

June 17, 2009

Roger Stancil, Town Manager
405 Martin Luther King Jr Blvd
Town OF Chapel Hill, NC

Dear Mr. Stancil,

The Chapel Hill Downtown Partnership requests the town manager to approve the service, sale, and possession of unfortified alcoholic beverages for a beer & wine garden setting to be provided during the Locally Grown Summer Music Series hosted on the Wallace Plaza in downtown Chapel Hill. The Locally Grown Music Series is cosponsored by the Chapel Hill Downtown Partnership and the Town of Chapel Hill. The music portion of the series will consist of three live concerts on select Thursday nights this summer. We are requesting that you approve the final two concert dates, July 23, 2009 and August 20, 2009 for the beer/wine garden. The Locally Grown Music Series was developed in concept to champion the downtown district, inviting citizens and visitors alike to convene downtown for this free series of music events. The collaborative effort between Chapel Hill Downtown Partnership and the Town of Chapel Hill supports local businesses as well as local sustainability with creative cultural art programming in our downtown urban park facility.

In accordance with Town's code of ordinances, **Chapter 3, Sec. 3-5: Possession and consumption of malt beverages and unfortified wines at special events in municipal parking lots and on the top level of the Wallace Parking Plaza**, the Chapel Hill Downtown Partnership requests the managers approval of this concept and its application. Given our advance planning and preparations thus far in working with the ABC commission and Alcohol Law Enforcement on the proper procedures for operating such an event, we are positioned well at this time to complete both the acquisitions for necessary permits as well as meeting the obligations for the resolution established on May 5, 2005, establishing rules and regulations for serving and consumption of malt beverages and unfortified wines on specified town properties (2005-05-09/R-19).

Background

The Downtown Partnership understands both the Town of Chapel Hill by Ordinance, and North Carolina by State Law, regulate the possession, sale, and consumption of alcoholic beverages. The Downtown Partnership will apply for and acquire a North Carolina Alcoholic Beverage Control

Commission Special Use permit required for the sale and consumption of alcoholic beverages at an Outdoor Special Event held in the Town of Chapel Hill. A copy of the approved North Carolina Alcoholic Beverage Control Commission permit shall be supplied to the Town of Chapel Hill. The Chapel Hill Downtown Partnership will work jointly with the Town of Chapel Hill to provide for a safe and well managed operation.

Under the rules and regulations of the NC ABC Commission Special One-Time Permit for the Sale of Alcoholic Beverages, the Chapel Hill Downtown Partnership will apply as a non-profit organization and agree to provide sufficient staffing to operate the beer garden. The NC ABC Commission permit application requires signature and approval from The Town of Chapel Hill Police Department, as well as a copy of the written agreement between the Downtown Partnership and the Town of Chapel Hill (owner of the premises) attesting the approval for the use of the Wallace Plaza.

Supporting information

Cases studies from other municipal and non-profit events operating similar type Beer and Wine Gardens at special events offers us the advantage for reducing trial and error in providing for a safe and well managed event. Strict guidelines and provisions will be implemented for a dual proof of age identification process, both at a pre-sale station where a specified wrist band will be awarded upon proper identification, and again at the point of sale. Additionally, security provided by the Chapel Hill Police Department will also be positioned on site. Furthermore, a diagram of the actual premises showing all entrances, exits, bar areas, and where consumption and/or sale will take place will be prepared by the Town of Chapel Hill. No alcohol shall be permitted to be consumed or taken off the Wallace Plaza premises.

Benefits

This Locally Grown Series is of mutual interest to the parties, given the outcome our citizens will benefit from the opportunities to gather and celebrate our community culture, and also support the local economy. Consumers shop at locally owned businesses for a variety of reasons; to support independent businesses over massive chains, to keep money reinvested in their community, to decrease harmful environmental factors such as pollution caused by vehicle emissions, and to support unique businesses that lend a personal sense of character to a town. The Town of Chapel Hill and The Chapel Hill Downtown Partnership are undertaking this particular project as our objectives are aligned well with championing the downtown district, but also in supporting efforts to be more sustainable. The Town of

Chapel Hill will secure in writing, a sponsorship arrangement with a beer supplier, whereby the beer purveyor will contribute a monetary contribution in exchange for the rights to the marketable intangibles associated with the events series.

Challenges

A written agreement for establishing this joint project, for producing the Locally Grown Concert Series including a beer and wine garden, will define clearly the specific roles and responsibilities of both the Chapel Hill Downtown Partnership and The Town of Chapel Hill. In doing so, a well orchestrated partnership and amicable working relationship will be our goal.

It is our objective, with respect to the accounting for inventory and retail profit margins, we utilize canned beer whenever possible in order we reduce the waste encountered with serving draught beer. A controlled container size will deter the potential for any waste or pilferage. The Downtown Partnership will agree to be liable for all cash transactions, and provide a specific account of all purchases and sales following the completion of each event. Any proceeds from the sales of alcohol will be committed to offset any production costs of the music series itself.

Conclusion

The mission of the Locally Grown Music Series is to encourage locals and visitors to support downtown Chapel Hill by creating a welcoming atmosphere through live music, food, and beverages in the district. The events will increase exposure for local food & beverage suppliers in a well controlled public space in addition to providing added foot traffic to other downtown businesses via the influx of people attending the event. The presence of a beer garden at Locally Grown will lead to better attendance and thus a stronger impact on downtown businesses. In accordance with the above conditions the Chapel Hill Downtown Partnership requests your approval for the service, sale, and possession of unfortified alcoholic beverages for the Locally Grown Summer Music Series on the Wallace Plaza in downtown Chapel Hill.