



STAFF REPORT
City of Dripping Springs
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Dripping Springs, TX 78620

Submitted By: Aniz Alani, City Attorney

Committee Meeting Date: August 24, 2026

Agenda Item Wording: Review of property use agreement details in place for the Founders Day Festival.

Purpose: This report summarizes the status of the agreements currently identified as affecting the City's use of private property, public facilities, and state right-of-way for the Founders Day Festival. It also identifies the actions needed to secure continued property and access rights for the 2027 Festival.

Executive Summary The City has several important property and access arrangements in place. The principal agreements for the **Roxie's LLC** and **Wells Fargo** parking lots will expire before the anticipated 2027 Festival and should be treated as requiring new agreements before operational planning relies on them.

The **2025 Rambo Lodge No. 426 Easement Purchase Agreement**, however, separately grants the City use of the Rambo Lodge parking lot for one weekend each April for the Founders Day Festival during a five-year period, subject to notice, maintenance, and damage-repair requirements.

The agreement with **Springs Provision Plaza Condominium Association** is continuing and broadly covers qualifying City-sponsored events, including Founders Day, subject to advance communication, insurance, cleanup, and sponsorship or reimbursement obligations.

The **TxDOT multi-year highway-closure agreement** may remain within its five-year maximum duration, but its exhibits describe the 2025 event and closure schedule; staff should coordinate with TxDOT and obtain any annual approval or written amendment required for the 2027 dates and traffic-control plan.

Current Agreement Status

1. *Roxie's LLC: 299 Mercer Street Parking Lot*

The 2026 Parking Lot Use Agreement permits Festival access from **8:00 a.m. on April 23, 2026 through 12:00 p.m. on April 27, 2026**. Its one-year term began in January 2026, and it contains no automatic-renewal provision. Accordingly, it does not provide property rights for the 2027 Festival.

A new agreement will be required if the City intends to continue using this parking lot. The new agreement should include the actual 2027 access window, including setup and post-event cleanup, and should update the exhibit depicting the areas reserved for Festival use.

2. Rambo Lodge No. 426 — 103 Old Fitzhugh Road Parking Lot

The Easement Purchase Agreement between Rambo Lodge No. 426 and the City independently grants the City use of the Rambo Lodge parking lot, when it is not under construction, for the next five years, including one weekend in April for the Founders Day Festival. The agreement became effective upon the last party's signature; the materials show Rambo Lodge execution on October 23, 2025. The City therefore has a contractual basis to use the parking lot for the 2027 Festival without a new annual parking-lot agreement, subject to the easement purchase agreement's conditions.

Staff should provide Rambo Lodge written notice of the selected 2027 dates at least **90 days in advance**, particularly if the dates vary from the contemplated April weekend.

During use, the City must maintain the parking lot, avoid causing damage, and repair any damage caused by the City. Staff should also verify that construction will not interfere with the planned use and should document the specific access, setup, Festival, and cleanup times in the notice.

The easement purchase agreement should be calendared through October 2030, with replacement or extension discussions beginning well before the five-year period expires.

3. Wells Fargo: Approximately 401 Mercer Street Parking Lot

The November 2023 Liability and Maintenance Agreement has a one-year initial term with two additional one-year renewal periods and is listed in the agreement inventory as continuing through **November 15, 2026**. It therefore will not remain in effect for the 2027 Festival. The property-use clause also identifies only the 2024 Festival dates. A new agreement will be required for 2027 if this parking lot remains part of the Festival plan.

4. Springs Provision Plaza Condominium Association: 296 and 300 Mercer Street Parking Lot

This agreement was fully executed in 2025 and continues until either party terminates it on 60 days' written notice or the parties terminate by mutual written consent. It authorizes parking-lot use for qualifying City-sponsored events involving at least 500 persons within the Mercer Street Historic District or involving an authorized closure of Mercer Street in front of the premises. Founders Day falls within that framework.

For each event, the City must provide timely and proactive notice to the association's board regarding the planned dates and access times. Beginning October 1, 2026, the association may elect either event sponsorship benefits or reimbursement of property-insurance costs up to **\$1,500 per year**. Staff should obtain the association's written election, budget for any reimbursement, provide event notice, maintain the required liability coverage, and document the parking area and operational plan for 2027.

5. Texas Department of Transportation: U.S. Highway 290 Temporary Closure

The TxDOT agreement became effective upon final State execution on February 11, 2025 and has a maximum duration of five years unless earlier terminated or modified. The agreement will therefore remain effective for the 2027 Festival barring early termination.

Staff should contact TxDOT early to determine the required submission for the 2027 closure; provide updated event descriptions, maps, traffic-control and enforcement plans; obtain law-enforcement review; provide required insurance documentation; and secure any written amendment or approval required before advertising or implementing the closure.