



Park
Concession Agreement
at Old Bakery and Emporium

PARKS AND RECREATION BOARD

April 28, 2015

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 in consignment sales to the Old Bakery and Emporium.

- ❑ **September 2011, Six-Month Pilot Temporary Park Concession Agreement awarded to LaBoite Enterprises 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 for two years in exchange for use of revenue to fund additional improvements on site.

Park Concession Agreement

Background (cont'd)

- ☐ **October 2012, the APF held a public input meeting at 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:**
 - ☐ **My Thai Mom (lunch service) was selected.**

- ☐ **October 2013, Austin City Council authorizes negotiation and execution of a two-year concession agreement with APF.**

- ☐ **May 2013, Executed new Park Concession Agreement with APF.**

Park Concession Agreement

Background (cont'd) and Benefits

☐ Current Agreement Terms

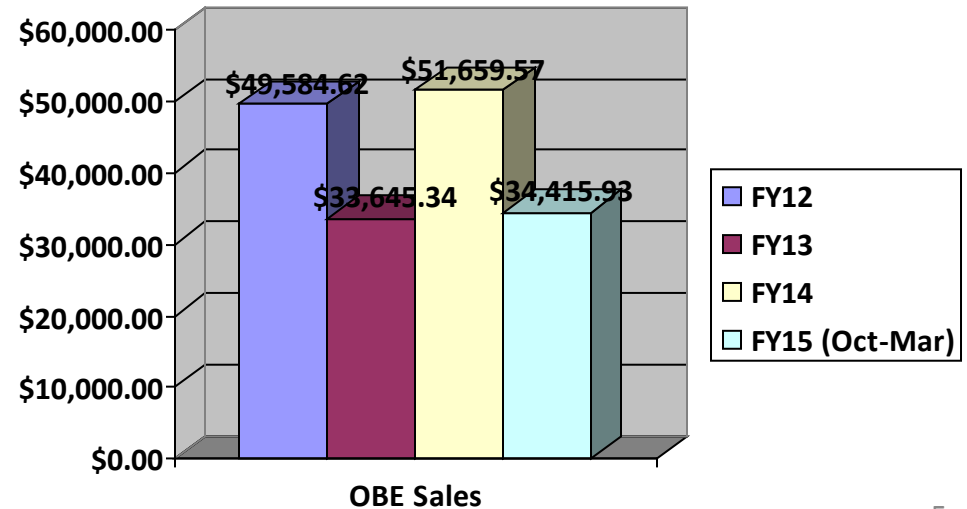
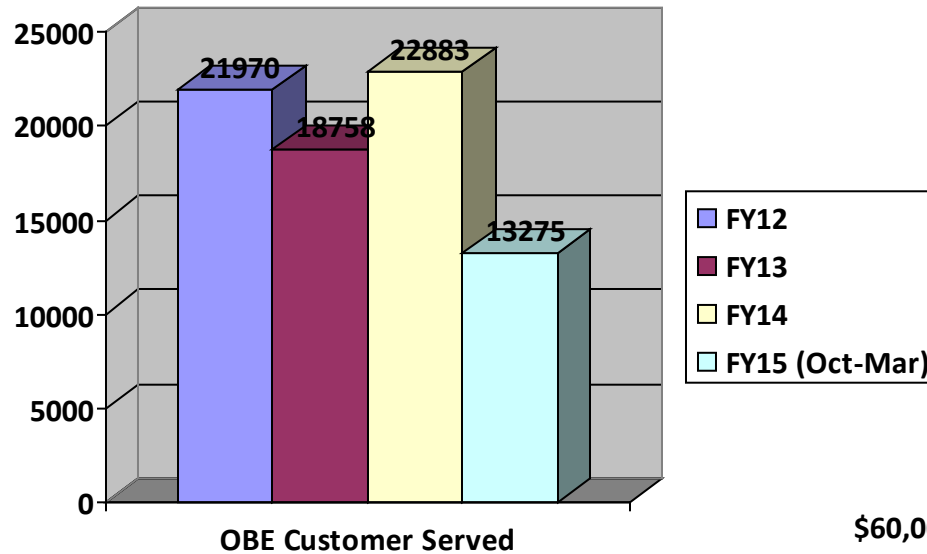
- Two-year agreement (Expires May 12, 2015)
- Revenue: Concessionaire to remit 10% of gross revenue to APF.

☐ Park and Public Benefits

- \$12,855 of generated revenue available for site improvements.
- Working with the DAA, APF has provided site improvements to date that include landscaping, irrigation and new furnishings valued at approximately \$46, 261.
- PARD provided an additional \$10,000 for drainage work and the installation of irrigation.
- Old Bakery and Emporium has experienced increased customers and store sales.
- Park usage has increased.

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Old Bakery Customers and Sales



*My Thai Mom did not start operations until June 2013.

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Site Improvements Before and After

Before



After



Park Concession Agreement

Program Continuation & Staff Recommendation

☐ Program Continuation

- APF will work with PARD to develop and sustain operations, maintenance and increased programming to activate and maintain constructed park improvements.
- APF assumes responsibility for vendor selection, negotiations and day-to-day vendor operations.
- PARD is reimbursed for utilities.
- A portion of the vendor's revenue is invested directly into the park for site improvements.
- To preserve the facility history, APF will ensure that there is an available vendor to provide pastries, coffee, tea, and other breakfast items in addition to a lunch vendor.
- Additional funds will support other needed renovations, such as upper level drainage improvements, permanent trash and recycling receptacles, and flagpole replacement.

☐ Staff Recommendation

- Given the program success, execute a new concession agreement with APF with an initial three-year term with two (2) two-year renewal options in exchange for APF's obligation to use the concession revenue to fund additional improvements at the site.

Requested Board Action

Make a recommendation to the Austin City Council for the authorization of the negotiation and execution of a Park Concession Agreement for a food and beverage concession at the Old Bakery and Emporium with the Austin Parks Foundation.