



Radisson Restaurant Deck & Public Terrace

Presentation to the Parks and Recreation Board on:
Proposed Restaurant Deck and Public Terrace

Presented by:
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City of Austin - PARD
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Background



- In 1993, The City and the Radisson entered into a Parkland Improvement Agreement for the construction of a deck on parkland
 - ❑ The size of the deck was 1,125 sq. ft.
 - ❑ The deck was available for use by the patrons of the hotel and the general public as an observation deck and scenic overlook
 - ❑ The deck did not include commercial activity - No food or beverage could actually be sold on the deck and all sales of food and beverages had to take place on the hotel property
 - ❑ The deck was in place for two ten-year terms from 1993-2013. The deck was removed in September, 2013

Background



- Maintenance & Improvement

- The Radisson has been maintaining the parkland adjacent to the deck for the last 20 years. This includes:

- monthly grounds maintenance
- seasonal grounds improvements.

- The Radisson has also made park improvements over the last 20 years including:

- constructing the concrete staircase
 - Approx \$300k
- installing safety lighting for the stairs
 - Approx \$10k



Proposal



- The Radisson is proposing a new and expanded restaurant deck
 - Key Components of proposal
 - Expand from 1,125 sf deck with 68 seats, to 2,400 sf deck with 140 seats, plus 320 sf lower deck with no restaurant seating.
 - Estimated \$600k capital investment
 - Commercial activity to take place on the deck including table service
 - Provide ADA access to the lower deck from Congress Ave.
 - Continue maintenance of adjacent parkland and staircase



Proposed Park Deck Perspective

Former Patio Deck



Proposed Restaurant Deck



Proposed Park Deck Plan 

Upper Deck @ 470', 2400 sf, 140 seats

Lower Deck @ 465', 320 sf, 0 seats

Total Deck, 2720 sf, 140 seats

Proposed Restaurant Deck



Proposed Park Deck Perspective

Upper Deck @ 470', 2400 sf, 140 seats

Lower Deck @ 465', 320 sf, 0 seats

Total Deck, 2720 sf, 140 seats

PARD Expectations



- PARD Expectations of Contract for Restaurant Deck:
 - ❑ Radisson to construct and maintain all improvements at its sole expense
 - ❑ Radisson to operate and manage restaurant service including a focus on welcoming and serving park patrons
 - ❑ Radisson to provide a portion of the improvements that do not include commercial activity
 - ❑ Radisson to provide the City revenue sharing that is reasonable and comparable to other PARD agreements and other similar agreements for restaurants in parks in other cities.



