

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	44189	Agenda Number	10.
Meeting Date:	5/7/2015		Department:	Parks and Recreation
Subject				
Approve a resolution waiving the requirements of Resolution No. 980312-25; and authorize negotiation and execution of a park concession service agreement with the Austin Parks Foundation for food and beverage concession service at 1006 Congress Avenue.				
Amount and Source of Funding				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	<p>April 25, 2013 - City Council unanimously authorized the negotiation and execution of a two – year concession agreement with Austin Parks Foundation (“Foundation”) for a food and beverage concession at 1006 Congress Avenue, The Old Bakery and Emporium (“Site”), in exchange for the Foundation’s obligation to use a portion of concession revenue to fund improvements at the Site and to establish parties’ responsibilities; April 25, 2013 – City Council unanimously amend Resolution No. 20110623-091 to expand the permissible foods available through the concession; September 27, 2012 - City Council unanimously approved Resolution No. 20120927-044 waiving the Resolution No. 980312-025 requirement outlining the City's policy related to concessions on parkland, for a concession agreement with the Foundation for a food and beverage concession at the Site; authorized an extension of the Temporary Concession Agreement with the Foundation for up to 102 calendar days, beginning on October 22, 2012, and authorized the negotiation and execution of new concession agreement with the Foundation for two years in exchange for Foundation's obligation to use concession revenue to fund additional improvements at the site; June 23, 2011 – City Council unanimously approved Resolution No. 20110623-091 authorizing the City Manager to negotiate and execute an agreement with the Foundation for a pilot program for concession services and improvements at the Site.</p>			
For More Information:	Patrick Corona, 512-974- 9482; April Shaw 512-974-6716.			
Council Committee, Boards and Commission Action:	April 28, 2015 – To be considered by the Parks and Recreation Board.			
MBE / WBE:				
Related Items:				
Additional Backup Information				

In 2010, the Congress Avenue Charette was held and was well attended by a significant number of stakeholders that provided valuable input, which was utilized in the development of the Congress Vision Document. The Congress Vision Document identified the Old Bakery and Emporium as a location in need of more visibility, use and traffic. Working with Downtown Austin Alliance (DAA) and the Austin Parks Foundation (APF), the Parks and Recreation Department (PARC) identified ways to achieve the vision that included the addition of a food concession at the site that would attract the public to the Old Bakery and Emporium.

Subsequently, the City executed a Temporary Concession Agreement with APF to pilot new site programming to increase sales, and to determine the public benefit and effectiveness in creating a more active and engaging public park space. The pilot was successful in generating revenue and increasing customers and sales at the Old Bakery and Emporium, thus the City opted to continue this program and executed a Park Concession Agreement with APF that is scheduled to terminate in May 2015.

The current Parkland Concession Agreement with APF has been successful. It has created a more active and engaging public park space. As of February 2015, the concession has generated \$128,552 in sales, resulting in a site improvement fund of \$12,855. Working with the DAA, APF has invested these concession proceeds in the park to provide significant park improvements with a value of approximately \$50,000. Moreover, park usage has increased and the Old Bakery and Emporium has experienced increased patronage and sales.

Due to the value of the direct investment in the park, the concessionaire's success, increased patronage at the Old Bakery and Emporium and the need for ongoing park improvements, the Council is asked to approve the negotiation and execution of a Park Concession Agreement that would:

- Have an initial three-year term with two two-year extensions;
- Preserve the facility history by engaging a vendor that provides baked goods in addition to a vendor that provides lunch service;
- Require that APF assume responsibility for vendor selection and negotiations;
- Require that APF assume responsibility for day-to-day vendor operations; and
- Require that the concessionaire reimburse PARC for utilities.

The longer term of the proposed agreement will allow sufficient time to generate enough revenue to fund pending improvements at the site that will require a significant investment.

Council's approval will allow staff to negotiate and execute an agreement with APF that would provide a vendor at the site with no gaps in service, while affording provisions for future park improvements.