

EDUCATION, ARTS & CULTURE COMMITTEE

July 6, 2010

4:20 P.M.

Councilman McGary, Chairman, called the meeting of the Education, Arts & Culture Committee to order with Councilmen Benson, Ladd, Rico, Gilbert, Scott, Murphy, Berz and Robinson present. City Attorney Michael McMahan and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Sandy Coulter, David Johnson, Missy Crutchfield, Daisy Madison, Vickie Hailey, Fredia Kitchen, Dan Johnson, Richard Beeland, and Chief Parker. Crystal Freiberg joined the meeting later.

ALCOHOL AND WINE SALES AT AUDITORIUM/TIVOLI

Chairman McGary stated that he had asked the City Attorney to inform the Council as to the Bill passed in Nashville so that we can consider our options.

Attorney McMahan talked of problems we had run into before in regards to the sale of alcohol and wine at the Tivoli and Memorial Auditorium; that the Bill had been redefined, and the Law now allows this; that the Memorial Auditorium was within 500 ft. of a church, which was a zoning issue and this zoning does not apply to this district. He stated that the first question would be in regards to the Law being written to allow the Council to make a decision—that the practical problem is how to move forward with a concessionaire; that he saw a problem with using city employees.

Chairman McGary approached the subject of a concessionaire and asked how this would work within the law—if we could contract this out?

Attorney McMahan responded that a caterer can do it, like at weddings and dispensing alcohol.

Chairman McGary questioned if we would get someone for each event? Attorney McMahan responded that it could be for one year or two years—that they would have to hire a staff and to train.

Ms. Crutchfield noted that wine might be sold just every once in awhile—that having a vendor on a regular basis for maybe only 12 times a year might be more difficult than it is worth.

Attorney McMahan noted that a caterer would have to fulfill legal requirements for a license.

Councilwoman Berz questioned if we could get someone licensed who would operationalize this? Attorney McMahan explained that the license would go to the license holder—that they would have to be willing to apply for a license; that if the City applies for a license, we are responsible, and he would much prefer to see a private party managing this. Councilwoman Berz confirmed that we know that alcohol can be served in these facilities.

Chairman McGary stated that we were ready to start the bidding process.

Councilwoman Scott asked with what frequency would we anticipate seeing serving of alcohol happening—would it be once a month or three times a month, etc.? Ms. Crutchfield responded that she would speculate that more individuals would come if alcohol could be served—some wine and some beer; that the decision would have to be made whether to keep it in the lobby or take it into the auditorium—that they had new seats to keep clean. Councilwoman Scott stated that she would assume that it could be sold at all events. Ms. Crutchfield responded that some events would not want it served.

David Johnson stated that they could get Sandy Coulter to look at the previous years as to events—that Christian events, children's shows and family events would not want it; that they could come up with a fairly accurate guesstimate for each month and see if it would be feasible; that vendors would be interested in this; that they had contacted other facilities in other cities and asked for copies of their bids and contracts; that promoters were looking for alcohol sales; that if they bring their event to Chattanooga, they would want 10% to 20% of alcohol sales, and this needed to be addressed upfront.

Councilman Benson stated that this is complex, and the Council needed something from the Education, Arts & Culture Staff for guidelines. He mentioned that he thought Knoxville excluded certain kinds of shows from having alcohol if they thought these type of shows might provoke certain problems.

Mr. Johnson reiterated that contemporary Christian and family events would be excluded but more active participants would want to sell as much as they can.

Councilwoman Robinson added as a sidebar that her sense is that this would not be a lucrative undertaking and who would want it if it is so random—that the Symphony and TAPA were not really great concerns. She suggested striking a deal with someone like the Chattanooga and get them to do it for us as a service or someone like the Trade Center; that this would get us started so that we could establish a track record and give a private person a reason to want to come in.

