



Differential Pricing (2nd review) Facility Allocation and Use Policies

**Parks and Recreation Commission
September 9, 2021**

Tonight's Agenda

- Refresher on proposed Differential Pricing Policy
- Overview of proposed MICEC Facility Allocation and Use Policy
- Take action on both policies



Differential Pricing Policy

- Reviewed with PRC on July 1
- Per input, made change to the language in bullet “c” →
- Changed bullet points to an alpha-style list
- Updated footnote #2 to reflect proposed MICEC Facility Allocation and Use Policy

c) Residents and non-residents will pay the same fees for programs and services that are designed to be full cost recovery (Tiers 4 and 5), unless (1) ~~non-resident participation~~ a differential in price is necessary to make a program viable for residents' participation or (2) ~~non-resident participation reduces the city's net cost of operating a program, or~~ (3) interlocal agreements are in place with other municipalities that subsidize their residents' participation in Mercer Island's program.



Main Points of the Policy

Need:

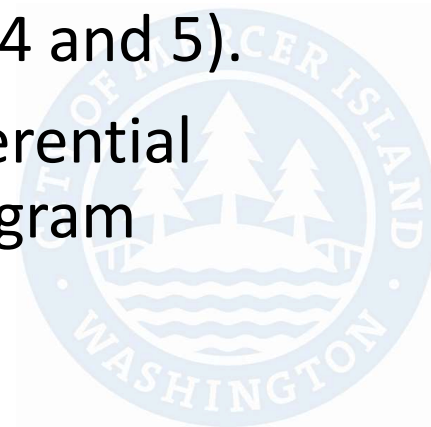
Formalize rules prior to implementation

Purpose:

To describe how, when and why the City may charge one individual or group less than another for a program or service

Requirements:

- The use of differential pricing will be focused on programs that receive more tax subsidy (Tiers 1, 2 and 3)
- Residents and non-residents will pay the same fees for programs and services that are designed to be full cost recovery (Tiers 4 and 5).
- Residents will receive preferential treatment in accessing program registration and facility reservations.



MICEC Facility Allocation and Use Policy

Need:

Space is finite, demand is not. Uses should be consistent with and further goals.

Purpose:

Guides the appropriate use of the MICEC and what priority may be given to various users who wish to rent the facility

Guiding Principles

- Be benefits-focused
- Support diverse uses
- Be equitable and fair
- Reflect good stewardship

Note: A separate policy will be drafted to govern the athletic field allocation practices, pending input from stakeholders.



Main Points of the Policy

- No commercial sales (but non-profit fundraising, some admission fee events allowed)
- Reservable spaces broken into two groups: “full amenity” spaces and “others”
- Some space not reservable to allow for passive use and gathering
- Priority order for reservation scheduling
- Fee waiver for Level 1 organizations



What would change from current practice?

- More explicit “call-out” on a regular basis to residents and other “priority access groups re: reservation opportunities



Major Policy Questions and Implications

- Should the MICEC be used for commercial purposes or to conduct fundraising?
- If the MICEC is used by other organizations to generate profit, should the MICEC receive a share (above and beyond the rental fee)? Note, this is not addressed in the policy but would be addressed in renters' contracts.
- Who should get priority access to rent the facility?
- Should the current policy/practice of providing a fee reduction or waiver to Level 1 organizations be continued?
- Should the ongoing use by any one renter or for any one activity explicitly be limited?



General, Key Questions

1. Is this MICEC Facility Allocation and Use Policy consistent with the Reset Strategy?
2. Is the proposed policy fair?
3. What effect would this policy have on recreation participants/customers?
4. What effect would this policy have on the Division's ability to meet the Strategy's overall goals?



Discussion and Action

Differential Pricing Policy

Move to endorse and recommend
City Council's adoption of...

MICEC Facility Allocation and Use

Move to approve and recommend
City Council's adoption of...



Thank You

