


Holiday Island

Suburban Improvement District

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TO: HISID Board of Commissioners

FROM: Kevin Crosson, District Manager 

DATE: February 12, 2010

SUBJ: *Consideration, Draft of Options, User Fees for Holiday Island Clubs and Organizations*

As has been extensively discussed last fall and in previous years, District staff is interested in implementing a reasonable and appropriate *user fee* for Holiday Island groups and organizations that schedule their events and activities in District facilities. Approximately 70% of all facility usage is by clubs and organizations, and it is inherently unfair to expect all Holiday Island property owners (through their assessments) to share in the burden of utilities, staffing, cleaning and supplies for the use of these facilities by these limited entities. Furthermore, the Board adopted the 2010 Work Plan that includes the objective that the District will "develop a revised policy proposal requiring a rental fee for all Holiday Island groups and organizations when using District facilities."

In an effort to initiate a public discussion on this issue, staff proposes the two following options for Board of Commissioner consideration:

Option #1 – User Fees Based on Hourly Usage. Option #1 establishes a discounted club/organization rate similar to our current rate structure for property owner use and non-property owner use of District facilities (see Attachment #1). Room rental user fees shall be paid in advance and shall accompany all room reservation requests. Rental cancellations must be made no later than 1 week of the scheduled event for full refund.

Option #2 – User Fees Based on Group/Organization Membership. Option #2 establishes an annual user fee based on the membership of each group/organization. Under this option, the group/organization will submit, on an annual basis, a membership roster, along with a user fee that is calculated at \$5 each per Holiday Island property owner, and \$25 each per non-owner of Holiday Island property. This annual fee shall be submitted each December with the schedule of room reservations. Like Option #1, rental cancellations must be made no later than 1 week of the scheduled event for full refund. Income under this option will obviously be less than that generated under Option #1; if the Board is interested in pursuing Option #2, it would probably be wise to add a **per event** fee for groups and organizations that use our facilities and charge admission.

In past discussions regarding user fees for clubs and organizations, a significant stumbling block has been a discrepancy between those clubs/organizations that are established for community service purposes, vs. those clubs/organizations that are predominantly social in nature. Under both options proposed above, the District will provide direct credit for financial contributions that directly benefit the District and/or community, as follows:

- "Clubs and organizations that donate funds directly to HISID or for the community benefit may receive credit toward room rental in a dollar amount up to the dollar amount of the donation. The certified donation amount in a calendar year will become the dollar amount room rental credit available in the following year. Any such credit is not transferable and shall expire at the end of the calendar year it is applied. An organization may apply to HISID to certify the donation credit by filing a statement detailing the funds donated and the description of the purpose and disposition of the funds. Donations that are primarily for benefit of the group making the donation will not be eligible. In-kind donations or donated labor shall not be included."

District staff will be available to discuss these two broad options in further detail at the February Work Session. Feel free to contact me at your convenience with any questions or comments on this important issue. Thank you.

Rental Fees

(Tax will be added to all fees)

→ ***Proposed Option #1*** **Current Rates** **Current Rates**

Room	A. HI Clubs & Organizations	B. Property Owners	C. Non-Property Owners
Clubhouse Ballroom, Kitchen Included	<i>\$15/hr. or \$100 all day</i>	\$30/hr. (4 hr. min.) or \$225 all day	\$60/hr. (4 hr. min.) or \$325 all day
Clubhouse Ballroom, Kitchen NOT Included	<i>\$12.50/hr. or \$75 all day</i>	\$25/hr. (4 hr. min.) or \$150 all day	\$50/hr. (4 hr. min.) or \$250 all day
Barn, Kitchen Included	<i>\$12.50/hr. or \$75 all day</i>	\$25/hr. (4 hr. min.) or \$175 all day	\$50/hr. (4 hr. min.) or \$300 all day
Multi-purpose Room A	<i>\$5/hr.</i>	\$10/hr. (4 hr. min.)	\$20/hr. (4/hr. min.)
Island Room	<i>\$5/hr. or \$35 all day</i>	\$10/hr. (4 hr. min.) or \$75 all day	\$20/hr. (4/hr. min.) or \$100 all day
Multi-purpose Room B	<i>\$1/hr.</i>	\$2/hr. (4 hr. min.)	\$5/hr. (4 hr. min.)
HISID Board Room (discretionary use)	<i>\$7.50/hr.</i>	\$15/hr. (4 hr. min.)	\$25/hr. (4 hr. min.)
Pavilion	<i>\$2.50/hr. or \$20 all day</i>	\$5/hr. (4 hr. min.) or \$40 all day	\$15/hr. (4 hr. min.) or \$60 all day