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CITY OF DANA POINT
AGENDA REPORT

DATE: AUGUST 24, 2005

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: SPECIAL EVENT TASK FORCE

SUBJECT: FESTIVAL OF WHALES 2006

RECOMMENDED ACTION:

The Special Event Task Force recommends the City Council receive and file this report, and authorize the City to act as facilitator of the 2006 Festival of Whales.

ISSUE:

The Festival of Whales executive committee has requested that the City of Dana Point help coordinate events, promote volunteerism, and act as a facilitator for this year's Festival of Whales program. The Special Event Task Force was recently formed to review this request and to develop a recommendation to the City Council for consideration.

BACKGROUND:

In prior years, the Festival of Whales executive committee coordinated the Festival of Whales events and activities that take place annually during the first two weekends in March. The Festival of Whales organization acts as an "umbrella" for the non-profit organizations hosting community fundraisers during the Festival, such as the Pet Project Foundation's Wag-a-Thon and the Chamber of Commerce's Street Faire. The Festival of Whales organization is set up as a 501 © 4 non-profit organization in order to allow sponsors to claim a charitable deduction. The "blanket" Festival of Whales organization provides administrative support to the non-profit groups who individually organize their separate events.

The Festival of Whales organization pays for the administrative costs of executing the two weekend event such as a centralized public relations representative, promotional materials, advertising, and website maintenance costs. Last year the Festival of Whales total event expenses were \$67,500. The City of Dana Point provided \$42,500 in

support for last year's Festival. This does not include the cost of the City-sponsored parade which were approximately \$15,000. Other contributors included the Dana Point Harbor Association, Harbor merchants, Sempra Energy and the SBC Yellow Pages.

As the Council will recall, Donna Kalez, Chair of the Dana Point Festival of Whales, submitted a letter on June 27, 2005 in which the executive committee requested that the City assume the day-to-day management of the annual Festival of Whales event. It is the desire of the Chair, Secretary and Treasurer to step down from their role but have offered to remain involved to some extent with the organization of the Festival.

In order to respond to the request in a timely fashion, the Council approved the formation of a Special Event Task Force at its July 13 Council Meeting. The Task Force comprised of Mayor Pro Tem Anderson, Donna Kalez, and Jeroen Gerrese, General Manager of the Laguna Cliffs Marriott Resort, met on July 25 with City staff to consider this request.

DISCUSSION:

Next spring, the City will celebrate its 35th Festival of Whales. This event has become an integral part of the City culture and attracts thousands of visitors each year. It is important that the tradition of the Festival of Whales continues as a major draw to Dana Point and its reputation as a destination city.

In response to the apparent dissolution of the Festival of Whales committee, the Special Event Task Force is recommending that the City act as the administrative facilitator in charge of overseeing the 2006 Festival of Whales. This would include oversight of marketing, promotions, sponsorships, website design, insurance and public relations efforts. Donna Kalez, has offered to remain as a Festival of Whales committee director. Because the Festival of Whales organization is a 501 © 4 non-profit, it will be necessary for its by-laws to be amended to restructure its Board of Directors to allow for the City's participation and facilitation.

The current Festival of Whales committee has also recommended that Trademark Marketing, the public relations firm retained to promote prior Festivals of Whales, be retained again for next year's event. Due to a short timeline and Trademark Marketing's familiarity and success with the Festival's promotion, the Task Force supports this recommendation.

The Task Force envisions the City assisting the Festival of Whales in bringing the annual festival to the next level by introducing a variety of new "anchor" events on both weekends that will draw visitors from outside the community to enjoy the Festival, i.e. a possible car show, concert by a popular performer, food/wine tasting affair or bike/foot race. The Task Force has also considered ramping up the level of sponsorships in order to eventually eliminate City funding for the Festival of Whales annual program. The ultimate goal is to raise the level of community involvement so that the Festival of Whales may become a self-sufficient organization that relies on private sponsorships

and community volunteers. The City would then eventually relinquish control of the Festival back to the non-profit organization.

NOTIFICATION/FOLLOW-UP:

Special Event Task Force
Festival of Whales

FISCAL IMPACT:

None at this time. However, the FY05-06 Budget includes \$25,000 for the Festival of Whales and \$25,000 for the parade.

ALTERNATIVE ACTIONS:

1. Other actions as deemed appropriate by the Council.

SUPPORTING DOCUMENTS: _____ **PAGE NO.**

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| A. 2005 Festival of Whales Balance Sheet.....4
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SUPPORTING DOCUMENT A

