



May 12, 2026

Newport Beach Finance Committee
100 Civic Center Drive
Newport Beach, CA 92660

Re: Agenda Item VI (A) FY 2027 Special Events Grants Program May 14, 2024

Dear Councilmember Stapleton and Finance Committee members:

I am writing to you in regard to the Special Event Grant Allocations that have been proposed for fiscal year 2026-2027. In particular, I would like to address the proposed reduction in grant money allocated to the Christmas Boat Parade from \$50,000 to \$25,000. As set forth in our application, the Christmas Boat Parade meets and exceeds all requirements and criteria set forth in the rules promulgated by the City in order to apply for a Special Event Grant. I urge you to reconsider the reduction and recommend the full restoration of the \$50,000 grant.

The Newport Beach Christmas Boat Parade will be celebrating its 119th anniversary this year. It is perhaps Newport Beach's most iconic event, beloved by multiple generations of Newport Beach residents as well as hundreds of thousands of visitors to Newport Beach each year to view the parade, either on the water or from the 14-mile-long shoreline that the parade passes every night.

The five nights of the parade generate millions of dollars in revenues to Newport Beach businesses and tens if not hundreds of thousands of dollars in tax revenues to the City in the form of bed taxes, sales taxes and boarding fees on charter boats run by City Cruises, Davey's Locker and Newport Landing. For many businesses like the Balboa Bay Resort, yacht clubs, waterfront restaurants, boat charter and harbor cruising companies, the five nights of the boat parade are their busiest five nights of the year.

With the support and backing of the City, the Chamber of Commerce has steadily upgraded the parade experience. Since the City began to provide funding in 2013 in the amount of \$50,000/yr, the parade has added a Grand Marshal Boat, an opening night festival at Marina Park, dedicated television coverage and 4 nightly drone shows every night of the parade. We have also expanded our community funding and corporate sponsorship to help offset the added costs for these event upgrades.

It is with this background that we are disappointed to see that City Staff have recommended cutting our funding in half from \$50,000/yr to \$25,000/yr.

I would like to point out several items for your consideration:

1. In effect, the City funding of the parade has almost been reduced in half already. The requested grant amount for 2026-2027 is the same amount as we received in 2013. Over that timeframe, inflation has been approximately 30% which has significantly reduced the buying power of the grant. I would also point out that up to a couple of years ago, the City sponsored the opening night fireworks show. The City no longer sponsors the fireworks and that has fallen to the Chamber to do. The reason given to me at the time was that it was too expensive and that they no longer wanted to bear the cost.



2. Unlike most of the special events that receive City grant money, the Chamber of Commerce does not charge residents or visitors to attend the event. Anyone can stand on the shore and watch from their home or any of the public places that line the waterfront like Marina Park, the Fun Zone, Balboa Island or Lido Marina Village. If City funding is reduced, we do not have the option of raising the cost of event attendance to cover the shortfall.

3. As you can imagine, organizing and hosting the Christmas Boat Parade requires hundreds of hours of Chamber staff time. The P&L's provided for the 2024 & 2025 parades do not have any expense included for payroll or other administrative overhead that is incurred by the Chamber, without which, the Chamber could not function. Factoring those costs into the equation would significantly reduce the net profitability of the parade. If the boat parade was a single event organization, these expenses would certainly be reflected in the cost for producing the event.

4. As a tourist-based economy, we rely on tourists to visit Newport Beach and spend money in our hotels, restaurants, Fashion Island, retail establishments and on the various recreational activities we offer. As stated in your budget report, which you will be viewing later in your Agenda, we contract with Visit Newport Beach in the amount of \$7.3 million to market our City and attract visitors. Likewise, the Christmas Boat Parade attracts hundreds of thousands of people to watch the parade and perhaps millions more to view the parade on television. Many years the footage of the parade is broadcast nationally on television affiliates in all major cities. The parade is the content that Visit Newport Beach uses to convince people that Newport Beach is a great Christmas holiday destination. We deserve the full support of the City in our efforts to send what we call "Our postcard to the World".

5. The City of Newport Beach has the wherewithal to fund the full grant. Later in your Agenda, the Finance Director reports that the 2025-2026 fiscal year has already yielded a \$16 million surplus, and it is speculated that the surplus will balloon to \$27 million by the end of the fiscal year.

It should be noted that for the first 8 years the City funded the parade, the money was a sponsorship of the parade as set forth in a signed agreement between the Chamber and the City. Due to the nature of the event and the fact that the event is free to the public, the event funding should revert to a sponsorship of the parade.

Thank you for your consideration. I am available if you have any questions or need any clarifications.

Warm regards,

A handwritten signature in black ink, appearing to read "Steve Rosansky". The signature is fluid and cursive, with a large loop at the end.

Steve Rosansky
President & CEO