

MEMORANDUM

TO: Donna Barron, City Manager

FROM: James Kunke, Community Relations & Tourism Director

DATE: August 20, 2018

SUBJECT: **Consideration of a Variance to the Lewisville City Code Section 2-201, Fee Schedule, Regarding Waiving Fees Associated with the Labor Day Rodeo on August 31-September 2, 2018; Authorize a Fundraiser Event on City Property; and Provide In-Kind Equipment and Staff Support, as Requested by Lewisville Saddle Club.**

BACKGROUND

Lewisville Saddle Club will hold its annual Labor Day Rodeo on August 31-September 2, 2018, at Lewisville Rodeo Arena. The three-night event typically draws more than 5,000 attendees, plus participants and volunteers. It is a long-time Lewisville tradition, started in 1965.

Lewisville Rodeo Arena is owned by the City, but the accessory buildings and fixtures had been owned and maintained by Lewisville Saddle Club for more than 50 years. Earlier this year, the club donated those fixtures to the City, and the entire site now is owned and maintained by the City.

No special event permit is required because the facility is designed for outdoor events such as the rodeo. Council has not previously been asked to consider a fee waiver or to approve a fundraiser on city property because the Saddle Club owned the buildings and fixtures. Now that the city has full ownership, Council approvals are required. Lewisville Saddle Club does pay a rental fee for use of the arena.

ANALYSIS

A new lease agreement (draft attached to this memo) has been prepared to give Lewisville Saddle Club the same arena access as it had under the previous multi-year lease. When signed, the new lease agreement will be in effect through December 2019. It establishes an annual rental fee to be paid by the Saddle Club in quarterly payments.

There also is a Host Agreement (draft attached to this memo) that establishes club and City obligations related to the Labor Day Rodeo. This document addresses the City's marketing payment to the club out of the Hotel Fund, makes the City an event sponsor, and sets minimum standards for the event.

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Both of those documents have been reviewed by the City Attorney's Office and sent to the club president for review and signature. Signed documents had not been received as this agenda item was being prepared, but we are bringing this item to City Council anyway because there is not another regular meeting scheduled prior to the start of the rodeo. If signed documents are received prior to the Council meeting, they will be added to the agenda backup. Signed agreements will be in place prior to the event.

The rodeo is intended to be a fundraiser for Lewisville Saddle Club, with revenue coming from ticket sales, food and beverage sales, program advertising, and sponsorships. Those revenues would continue going to the club under the Host Agreement. City Council approval is required for any private fundraiser being held on City property. This was not previously required for the rodeo because the Saddle Club owned part of the facility.

City staff from multiple departments will be on hand during event setup and on each night of the rodeo. While the event will be managed by Lewisville Saddle Club, staff will ensure compliance with all legal and contractual requirements and be available to answer questions or assist with specific facility-related tasks if needed. It also is possible some pieces of City equipment might be needed during event setup or teardown. For a permitted special event, there would be a charge to the permit holder for those services. Because the City is a sponsor of the event, we recommend that City Council waive any of those charges that might otherwise be assessed. Because the event has never been operated in this manner, we do not know the amount of those potential waivers.

City staff also plans to take a more active role in marketing the Labor Day Rodeo this year, which will involve the use of multiple outlets including digital billboards.

RECOMMENDATION

That the City Council approve the requested waiver of special event fees, approve a fundraiser event being held on City property; and approve providing in-kind marketing support for the Labor Day Rodeo event.