

To: Finance Committee
From: Mark Stevens
Date: May 12, 2025
RE: Consideration of Cost Sharing of Riverfest

Considering the past discussion regarding the City's participation in Riverfest Festival expenses, I have listed a few alternate ideas that could direct our attorney to incorporate into an amendment to our Riverfest Festival agreement. The goal is to establish a fair and effective system that benefits both the City and the Festival.

- A) Service-specific billing:** The City itemizes costs, and Festival pays based on usage (current agreement)
- B) Cost sharing with limit:** The City and the Festival agree to share equally in the first \$50,000 of city services with excess costs exceeding \$50,000 covered by the Festival
- C) Cost sharing with no limit:** The City and the Festival agree to share equally with no cap
- D) Alternate cost sharing percentage:** The City and the Festival agree to share at a ___% / ___% with no cap
- E) Fixed amount:** The Festival is to pay a flat fee of \$25,000 (or other amount)
- F) Sliding scale:** The Festival is to pay a flat fee of \$25,000 plus a percentage of revenue capped at a certain threshold

With any option, the City departments need to account for all related expenses for services provided to the Festival. I recommend selecting an option that ensures a clear limit on the City's financial exposure.