Chairman McGary stated that at the beginning of all these discussions, he pulled aside Tim Hennen and others at the Convention Center about the management of the entire facility—that they might be willing just as a concessionaire; that the direction is moving towards contracting this out.

Councilman Murphy stated that Mr. Johnson had made a point—that promoters go places because of the concessions served; that these facilities would see a lot more bookings; that they need to see what they want to negotiate in fees to come in and something paid back to the City; that we would have the ability to bring in acts, and we would get revenue from every ticket sold; that there would be benefits beyond concessions with the number of people attending the booking; that we need to look at this before we put this out to bid; that the point about the floors and seats is well taken—that this has to be looked at—whether we allow it in the theater times the number of bookings and seats that would have to be replaced; that we need to see what the parameters need to be before putting out the bid; that we need more explanations from people and the positives for the downtown area. He noted that often there is not adequate parking; that we could go to the County because one block away they have a massive parking block in the capacity of five or six floors—the County Parking Garage, which is not being used at night and on weekends—that this would be good for the County, too.

Councilwoman Scott stated that she would suggest learning what the going rates are and cuts in advance; that we would be more in the driver's seat rather than having someone come in and dictate; that we need to have a standard.

Councilwoman Robinson still felt that we needed to deal with someone we have had a past relationship with rather than some random person. Ms. Crutchfield added that such a facility would also have food, too.

Councilwoman Scott stated that we might encourage local catering people to do large events, and they might be encouraged with two to three times a month; that this needs to be thrown out there to all of the people who could do it.

Councilwoman Berz stated that she was really excited about this, and “yes”, we do want to go forward; that she would hope we would not get into any sort of censorship and go forward with different types of shows, which was not a bad thing; that we need to be very careful about not getting into censorship; that there is a lot of good stuff that everyone might not agree with; that we do not need to micromanage; that we need numbers and then leave it to the professionals.

Ms. Crutchfield responded that they do not censor.

Councilwoman Robinson wanted to thank Councilman McGary—that he tackled this issue; that he brought new energy to the Council, and we were not sure he would be successful; that he unlocked this by getting in touch with Andy Berke, and she applauded him for this.

Chairman McGary asked what route we wanted to go about taking alcohol into the facility or just allowing it in the concession area? Councilman Gilbert felt that it should be limited to outside the theater area; that it would cost a lot to clean the chairs; that this would mean less cleaning. He suggested keeping it outside in the lobby. Councilwoman Robinson agreed that this was a very smart idea—keep it all out in the lobby.

Councilman Murphy stated that he would be a dissenting voice; that he would like to see a Cost Benefit Analysis—that seats can be recovered and cleaned; that it might not make sense at the Tivoli but would be okay at the Memorial Auditorium; that there would be vending during the entire show and seats can be recovered and replaced—cannibalize the facility—if there is other ways around it—why not?

Councilman Benson stated that you could call it censorship if you wanted to, but if you take a prior record whether you like it or not like Wilson Pickett, which caused riots, we better have some guidance; that he did not like censorship, but we need some guidelines.

Chairman McGary asked Councilman Benson if he felt the alcohol should be kept outside or carried inside? Councilman Benson responded that if you carry it inside there will be damage to the seats and the noise level will be higher; that he would like to see the professionals come back with some recommendations.

Ms. Crutchfield stated that they would be happy to come back with what other cities are doing—that the floors could become sticky.

Councilman Benson went on to say that we did not allow Wilson Pickett to come back to Chattanooga.

Ms. Crutchfield stated that their job goes on seven days a week, sometimes to 3:00 a.m. and Sandy Coulter is there sometimes at 2:00 a.m. trying to settle with folks; that last minute decisions have to be made and our reputation is on the line; that she would like to brag about her employees.

Councilman Benson went back to Wilson Pickett, stating that there were gunshots two days after he left.

Chairman McGary stated that the Education, Arts and Culture Staff would bring back a Cost Benefits Analysis and Best Practices in a couple of weeks.

The meeting adjourned at 4:55 P.M.