
MEMORANDUM



TO: Mayor Walker and Councilors
FROM: Stacy Marquardt, Community Development Planner
SUBJECT: **Rum River Festival Special Event Permit**
DATE: March 7, 2023

Background:

In the past the City has sponsored a beer garden at the Rum River Festival. It was not as successful as hoped; however, this is not really the City's area of expertise. This year Staff decided to farm it out to a local establishment who has the knowledge and background to operate a beer garden.

Staff sent out the attached letter to every bar/restaurant facility within the City limits that has obtained a liquor license in hopes of finding a local business to operate the beer garden. As the letter states the City contribution is to allow it on City-owned property and to ask the Council to waive the fees for the use of City ancillary items such as the generator or fencing to entice a business owner to work with the City on this event.

We have received one application from Neighbors on the Rum. Attached is their description of what their beer garden event will look like and a map showing the location and boundaries of their request. Police Chief Frederick and Public Works Director Gerold along with myself met with Joe Holtz, the owner of Neighbors, to go over the logistics. All parties felt like the location on the attached map would be an ideal location for the beer garden and not impede traffic flow. It is also along the parade route so attendees will be able watch the parade from the beer garden. Legal counsel has also reviewed sample contract language if we choose to allow for this event to continue on for the following years. The contract allows the applicant to host the beer garden for future Rum River Festivals, but also gives the City an out if something arises and is determined that it is no longer a good fit. Staff does want to point out that this is a pretty large expense for an applicant to acquire for an event like this. Costs incurred could include things like a large tent, licensing and insurance, porta potties, staff, stage, hiring a band, and other items needed to pull it off successfully, a multi-year contract would allow the applicant to defray these costs over time.

Recommendation:

Staff recommend that:

1. We farm out the beer garden operation for Rum River Festival to Neighbor's on the Rum and allow the business to have the event on City owned property, as shown on the attached site plan;
2. Waive any ancillary fees that typically are charged by the City, such as for the use of our fencing, generator, etc.; and
3. Enter into a contract with the applicant to allow them to host future Rum River Festivals with the caveat that if there is a conflict or the City feels it is not a good fit, the contract can be cancelled at any give time with the proper notice.