

ITEM #:	<u>13</u>
DATE:	<u>01-09-24</u>
DEPT:	<u>P&R</u>

COUNCIL ACTION FORM

SUBJECT: ALCOHOL AND CONCESSION POLICY FOR AMES CITY AUDITORIUM

BACKGROUND:

In May 2023, staff proposed to City Council the idea of providing alcohol and concession service at Ames City Auditorium (ACA) events. Staff presented three options regarding alcohol and concession sales at ACA, which included: 1) Contracted vendor sales, 2) Sales by City staff, or 3) Continue operations with no alcohol sales. Pros and cons, as well as budget forecasts for each of the three options, were provided to Council for discussion. **City Council directed staff to proceed with the concept to sell alcohol and concessions at ACA through a contracted vendor and empowered staff to decide which events are appropriate for alcohol sales.**

ALCOHOL AND CONCESSION POLICY:

Prior to soliciting bids for a qualified vendor, staff has developed an alcohol and concession policy, Attachment A, to guide how alcohol and other concessions will be handled at the facility. The draft policy was developed collaboratively with staff from Parks and Recreation, Police, Legal, and Risk Management. The purpose of the policy is to ensure the safety of patrons and staff, protect City assets, and maintain a welcoming environment for all users at ACA.

Staff has also developed staffing guidelines for events with alcohol service to determine the number and type of personnel anticipated for security and monitoring of the consumption areas. These staffing guidelines are mentioned for information only as Council does not need to approve them. The Alcohol and Concession Policy outlines what can be sold and when, vendor responsibilities, and City responsibilities.

What Can Be Sold And When - Only contracted alcohol vendors through the City are allowed to serve alcohol in the Auditorium for events. Alcohol service is to include beer and wine sales only. No hard liquor is allowed. Vendors will also be permitted to sell pre-packaged food items and non-alcoholic beverages. Parks and Recreation, through a contracted vendor, reserves the right to sell beer and wine at all Auditorium events and rentals except for ISU student sponsored events, events or rentals that are religious in nature such as a church service, bible school, or a religious retreat, and events specifically targeted to families and youth. Additionally, if an Auditorium event is eligible for alcohol service but the organization reserving the Auditorium wishes for alcohol not to be served, the organization can request an alcohol service exemption, which would be administratively approved or denied by City staff on a case-by-case basis.

Vendor Responsibilities - Vendors must possess a valid State of Iowa Permit for beer and wine service at the City Auditorium; have Liquor Liability/Dramshop insurance for service at the City Auditorium; possess any licenses or permits necessary by the State and the City for selling pre-packaged, non-alcoholic concession items; secure a City vending license; and have an insurance certificate naming the City as additional insured with comprehensive general liability limits in the amount of \$500,000 combined single limit. Additionally, vendors are responsible for ID checks and must provide wristbands for patrons who are of legal drinking age. Persons checking IDs must have completed the State of Iowa

I-PACT training and shall participate in the Ames Police Department identification training, when offered.

City Responsibilities - The City will specify the alcohol consumption area for the Auditorium; be responsible for any additional staffing needed for security and crowd monitoring; and reserves the right to continuously evaluate and update policies and practices as deemed warranted. The City requires a percentage of all gross sales (minimum of 10%), in accordance with the vendor contract, to be payable to Ames Parks and Recreation. Vendor contracts are subject to termination at any time by the City and the City is not responsible for loss of revenue as a result of contract termination.

Once the policy is approved by City Council, staff will solicit vendors through a formal bidding process. Alcohol and concession sales could begin late spring or early summer. Staff has informed the Parks and Recreation Commission regarding alcohol and concession sales and the Commission fully supports this endeavor.

ALTERNATIVES:

1. Approve Ames City Auditorium Alcohol and Concession Policy as presented.
2. Approve Ames City Auditorium Alcohol and Concession Policy with changes as directed by Council.
3. Do not approve Ames City Auditorium Alcohol and Concession Policy.

CITY MANAGER'S RECOMMENDED ACTION:

Staff is continuously exploring new ways to increase programming, reduce the tax subsidy, and attract larger and newer audiences to the Ames City Auditorium (ACA). The ACA is also developing strategies to overcome the anticipated revenue loss in the upcoming years from Lutheran Church of Hope (Hope Church) as they complete construction of their own building. The anticipated revenue loss from the Hope Church rental is approximately \$42,000 annually.

ACA event attendees regularly ask staff as to why alcohol is not served at Auditorium events. Patrons state the ability to purchase alcohol at other venues in town like Stephens Auditorium and The Maintenance Shop makes them more likely to attend events in those facilities. Additionally, the Auditorium, Bandshell, and Community Center Manager has spoken with several entertainment promoters who have cited the lack of alcohol sales as the primary reason for not considering the ACA for their events. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.

ATTACHMENT(S):

[Attachment A - City Auditorium Alcohol and Concession Policy.pdf](#)