

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 07/23/07		Item Number: <u>A-1</u>	
AGENDA ITEM: Adoption of a Resolution Granting a Permit to the Culver City Exchange Club and Westside Chamber of Commerce (dba West LA Chamber of Commerce, dba Greater West LA Chamber of Commerce) to Conduct a Beer and Wine Garden in Veteran's Memorial Park During the City's 2007 Fiesta La Ballona Celebration.			
Contact Person/Dept.: William LaPointe		Phone Number: (310) 253-6658	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: Parks and Recreation Commission 7/6/07; Culver City Homeowner's Association 7/6/07; Veteran's Park Homeowner's Association 7/6/07; American Youth Soccer Organization 7/6/07; Adult Softball Leagues 7/6/07 and Master Notification List 7/18/07			
Department Approval: William La Pointe (06/19/07)		City Attorney Approval: Carol Schwab (by H. Iker) (07/17/07)	
City Controller Approval: Marlee Chang (07/18/07)		City Manager Approval: Jerry B. Fulwood (07/18/07)	
<u>RECOMMENDATION:</u> Staff recommends the City Council consider the adoption of a Resolution permitting a Beer and Wine Garden ("BWG") at the 2007 Fiesta La Ballona Event (Attachment 1). <u>BACKGROUND:</u> On July 25, 2005 the City Council adopted an Ordinance amending the Culver City Municipal Code ("CCMC") § 13.03.025 (A) to grant the City Council authority to issue a permit for a beer and wine garden at the City's Fiesta La Ballona event (the "Fiesta"). Attachment 2 is a copy of CCMC § 13.03.025 (A). . The BWG has been a part of the Fiesta for the last 2 years (2005 & 2006). According to the Culver City Police Department, there were no reported incidents directly or indirectly related to the BWG operation during Fiesta 2005 or 2006. <u>DISCUSSION:</u> The Culver City Lion's Club (Lions) was the past permittee for the BWG, however, this year the Lions have declined the invitation to operate the BWG for 2007 Fiesta due to profitability considerations. The Fiesta La Ballona Committee (the "Fiesta			

City of Culver City, California
City Council Agenda Item Report

Committee”) has been seeking other local not-for-profit organizations to operate the BWG in order to continue to offer a well received amenity at the Fiesta. After review, the Fiesta Committee is recommending the Culver City Exchange Club (the “Exchange Club”), in cooperation with the Westside Cities Chamber of Commerce (dba West LA Chamber of Commerce, dba Greater West LA Chamber of Commerce) (the “West LA Chamber”), to be the BWG vendor during 2007 Fiesta.

The Exchange Club is a well known local non-profit organization that has run events such as the Annual 4th of July Fireworks Show, the “Cruisin' Back to Culver City” Car Show, the Disability Carnival and Search for Talent events. Currently the City co-sponsors the 4th of July Fireworks, the Disability Carnival and the Senior Christmas Dinner with the Exchange Club. The Exchange Club has participated at the Fiesta as a vendor for the past several years selling food and would like to add the BWG as another venue for raising funds for local charities.

The Fiesta Committee would like to offer a BWG for 2007 Fiesta. The Exchange Club desires to sponsor the BWG for Fiesta 2007 under the same conditions of approval imposed upon the Lions for Fiesta 2006. Attachment 3 is a copy of Resolution No. 2006-R-038 permitting the Beer and Wine Garden during the 2006 Fiesta. The considerations for providing a BWG in the past have been 1) liability and insurance; 2) hours of operation; 3) profitability and 4) other considerations.

Due to concerns about the profitability for the BWG, the Exchange Club has reached an agreement with the West LA Chamber to co-sponsor the BWG for 2007 in order to reduce expenses, thereby increasing profits. The co-sponsorship arrangement, particularly with regard to liability insurance, has been reviewed by the City Attorney’s Office.

