



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



June 22, 2010

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(562) 570-3100 • FAX (562) 570-3109
www.LBParks.org

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best in the nation

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt the attached Resolution authorizing a temporary waiver for the restriction of alcohol at El Dorado East Regional Park, Area III, for an Oktoberfest event scheduled for October 22, 2010 through October 31, 2010. (District 5)

DISCUSSION

In this time of financial challenges, the Department of Parks, Recreation and Marine (PRM) continues to look for new revenue opportunities to support basic recreation services for Long Beach residents. Therefore, PRM is in the process of developing a one-year alcohol pilot program intended to test the festival and event business, including weddings, family reunions, corporate picnics, and large festival events, by allowing alcohol under certain strict conditions.

During the development of the pilot program, PRM received a proposal from O Entertainment, Inc. (Operator), a Long Beach-based company, to promote and produce a family-oriented Oktoberfest event in El Dorado East Regional Park, Area III, from October 22, 2010 through October 31, 2010. The event will be a Munich-style German festival with a giant dance floor, live entertainment, covered dining tents, 25 midway and European-style amusement rides, games, a German store, and arts and crafts. Festival attendees will pay a one-time admission fee that allows unlimited rides and entertainment. The festival will also have an enclosed beer garden.

This family festival is in line with PRM's proposed alcohol pilot program. The pilot program will require changes to the Long Beach Municipal Code and will be brought to the City Council for approval within the next 90-120 days. However, to allow Operator adequate time to plan, secure entertainers, and sign supplier agreements, this item is being brought to the City Council ahead of the pilot program.

The Municipal Code currently allows the use of alcohol only in certain facilities, such as Blair Field, Rancho Los Cerritos, Rancho Los Alamitos, and golf courses. The Municipal Code prohibits the use of alcohol in parks, with no exclusion for special events. Thus, the Oktoberfest event will require City Council approval of a temporary permit for beer and wine sales, similar to the one-time waiver of alcohol restriction for the 40th Anniversary of the El Dorado Nature Center event, which the City Council approved on September 1, 2009.

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June 22, 2010

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PRM has successfully managed select venues and events with the service and consumption of alcohol for over 30 years, without incident. Examples of events include the recent Toyota Grand Prix of Long Beach, the Queen Mary Jazz Festival, the Long Beach Lobster Festival, and the recent Long Beach Lesbian and Gay Pride Parade and Festival. In addition, a survey of surrounding cities and counties showed that 70 percent allow some form of alcohol service and consumption in their parks and/or community centers, under certain conditions.

This event will be managed by the Department of Parks, Recreation and Marine, in accordance with established policies and procedures for other large events. In addition, O Entertainment, Inc., meets the following festival operator requirements that will be part of the pilot program's permit conditions:

- Event experience: Operator has at least five years of experience producing and managing special events in a municipal environment.
- Alcohol experience: Operator has at least five years of experience producing and managing special events with alcohol service.
- California Department of Alcoholic Beverage Control (ABC) violations: Operator has not had any violations of ABC laws within the past five years.
- Pending litigation: Operator has no pending litigation regarding alcohol issues, public safety at events, or outstanding debts owed to the City of Long Beach.

O Entertainment, Inc., produces shows in California, Arizona, and Nevada. The principals of this family-owned company have a combined 60 years of experience in the outdoor amusement and special events business. They are a large event producer, as well as a promoter in the local carnival industry. In addition to booking carnivals, they have an extensive rental business, including canvas, canopies, generators, electrical power trains, stages, and anything else needed for a complete outdoor festival.

For over 15 years, O Entertainment, Inc., has produced upscale community programs for the County of Los Angeles Parks and Recreation Department, the cities of Long Beach, Los Angeles, San Francisco, Santa Ana, Tustin, San Fernando, San Gabriel, and many other local and state agencies. Their events include the Redondo Beach Original Lobster Festival, the Queen Mary Jazz Festival, and the Long Beach Crawfish and Lobster Festivals.

As part of the financial agreement, Operator will pay PRM the greater of 15 percent of gross revenue, plus all City costs incurred on behalf of the event, or a minimum payment of \$20,000, plus costs. The \$20,000 represents the average parking revenue collected for a similar time period in October. Because of this payment structure, all users of the park will receive the added benefit of free admission to the entire park on the days scheduled for Oktoberfest.

This matter was reviewed by Deputy City Attorney Gary J. Anderson and Budget Management Officer Victoria Bell on June 4, 2010.

TIMING CONSIDERATIONS

City Council action is requested on June 22, 2010, in order to allow Operator adequate time to facilitate the planning and logistics necessary for a successful event.

FISCAL IMPACT

The greater of \$20,000, plus City costs, or 15 percent of gross revenue, plus City costs, will accrue to the General Fund (GP) in the Department of Parks, Recreation and Marine (PR). Because there is no history for this event, gross revenue cannot be estimated. The recommended action will result in a positive impact on both local and City jobs, although the exact number is unknown at this time.

SUGGESTED ACTION

Approve Recommendation.

Respectfully Submitted,



PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:JCS

Attachment: Resolution

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

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RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH APPROVING THE TEMPORARY
WAIVER OF ALCOHOL RESTRICTION FOR EL DORADO
REGIONAL PARK

WHEREAS, on October 22, 2010, through October 31, 2010, O
Entertainment will be hosting an Oktoberfest event in Area 111 at El Dorado Regional
Park; and

WHEREAS, in addition to being a source of new revenue for the City, the
event will help evaluate the effectiveness of a one (1) year pilot program being developed
by the Parks, Recreation and Marine Department that would allow alcohol consumption in
certain public parks on a limited basis; and

WHEREAS, the event's organizers are requesting a temporary alcohol
permit for the Oktoberfest event. The temporary permit would be utilized for a no-host
bar, for which the identification and age of guests will be checked, and wristbands will be
issued. The area of the event will be restricted in order to ensure further safety; and

WHEREAS, the City currently has policies that prohibit the use of alcohol at
City parks and special events; and

WHEREAS, Section 9.22.050 of the Long Beach Municipal Code authorizes
City Council licensing of public areas for alcohol consumption by resolution; and

WHEREAS, in order to facilitate a successful Oktoberfest event, the Council
is asked to approve a one-time waiver of the City's current alcohol restrictions in our
parks;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as
follows:

Section 1. Approve a temporary waiver for the restriction of alcohol at El

1 Dorado Regional Park for an Oktoberfest even scheduled for October 22, 2010 through
2 October 31, 2010.

3 Section 2. This resolution shall take effect immediately upon its adoption
4 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

5 I hereby certify that the foregoing resolution was adopted by the City
6 Council of the City of Long Beach at its meeting of _____, 2010 by the
7 following vote:

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Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

OFFICE OF THE CITY ATTORNEY
ROBERT E. SHANNON, City Attorney
333 West Ocean Boulevard, 11th Floor
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