

**City of Culver City, California
Agenda Item Report**

Meeting Date: <u>07/25/11</u>		Item Number: <u>A-1</u>	
CITY COUNCIL AGENDA ITEM: (1) Consideration of the Culver City Exchange Club's Request to Extend the Operating Hours of the Beer and Wine Garden by One Hour on Friday and Saturday; and, (2) Adoption of a Resolution Granting a Permit to the Exchange Club to Conduct a Beer and Wine Garden in Veterans' Memorial Park During the 2011 Fiesta La Ballona.			
Contact Person/Dept.: Dan Hernandez, PRCS Director		Phone Number: (310) 253-6655	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (Email) Meetings and Agendas – City Council (07/20/11); Fiesta La Ballona Committee (07/20/11); Culver City Exchange Club (07/20/11).			
Department Approval: Dan Hernandez (07/12/11)		City Attorney Approval: Carol Schwab (by H. Baker) (07/18/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (07/19/11)		City Manager Approval: John M. Nachbar (07/20/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: (1) consider the Culver City Exchange Club's request to extend the operating hours of the Beer and Wine Garden by one hour on Friday and Saturday; and, (2) adopt a Resolution granting a permit to the Culver City Exchange Club (Exchange Club) to conduct a Beer and Wine Garden (BWG) in Veterans' Memorial Park during the 2011 Fiesta La Ballona (Attachment 1). <u>BACKGROUND:</u> Culver City Municipal Code (CCMG) Section 3.03.025(A) grants the City Council authority to issue a permit for a beer and wine garden at the City's Fiesta La Ballona event (Fiesta). The BWG has been a part of the Fiesta for the past six (6) years (2005 – 2010). According to the Culver City Police Department, there have been no reported incidents directly or indirectly related to the BWG operation. The Culver City Lion's Club was the permittee for the BWG in 2005 and 2006 and the Exchange Club has been the permittee for the BWG since 2007. The Exchange Club is a well know local non-profit organization that has sponsored and managed many events, including the Annual Fourth of July Fireworks Show, the "Crusin' Back to Culver City" Car Show, the Disability Carnival and Search for Talent events. The City co-sponsors the Car Show, Fourth of July Fireworks, and the Disability Carnival with the Exchange Club.			

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DISCUSSION:

The 2011 Fiesta La Ballona will be held on Friday, August 26; Saturday, August 27; and, Sunday, August 28. The Fiesta Committee would like to offer a BWG for Fiesta 2011 and is once again recommending the Exchange Club as the BWG vendor. The Exchange Club desires to sponsor the BWG for Fiesta 2011 under similar conditions of approval imposed by the City for Fiesta 2010, with the only exception being a (1) one hour extension of the operating hours on Friday and Saturday (see "The BWG Hours of Operation" below). A representative of the Exchange Club has reported that last year a number of patrons who arrived at or near closing times on Friday and Saturday were turned away. The Exchange Club anticipates that if the extension of operating hours is approved, the profitability of the BWG will increase by approximately \$400. A BWG Income and Expense Statement containing projections for 2011 is provided as Attachment 2.

The major considerations for providing a BWG in the past have been 1) liability insurance; 2) hours of operation; and, 3) profitability.

Liability and Insurance Requirement

The insurance requirement for the BWG is one million dollars (\$1,000,000) general liability insurance, per occurrence, including liquor liability. According to the terms of the Agreement, the Exchange Club must submit the required evidence of insurance at least two weeks prior to the Fiesta event. The City Attorney's Office will review the insurance policy and verify that, in addition to coverage for general liability, the policy includes liquor liability coverage and has added the City of Culver City and the Fiesta Committee as additional insureds.

The BWG Hours of Operation

The table below compares last year's BWG hours of operation with the Exchange Club's proposed extension of operating hours for 2011:

	Friday	Saturday	Sunday
2010	6:30 p.m. – 8:30 p.m.	12:00 p.m. – 9:00 p.m.	12:00 p.m. – 7:00 p.m.
2011	6:30 p.m. – 9:30 p.m.	12:00 p.m. – 10:00 p.m.	12:00 p.m. – 7:00 p.m.

No change is proposed by the Exchange Club for the BWG hours of operation on Sunday. All end times may be earlier, depending upon level of participation. The Exchange Club feels that based on last year's participation, sales can be increased if the hours are extended as requested.

The attached Resolution for the Exchange Club sponsored BWG does not reflect the proposed adjustment to BWG operating hours; it is substantively the same as the one approved by the City Council for the 2010 Fiesta. If the City Council approves

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the Exchange Club's proposed extension of operating hours on Friday and Saturday, the City Attorney's Office will revise the Resolution accordingly and modify or delete condition 1-n, which states: *Event Staff shall stop serving alcohol one (1) hour prior to the closing of the Event.*

The Fiesta closes at 10:00 p.m. on Friday and Saturday and at 9:00 p.m. on Sunday. If the Exchange Club's proposed hours are approved by the City Council, the BWG will operate until one-half hour before closing on Friday and up until closing on Saturday. Staff contacted the Culver City Police Department regarding the requested extension of BWG operating hours and the Officer who supervises events recommended that the practice of ceasing the sale of alcohol one hour prior to the closing of the Event remain in place.

Other Conditions

The Exchange Club is willing and able to comply with all of the other conditions imposed during previous Fiestas. 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 liquor sales and provide the necessary supervision required to ensure laws are enforced. The location and size of the BWG is proposed to be unchanged from that of Fiesta 2009 and 2010.

FISCAL ANALYSIS:

The adoption of the proposed Resolution will not result in any direct fiscal impact to the City's General Fund or any other Funds.

ATTACHMENTS:

1. Proposed Resolution (based on 2010 Resolution)
2. BWG Income & Expense Statement (with 2011 projections)

MOTION:

That the City Council:

1. Adopt a Resolution granting a permit to the Culver City Exchange Club to conduct a Beer and Wine Garden in Veterans' Memorial Park during the 2011 Fiesta La Ballona that extends the operating hours of the Beer and Wine Garden by one hour on Friday and Saturday;

OR

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2. Adopt a Resolution granting a permit to the Culver City Exchange Club to conduct a Beer and Wine Garden in Veterans' Memorial Park during the 2011 Fiesta La Ballona under the same conditions as in 2010 (as attached).