



## **Temporary Park Concession Agreement at Old Bakery**

*Parks and Recreation Board*

**April 23, 2013**

# Temporary Park Concession Agreement

## Background

- ❑ **June 2011, Austin City Council adopted Resolution No. 20110623-09 to:**
  - Negotiate and execute an agreement with Austin Parks Foundation (APF)
  - Create an active and engaging public park space
  - Increase sales to the Old Bakery and Emporium
  
- ❑ **September 2011, Six-Month Pilot Temporary Park Concession Agreement with APF executed to:**
  - Operate and manage a food and beverage concession
  - APF to utilize 10% of \$102,276 generated sales revenue for site improvements
  
- ❑ **September 2012, City Council adopted Resolution 20120927-044 to:**
  - Waive City's policy for establishing concessions on parkland
  - Authorize extension of current Temporary Concession Agreement through January 31, 2013
  - Authorize negotiation of new two-year concession agreement in exchange for use of revenue to fund additional improvements on site





# Temporary Park Concession Agreement

## Background (cont'd)

- ❑ **October 2012, the APF held a public input meeting on the park space with results indicating:**
  - Majority of the park users utilize and value the park space for food service
  - Food service is in the top three infrastructure priorities
  - The event was attended by 55 Austin citizens.
- ❑ **Mid-November 2012, La Boite Enterprises closes all its operation**
- ❑ **End of November 2012, APF search for a new concessionaire; the following vendors were selected for a joint venture agreement:**
  - Royal Blue Grocery and My Thai Mom
  - Royal Blue Grocery will provide breakfast and other pre-packaged options
  - My Thai Mom will prepare Thai food for lunch
  - Hours of Operation
    - Monday through Friday
    - Between 7:00 AM to 3:00 PM (special events as requested)



# Temporary Park Concession Agreement

## Concession Terms, Status and Benefits

### ☐ Terms

- Two-year agreement
- Revenue: Concessionaire to remit a minimum of 10% of sales to APF

### ☐ Status:

- Negotiated agreement with AFP to establish a temporary concession with joint-venture concessionaires, Royal Blue Grocery and My Thai Mom scheduled for City Council action on April 25, 2013

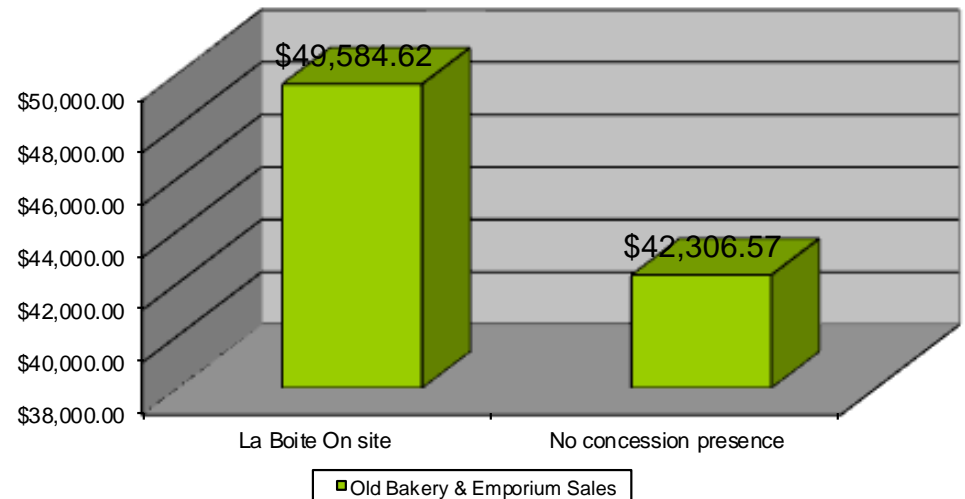
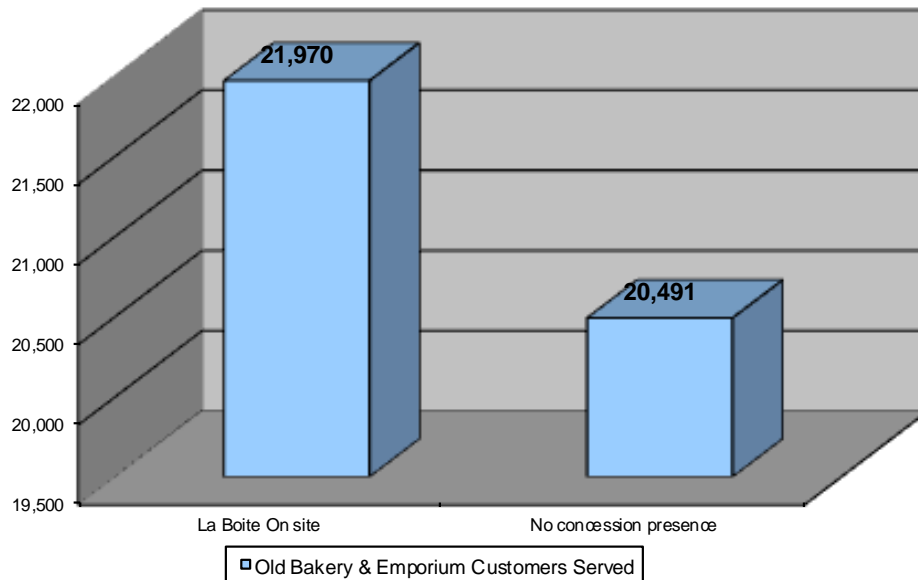
### ☐ Park and Public Benefits

