



Alcohol Sales Policy

CITY COUNCIL, NOVEMBER 17, 2025

STAFF CONTACT: ERIC OSCARSON, DEPUTY CITY MANAGER

Background

- **October 6, 2025 – City Council approved the contract for third-party management of Chisenhall Fields with SFM**
- **October 20, 2025 – City Council approved the ordinance on first reading and adopted the policy.**
- **November 3, 2025 – City Council approved the ordinance on final reading. City Council requested to review the policy.**
- **November 17, 2025 - A special-called meeting was requested to reconsider the alcohol policy.**

Purpose & Context

- **Establishes responsible guidelines for alcohol sales on City property**
- **Ensures compliance with TABC and City standards**
- **Balances community enjoyment with youth protection and public safety**

Alcohol Sales Policy

AS ADOPTED ON OCTOBER 20, 2025

Key Restrictions

- **No alcohol during youth league games or practices**
- **No alcohol at tournaments/events where the target market is children 12 and under**
- **Applies to all SFC staff and subcontractors**
- **Compliance monitored by City & SFC**

Sales & Service Standards

- **Sale of alcohol only in City-approved designated areas of the complex**
- **TABC Certification for staff required**
- **Clear signage**

Liability & Insurance

- **As part of the main contract with SFC, SFC must carry general and liquor liability insurance**
- **SFC must list the City as additional insured**
- **Certificates must be provided annually**
- **SFC assumes responsibility for alcohol-related claims**

Oversight & Annual Review

- **Adjustments adopted by Council as needed**
- **Spot inspections & compliance reviews authorized**
- **City may suspend/revoke alcohol sales authorization**
- **Non-compliance the City would issue written notice of default**
- **Continued violations-termination for cause as outlined in the management agreement**
- **City reserves sole discretion to permanently prohibit alcohol sales**

SFC Pro Forma

No Alcohol Sales

Sponsorship Separated

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Outdoor Rental Baseball/Softball Tourname	\$225,500	\$304,200	\$420,300	\$485,100	\$528,885
Outdoor Field Rental	\$105,773	\$109,561	\$96,269	\$101,083	\$111,444
Gate Fees	\$102,900	\$112,980	\$154,350	\$168,840	\$183,330
Food & Beverage	\$447,140	\$679,644	\$927,536	\$1,017,352	\$1,107,279
Hotel Rebates	\$72,797	\$82,854	\$119,253	\$133,141	\$147,030
Retail	\$25,518	\$27,392	\$34,416	\$36,635	\$38,866
Total Revenue	\$979,628	\$1,316,632	\$1,752,124	\$1,942,151	\$2,116,834
Cost of Goods Sold	Year 1	Year 2	Year 3	Year 4	Year 5
Outdoor Rental Baseball/Softball Tourname	\$22,550	\$30,420	\$42,030	\$48,510	\$52,889
Outdoor Field Rental	\$5,289	\$5,478	\$4,813	\$5,054	\$5,572
Gate Fees	\$21,630	\$23,310	\$29,925	\$31,920	\$33,915
Food & Beverage	\$290,641	\$441,769	\$602,899	\$661,279	\$719,732
Hotel Rebates	\$0	\$0	\$0	\$0	\$0
Retail	\$17,863	\$19,175	\$24,091	\$25,645	\$27,206
Total Cost of Goods Sold	\$357,972	\$520,151	\$703,758	\$772,407	\$839,313
Gross Margin	\$621,655	\$796,481	\$1,048,366	\$1,169,744	\$1,277,521
<i>% of Revenue</i>	63%	60%	60%	60%	60%
Facility Expenses	\$238,393	\$242,872	\$250,692	\$255,483	\$260,326
Operating Expense	\$424,482	\$438,746	\$478,603	\$500,216	\$520,846
Management Payroll	\$365,000	\$379,600	\$394,784	\$410,575	\$426,998
Payroll Taxes/Benefits/Bonus	\$123,537	\$146,549	\$172,924	\$185,490	\$197,659
Total Operating Expenses	\$1,151,412	\$1,207,767	\$1,297,003	\$1,351,764	\$1,405,829
EBITDA	(\$529,757)	(\$411,286)	(\$248,638)	(\$182,020)	(\$128,308)
<i>% of Revenue</i>	-54.1%	-31.2%	-14.2%	-9.4%	-6.1%
<i>Field Maintenance Equipment Costs</i>	<i>(\$237,740)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Operational Set Up Costs</i>	<i>(\$127,000)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Replacement and Renovation Costs</i>	<i>(\$25,000)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>Sponsorship Income (Net)</i>	<i>\$90,000</i>	<i>\$108,000</i>	<i>\$114,000</i>	<i>\$120,000</i>	<i>\$120,000</i>
Total Net Income	(\$829,497)	(\$303,286)	(\$134,638)	(\$62,020)	(\$8,308)

Comparison

	Year 1		Year 2		Year 3		Year 4		Year 5	
Annual	IN-HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC	IN HOUSE	SFC
Revenue	\$277,443	\$979,628	\$285,766	\$1,316,632	\$294,339	\$1,752,124	\$303,169	\$1,942,151	\$312,264	\$2,116,834
Expenditures	\$617,244	\$1,509,384	\$602,322	\$1,727,918	\$643,447	\$2,000,761	\$643,447	\$2,124,171	\$665,236	\$2,245,142
One Time		\$389,740								
PPF Contribution	\$339,802	\$919,496	\$316,556	\$411,286	\$349,107	\$248,637	\$340,277	\$182,020	\$352,972	\$128,308
Percentage of Cost Recovery	45%	52%	47%	76%	46%	88%	47%	91%	47%	94%

5 YEAR PPF SUBSIDY	
In-House	\$1,698,714
SFC	\$1,889,747
Difference	-\$191,033
*Sponsorship	\$552,000
**Alcohol	\$360,296
Difference	\$721,263

*Sponsorship revenue will be set aside for future Capital Improvements

**If alcohol sales are approved in a limited capacity, this would be the net revenue.

Additional Information

- **Additional net revenues were based on sales at events catered to those 13 and up**
 - \$360,296 over 5 years
- **10% of Tournaments and Special Events would qualify under the current policy**

Questions for Staff

Council Discussion and Direction