



# Memorandum

**TO:** MAYOR LICCARDO

**FROM:** Councilmember Matt Mahan

**SUBJECT: BUDGET DOCUMENT**

**DATE:** May 24, 2022

Approved

Date 5/25/22

## RECOMMENDATION

That the following proposal be enacted.

### Proposal

Program/Project Title: July 4<sup>th</sup> Festival and Illegal Fireworks Deterrent

Amount of City Funding Required: \$20,000

This change is:

One-time       Ongoing

Cost Estimate Number (if applicable): N/A

Proposal Description, including the reason for the need and anticipated outcomes (Please describe how the proposal will affect services for San José residents, community groups, businesses, etc.):

In an effort to curb the use of illegal fireworks within south San Jose, the District 10 office will be again hosting the annual fireworks program at Almaden Lake Park. According to the July 9, 2021 report from SJPD comparing calls for service in 2018, 2019, 2020, and 2021, illegal firework calls on July 4<sup>th</sup> were trending downward while our event was taking place in 2018 and 2019, and increased by 60% in 2020 and 69% in 2021, the years we were unable to hold the event due to the pandemic. Reducing the number of calls for illegal fireworks allows SJPD officers to respond to other calls for service.

This festival supports local and small businesses, provides a safe place for families to view fireworks and reduces illegal fireworks, and stimulates our economy.

This free community event draws residents from all over San Jose, and brings in revenue from out-of-town guests visiting local family and friends. Approximately 15% of the 30,000 attendees come from outside of San Jose, bringing in revenue to our city as they spend money at our festival, and at other businesses in town. A small percentage of those guests stay in hotels bringing in additional tax revenue to the City.

Many private companies and the community have been generous in their donations and sponsorships. However, several factors are making it difficult to cover costs this year:

- 1) We were unsure for quite some time if Valley Water would allow the festival to take place due to the schedule of their Lake Separation project at Almaden Lake Park. We were granted permission late last year and began planning the festival in January, six months later than the previous administration used to have to plan the festival and seek sponsorships.
- 2) While many businesses have been very generous, many are still focusing their giving on covid related relief efforts. Many companies said they would normally like to sponsor such a great and important event, and would like to be kept on the list for calling next year, but they had to pass for this year.
- 3) Costs have been significantly higher than expected. In our initial planning stages, we budgeted a 20% increase over 2019 expenses. However some of the core expenses, such as security and portable toilets, are coming in at more than double the 2019 costs.

### **Funding Source**

X Essential Services Reserve:

Other (Please specify program/project/fund):

### **Department or Organization Contact**

Please list the contact information for the individual that certified cost estimates contained within your recommendation:

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Department or Organization: Council District 10

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