Liability and Insurance Requirement

The insurance requirement for the BWG during 2006 Fiesta was a 1 million dollar general liability insurance, per occurrence, including alcohol liability. The Exchange Club has submitted a rider on the West LA Chamber’s insurance to meet the City’s insurance requirements. The City Attorney’s Office reviewed the insurance policy and verified that, in addition to coverage for general liability, the policy includes liquor liability coverage and has added the City of Culver City, the Fiesta Committee and the Exchange Club as additional insureds. However, it was recently discovered that the policy covered the event for August 25th and 26th only. The City Attorney’s Office requested that the policy be amended to include August 24th and has received a revised Certificate of Insurance, but is awaiting the revised policy document relating to the liquor liability coverage. It is anticipated that such document should be received prior to the Council meeting on this item.

City of Culver City, California
City Council Agenda Item Report

The BWG Hours of Operation

The Exchange Club is requesting the hours of operation of the BWG be the same as those approved for 2006 Fiesta (i.e. Friday, August 24, 2007 6:30 p.m. to 8:00 p.m.; Saturday, August 25, 2007, 12:00 p.m. to 9:00pm, and Sunday, August 26, 2007 12:00 p.m to 6:00 p.m.)

Profitability

The Fiesta Committee is working with the Exchange Club to provide an amenity that the Exchange Club can raise additional charity funds and serve Fiesta La Ballona patrons. Though the Lions' BWG 2005 & 2006 statements reflected a net loss, the Exchange Club has carefully reviewed the profit and loss statements and believes with some careful management of expenditures the BWG will prove to be profitable. The biggest expenditure for the BWG is the insurance and the Exchange Club hopes to reduce that cost through the partnership with the West LA Chamber while still meeting the necessary insurance protection. At both the Fiesta 2005 & 2006, the BWG served as a place for adult guests of the Fiesta to relax, enjoy a beverage and socialize with friends. For the Fiesta Committee, the BWG adds value to the Fiesta by increasing marketability of the event which ultimately increases the sales for other Fiesta vendors.

Other conditions

The Exchange Club is willing and able to comply with all of the other conditions imposed during 2006 Fiesta. The other conditions deal with issues pertaining to enforcement regarding minors and safety procedures. The Exchange Club will have its volunteers trained in applicable laws regarding alcohol sales and provide the necessary supervision required to ensure laws are enforced. The location of the BWG is a consideration and Attachment 3 provides a copy of the site plan proposed for the BWG.

On June 5, 2007 the Parks and Recreation Commission (the "Commission") voted to recommend to the City Council that the Council adopt a Resolution permitting a Beer and Wine Garden at the 2007 Fiesta pending City Attorney's approval of the conditions of insurance. A copy of the minutes from the June 5, 2007 meeting is provided in Attachment 4. Along with the recommendation to adopt the resolution, the Commission reviewed last year's conditions of approval and voted to recommend one addition and one change to last year's conditions. The addition was to alter one requirement to state, "No individual shall receive complimentary beer or wine in compliance with all federal, state and local laws regarding the sale of beer and wine." The second recommendation was, relative to the Exchange Club, to "verify the certification of the non-profit status to determine the true nature of the entity as 501 (c) 3 or 501 (c) 4". City staff has received verification of the Exchange Club's 501 (c) 3 status. A list of all the conditions of approval recommended by the Commission is included in the proposed Resolution.

City of Culver City, California
City Council Agenda Item Report

FISCAL ANALYSIS:

Adoption of the proposed Resolution would not result in any direct fiscal impact to the City's General Fund.

ATTACHMENTS:

1. Proposed Resolution
2. Culver City Municipal Code §13.03.025 (A)
3. Copy of Resolution No. 2006-R038
4. Minutes of the June 5, 2007 Parks and Recreation Commission Meeting

MOTION:

That the City Council:

1. Adopt the Resolution permitting a Beer and Wine Garden at the 2007 Fiesta La Ballona Event;

-OR-

2. Deny the Exchange Club's request;

-OR-

3. Provide staff with alternate direction.