Proposed Park Deck Perspective



Models for Contract Revenue with Examples

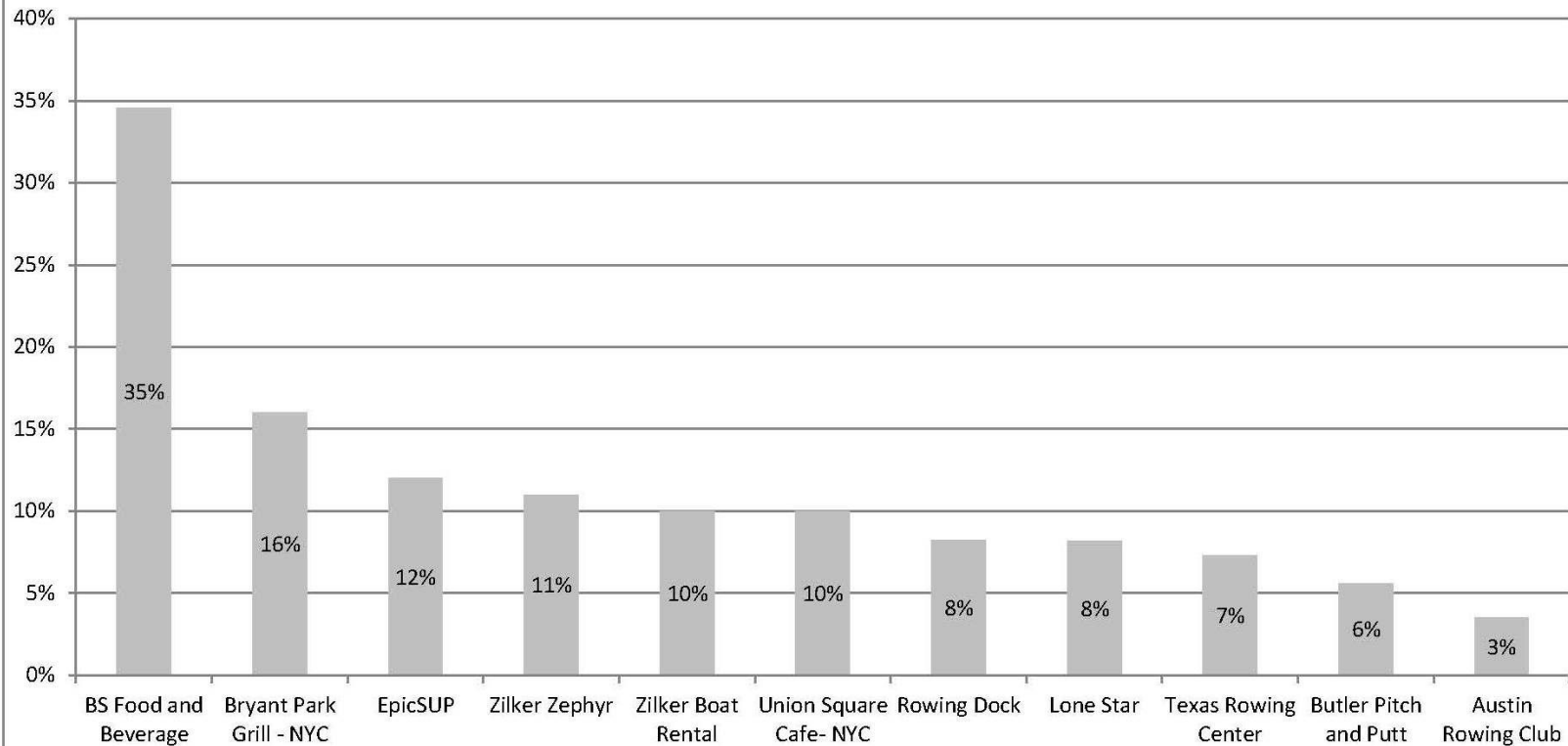
METHOD: % of Gross Revenue			
Examples	% of Gross Revenue		
Bryant Park Grill - NYC	16%		
EpicSUP	12%		
Zilker Zephyr	11%		
Union Square Café - NYC	10%		
METHOD: % of Gross Revenue + Flat Fee			
Examples	% of Gross Revenue	Gross Revenue	Annual Fee
Butler Pitch and Putt	1%	< \$80,000	\$14,400
	1.5%	> \$80,000	
BS Food and Beverage	8%	< \$265,000	\$90,000
	28.50%	> \$265,000	
Texas Rowing Center	1%	< \$80,000	\$12,000
	8%	> \$80,000	
Lone Star	8%	> \$187,500	\$15,000
Rowing Dock	1%	> \$0	\$8,004
	8%	> \$80,000	
Zilker Boat Rental	10%	> \$180,000	\$18,000
METHOD: Increasing % of Gross Revenue based on Gross Revenue			
Example	% of Gross Revenue	Gross Revenue	
Austin Rowing Club	3%	<\$300,000	
	10.5%	\$300,001 to \$1,200,000	
	15%	>\$1,200,000	
METHOD: Increasing % of Gross Revenue based on # of Contract Years			
Example	% of Gross Revenue	Years	
Tavern on the Green - NYC	6% to 15%	Increases annually over 20 year term	





Contract Examples - Revenue as % of Gross Sales

*Contracts that use method other than % of gross revenue
are based on actual FY 13 results





Annual Concession Report 2012 - 2013

Commissions as % of Gross Sales – FY 13

