Oct 11th, Parks and Recreation Commission Meeting: Provide update on discussion
Oct 17th or 18th, Percentage of Gross Sales Fee Replacement Subcommittee meeting
Nov 8th, Parks and Recreation Commission Meeting: Make recommendation on new fee structure to the Anchorage Assembly.
Early Dec, Assembly votes on 2008-2009 Operating Budget.

This Percentage of Gross Sales Fee Replacement Subcommittee should be charged with:

- Review the existing data and standing recommendation (as submitted to the Assembly and PRC Summer 2007).
- Gather additional data, opinions from current park event vendors and renters.
- Make a final recommendation on replacement fees.

I will invite members of the public to serve on this subcommittee when leadership is established. Please contact me at your earliest opportunity, at 343-4135, or SteinbachMN@muni.org, so that I may quickly assemble the team.