- \$18,827 of generated revenue available for site improvements
  - Revenue to be utilized as “matching funds” for a grant application that will provide substantial park improvements to Old Bakery site.
- Site improvements to date include new plantings and mulching services valued at approximately \$768.96
- Old Bakery & Emporium has experienced an increased in customers and store sales



# Temporary Park Concession Agreement

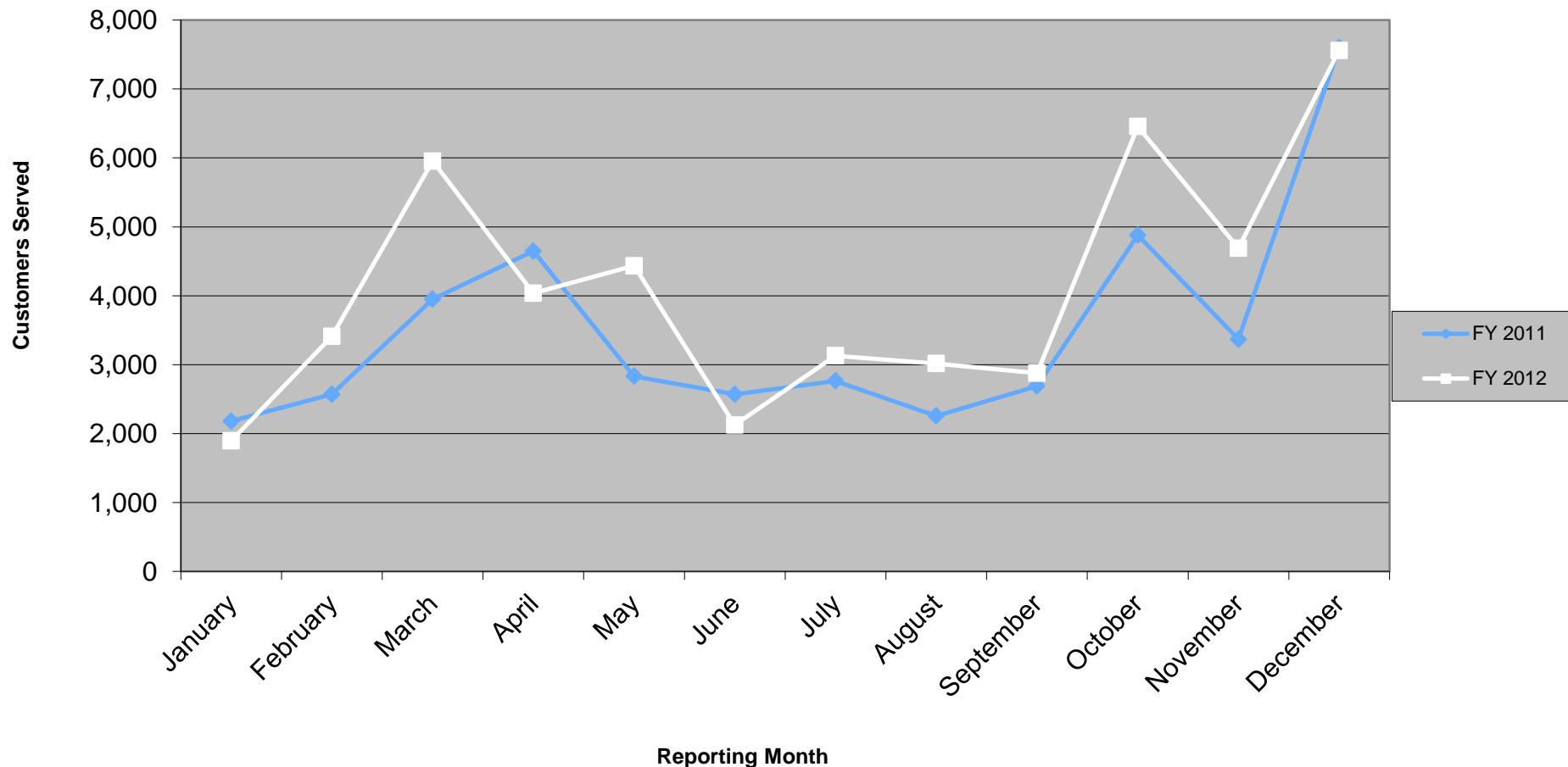
## Old Bakery Customers and Sales 2012



# Temporary Park Concession Agreement

## Old Bakery Customer Comparison

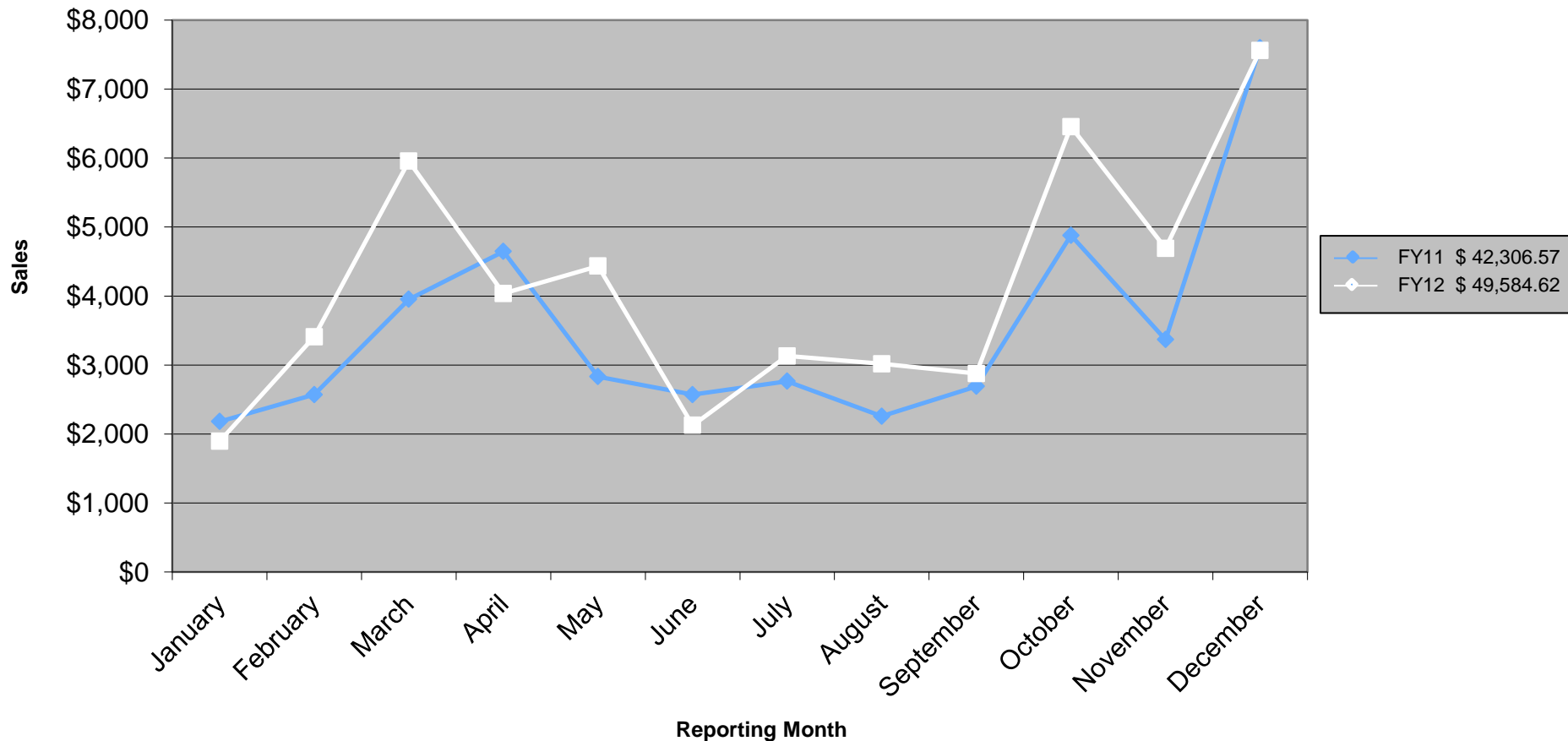
Old Bakery Emporium Customer Comparison FY2011 vs. FY2012



