



CITY COUNCIL AGENDA REPORT

MEETING DATE: SEPTEMBER 1, 2015

ITEM NUMBER: NB-2

SUBJECT: COUNCIL DIRECTION FOR ALLOCATION OF FIELD USE FEES

DATE: AUGUST 8, 2015

FROM: CHIEF EXECUTIVE OFFICE

PRESENTATION BY: DANIEL BAKER, ASSISTANT TO THE CEO

FOR FURTHER INFORMATION CONTACT: Dan Baker (714) 754-5156

RECOMMENDATION:

It is recommended that the City Council provide direction to staff where to allocate field use fees paid by the Matt Leinart Flag Football Program.

BACKGROUND:

The Matt Leinart Flag Football Program began utilizing Costa Mesa athletic fields in the fall of 2013. Due to a miscommunication between the group organizers and City staff, it has been determined that prior use fees need to be paid at a total cost of \$24,862. The group has paid their first installment of \$4,862 (Attachment 1).

At the July 7, 2015 City Council Meeting, Council Member Katrina Foley requested that staff bring back a council report that would allow the City Council to determine an appropriate use of the funds.

ANALYSIS:

Traditionally, fees that are paid by individuals or organizations that utilize City facilities are deposited in general fund revenue accounts. The fees paid by Leinart league organizers will follow the same guidelines unless specified by City Council direction.

Council Member Foley expressed interest in allocating the \$24,862 in fees equally to assist both Costa Mesa and Estancia high schools in the purchase of athletic equipment. If this is Council's direction, the fees collected may be reallocated towards the City of Costa Mesa Athletic Grant Program.

Because the fees involve the use of public funds, the City has a fiduciary responsibility to the public in how the funds are spent. The terms and conditions on the use of the funds will continue to be documented in a form of an agreement between Costa Mesa United and executed by the City CEO before any disbursement of public funds. In addition, project specific agreements will continue to be utilized to appropriately document the public purpose of the grant award(s) with final approval by the Newport Mesa Unified Board of Trustees. Attachment 2 is the approved expenditures over the last three years for this program.

ALTERNATIVES CONSIDERED:

An alternative would be to allocate the funds towards athletic field improvements at City facilities and or parks which would include Jack Hammett, Lion's Park, etc.

Another alternative would be to allow the fees to be disbursed back into the general fund revenue accounts to be utilized by the finance department in relationship to annual budgeting purposes.

FISCAL REVIEW:

Currently, for Fiscal Year 2015-2016, Estancia High School is eligible for \$52,295.24 in athletic grant funding due to carryover from prior years. Conversely, Costa Mesa High School is eligible for \$99,400 due to prior year carryovers. If Council were to reallocate funds toward the grant program, both schools would receive a one-time equal split of \$12,431 of the reimbursed fees. These fees would then be eligible to be spent on authorized athletic facility improvements at both schools.

If approved, budgeted contingency funds would be used to front the total expenditures now, with additional payments coming into the City as outlined in attachment 1.

LEGAL REVIEW:

Legal has reviewed the report and agrees that the funding will need to be disbursed consistently with state law to ensure public benefit.

CONCLUSION:

Staff is requesting that the City Council provide direction regarding the allocation of field use fees paid by the Matt Leinart Flag Football League.

DANIEL K. BAKER
Assistant to the CEO

Attachment 1 [Matt Leinart Letter](#)
Attachment 2 [Grant Program Summary](#)