



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
September 17, 2024

TOPIC: Event Production Agreement with Power of One Foundation and Event Floor Cover Purchase Order Contract with Sunbelt Rentals Inc.

AGENDA TITLE

Agreement with Power of One Foundation (POOF), for a co-presented Fiestas Del Mariachi Event and Related Services; and, Award Sunbelt Rentals Inc. Purchase Order Contract for Event Floor Cover (General Fund)

RECOMMENDED ACTION

1. Authorize the City Manager to execute an agreement with Power of One Foundation to co-present a Fiestas Del Mariachi event at Santa Ana Stadium, for an amount not to exceed 80% of revenue earned after expenditure recovery for a term beginning September 18, 2024 and ending October 31, 2024 (Agreement No. A-2024-XXX).
2. Award a Purchase Order Contract to Sunbelt Rentals Inc. for the rental of an event floor cover for Santa Ana Stadium in an amount not to exceed \$118,548.
3. Approve an appropriation adjustment in the amount of \$118,548 from the spendable General Fund balance to the PRCSA, Recreation and Community Services, Contractual-Professional Services expenditure account (01113230-62300). *(Requires five affirmative votes)*

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

Parks, Recreation, and Community Services Agency (PRCSA) was instructed to explore revenue-generating opportunities at Santa Ana Stadium enabling PRCSA to host or co-present events that attract residents and the surrounding community, focusing on music and sporting events with potential ticket, food, and vendor sales.

In May 2024, the Power of One Foundation submitted a Special Event Permit to host a mariachi competition at the stadium. Recognizing its potential as a proof of concept, PRCSA proposed co-presenting Fiestas Del Mariachi, Sunday, October 13.

The first half of the event will feature a free community talent showcase with local mariachi groups, ballet folklórico, and participation from community organizations and non-profits. In the evening, the stadium will transform into a vibrant music venue featuring professional mariachi groups.

Under this agreement, the City could recover \$9,005 for the normal stadium rental fee and \$118,548 for protective flooring rental. The City will use a competitively bid contract through Omnia Partners (Contract No. 200601) to issue a purchase order to Sunbelt Rentals. This complies with Santa Ana City Ordinance No. NS-3041, allowing procurement from public agency contracts, minimizing delays and avoiding additional bidding. POOF will cover the remaining event-related costs, estimated at \$411,826, for staging, entertainment, food & beverage, and security.

POOF has estimated the event will generate \$775,950 of revenue. Once all costs are fully recovered, the parties will enter into a strategic revenue-sharing agreement to maximize returns. Beyond financial recovery, this event is poised to serve as a powerful economic driver for the City, acting as a multiplier for local businesses by attracting thousands of attendees, increasing foot traffic, and generating significant spending in Santa Ana's surrounding areas.

This spectacular event will ignite the heart of Santa Ana, electrifying attendees through a musical journey that blends the rich, soul-stirring rhythms of traditional mariachi with an elevated VIP experience that includes floor seating and exclusive food and beverage options from local vendors. POOF and the City's aspiration is to bring together over 10,000 attendees for an epic day of music and entertainment with a wide range of ticket packages; there will be something for everyone who wants to experience the best of mariachi music in a phenomenal setting.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

The following table includes the cost estimate for the event.

	City Pays	POOF Pays	Total
Flooring Rental	\$118,548		\$118,548
Security, Food/Beverage, Stage/Lighting, Additional Floor Seating, Sound System		\$411,826	\$411,826
Total Costs	\$118,548	\$411,826	\$530,374

POOF has estimated the event will generate \$775,950 of revenue. Under normal circumstances, the City would collect a fee of \$9,005 for rental of the stadium. However, in lieu of the normal rental fee, the City and POOF have agreed to a formula of cost recovery for the event, as outlined in the table below.

Scenario	Ratio of Event Revenue to Total Costs	City Cost Recovery
1	0%-25%	Maximum of \$13,259 (10% of revenue)
2	26%-50%	Maximum of \$53,037 (20% of revenue)
3	51%-75%	Maximum of \$118,548 (City's portion of total costs) + \$786 (a portion of the stadium rental fee), based upon 30% of event revenue
4	76%-100%	Maximum of \$118,548 (City's portion of total costs) + \$9,005 (entire stadium rental fee), based on maximum City out-of-pocket costs

If the revenue exceeds total costs, the City will receive the maximum cost recovery and stadium rental fee outlined in Scenario 4 in the table above, plus 20% of revenue in excess of Total Costs.

Example #1

If the event only generates \$132,594 of revenue (25% of total costs), the City will only receive \$13,259 (10% of the revenue) to offset its costs. This would result in a net loss of \$105,289 (\$13,259 revenue, less \$118,548 cost).

Example #2

If the event generates \$530,374 of revenue (100% of total costs), the City will receive reimbursement for the \$118,548 of flooring and the \$9,005 stadium rental fee that would have normally been charged.

Example #3

If the event generates \$775,950 of revenue, as estimated by POOF, the City will receive the same \$118,548 cost recovery and \$9,005 stadium rental fee in the previous example, plus \$49,115 (\$775,950 revenue less \$530,374 total costs = \$245,576, multiplied by 20%).

Appropriation Adjustment

With approval of the requested appropriation adjustment, a portion of the spendable General Fund balance will be available for spending in the PRCSA, Recreation and Community Services, Contractual-Professional Services expenditure account (01113230-62300). The spendable portion of the General Fund balance is estimated to be \$1,508,397 at June 30, 2025, which is sufficient to allow for the recommended appropriation of \$118,548.

As discussed above, the City will recover some unknown portion of this cost. If the event generates revenue as outlined in Example #3 and the City receives revenue exceeding the cost of the event, staff will return to City Council with a proposed appropriation adjustment to enable additional department spending.

EXHIBIT(S)

1. Power of One Foundation Agreement
2. Quote from Sunbelt Rentals for Event Floor Cover

Submitted By: Hawk Scott, Executive Director of Parks, Recreation and Community Services

Approved By: Alvaro Nuñez, City Manager