# Temporary Park Concession Agreement

## Old Bakery Sales Comparison

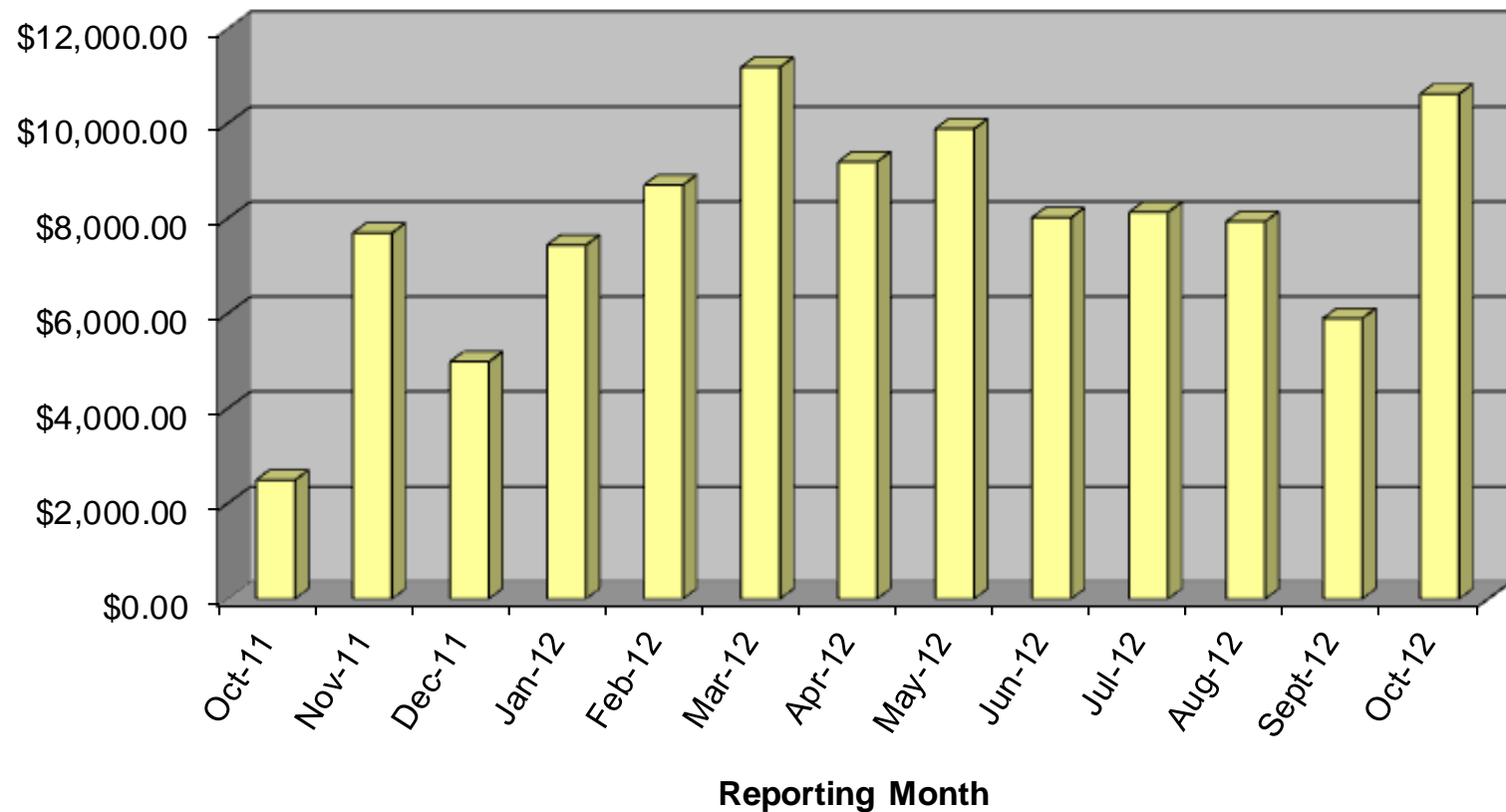
**Old Bakery Emporium Sales Comparison FY2011 vs. FY2012**



# Temporary Park Concession Agreement

## Concession Revenue Summary

### La Boite Café Revenue Summary



**Total Gross Revenue: \$102,276**



# Temporary Park Concession Agreement

## Program Continuation & Staff Recommendation

### ☐ Program Continuation

- APF seeking additional funding sources to make capital improvements at Old Bakery.
- Joint efforts of APF, Downtown Austin Alliance (DAA) and Parks and Recreation Department (PARD) to host public input meetings for park improvement development.
- APF and the DAA will work with PARD to develop and sustain operations, maintenance and increased programming to activate and maintain constructed park improvements.
- APF's share of generated revenue will be applied to costs associated with construction document development and construction of the capital improvements at Old Bakery

### ☐ Staff Recommendation

- Execute a new concession agreement with APF for two (2) years in exchange for APF's obligation to use a portion of concession revenue to fund additional improvements at the site, subject to City approval and compliance with all terms of the agreement.

