

Holiday Island Suburban Improvement District

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TO: HISID Board of Commissioners

FROM: Kevin Crosson, District Manager *hac*

DATE: March 18, 2010

SUBJ: *Alternative Options, User Fees for Holiday Island Clubs and Organizations*

Following Monday's Work Session discussion on user fees, it appears that the Board is not very close in developing a consensus towards any of the options under consideration. The hourly rate proposal (option #1) is portrayed as too expensive, particularly for some of the smaller organizations, and the annual fee based on membership proposal (option #2) could be considered inequitable because the charge has no relationship to the number of times a facility is used. Commissioner Dolce's proposal to charge a fee per household on our utility bills has been portrayed as inequitable, because there would be a percentage of homeowners that would be charged that do not use District facilities, and renters that cannot use District facilities. Finally, Commissioner Janky proposed an option in which a flat annual fee would be charged per facility per group, but again, because the charge has no relationship to the number of times a facility is used, this option could be argued as inequitable.

The two additional options outlined below can hopefully be seen as compromises to some of the arguments the Board has heard over the past weeks. Both options are designed to give Holiday Island clubs and organizations financial choices in the types of meeting space they want to use. In addition, both options provide "free" meeting room space to satisfy the needs/complaints of the smaller groups, but at the same time should generate a reasonable amount of income on an annual basis to help offset expenses. However, by not charging any fee for the use of our larger facilities, clubs and organizations have no incentive/disincentive to more effectively schedule their use in an appropriately-sized facility. Under both of these scenarios, we would recommend leaving in the proposal (outlined in previous memorandum) that provides clubs and organizations a direct credit for financial contributions made for the benefit of the District and/or community.

Option #3 – Combination Hourly Rate/Annual Fee. Option #3 establishes a per hour charge for the use of the Clubhouse Ballroom (with or without the kitchen facilities), and an annual fee for the use of the Barn and the Island Room (see Attachment #1). The Ballroom, our largest rental space, is also our most expensive from an operations and maintenance standpoint; charging an

hourly rate for this space will help offset those costs. In addition, keeping the Clubhouse Ballroom on a discounted hourly rate will also help adjust out usage from smaller groups, making our premier rental facility more available for private rentals. For those HI clubs and organizations that do not wish to rent space on an hourly basis, the Barn and the Island Room would be available for a modest annual fee for scheduling meetings and events. Multi-purpose Rooms A and B would function as they currently do (no charge).

Option #4 – Hourly Rates for Premium Rental Periods. Option #4 establishes a per hour charge for the use of the Clubhouse Ballroom, the Barn and the Island Room during peak/premium rental times (Friday through Sunday), and a nominal annual fee for the use of those facilities during the weekdays (Monday through Thursday) (see Attachment #1). Again, Multi-purpose Rooms A and B would function as they currently do (no charge). Option #4 gives HI groups and organizations the flexibility to schedule their meetings and events, but also gives the District the ability to market our largest facilities for private functions that would generate additional income during peak rental times.

Please feel free to contact me at your convenience with any questions or comments regarding this purchase.

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Rental Fees

(Tax will be added to all fees)

→ ***Option #3***

Current Rates

Current Rates

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

→ ***Option #4***

Current Rates

Current Rates

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