




MEMORANDUM

TO: Mayor and City Council

THRU: Christopher Shorter, Assistant City Manager

FROM: Kimberly McNeeley, CPRP, Director
Austin Parks and Recreation Department 

DATE: January 4, 2021

SUBJECT: 2020 Annual Concession Report

Section 8-1-73 of the City of Austin Code requires an annual report to the Parks and Recreation Board (PARB) and the Environmental Commission (EC) each year that provides the following information regarding concessions in Town Lake Park:

- Name and location;
- An income and expenditure statement;
- Total number of boats rented on Town Lake; and
- A statement describing any environmental or other problem that is caused or created by a concession

Within 30 days of the receipt of the Annual Concession Report from the Parks and Recreation Department (PARB) staff, PARB and the EC make recommendations to the City Council regarding the following:

- Creation, continuation, or termination of a concession;
- Status of each existing concession; and
- Issuance of a request for proposals for a concession under this division.

Staff presented the initial report to the EC on November 20, 2020, and the Commission approved it with recommendations (see attached report page 22). Subsequently, the revised report was presented and adopted at PARB's December 4, 2020, meeting.

The Austin Parks and Recreation Department Annual Concession Report – FY2020 Joint Report of the Parks and Recreation Board and the Environmental Commission combines staff reporting with PARB and EC recommendations. Additionally, the report includes requested appendices on temporary concessions and concession development.

If you have any questions regarding the report or its recommendations, please contact my office at (512) 974-6717.

Cc: Spencer Cronk, City Manager
Nuria Rivera-Vandermyde, Deputy City Manager

Attachment: PARB Annual Concession Report FY 2020

AUSTIN PARKS AND RECREATION DEPARTMENT
ANNUAL CONCESSION REPORT FY 2020



JOINT REPORT OF PARKS AND RECREATION BOARD
AND THE ENVIRONMENTAL COMMISSION



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Executive Summary

The mission of the Parks and Recreation Department (PARD) is to inspire Austin to learn, play, protect and connect by creating diverse programs and experiences in sustainable natural spaces and public places.

In carrying out its mission, PARD has established nine permanent concessions in Town Lake Park that provide recreation services. These services include rentals of canoes, kayaks, and stand-up paddleboards (SUPs); rowing instruction and memberships; food and beverage sales; short-course golf; excursion boats; and a mini train. These concessions were established pursuant to City of Austin Code Section 8-1-71, which authorizes the director of the Parks and Recreation Department to allow a person to operate a food or beverage, rental, or service concession in Town Lake Park.

Section 8-1-73 requires PARD to present an annual report on the status of concessions operating in Town Lake Park to the Parks and Recreation Board (PARB) and the Environmental Commission each year. At a minimum, the report must include the following information:

- The name and location of each concession;
- An income and expenditure statement for each concession;
- The total number of boats rented on Lady Bird Lake; and
- A statement describing any environmental or other problem caused or created by a concession.

Within 30 days of receiving the Annual Concession Report, PARB and the Environmental Commission make recommendations to the City Council regarding the following:

- The creation, continuation, or termination of a concession;
- The status of each existing concession; and
- Issuance of a request for proposals for a concession under this division.

Staff provided the required report on the fiscal year ending September 30, 2020, to the Environmental Commission and the Parks and Recreation Board on November 20 and December 4, respectively. The presentation to these committees is attached as Appendix 1.

The following information is a compilation of the report elements and recommendations received from both the Environmental Commission and the Parks and Recreation Board.

Concession Locations

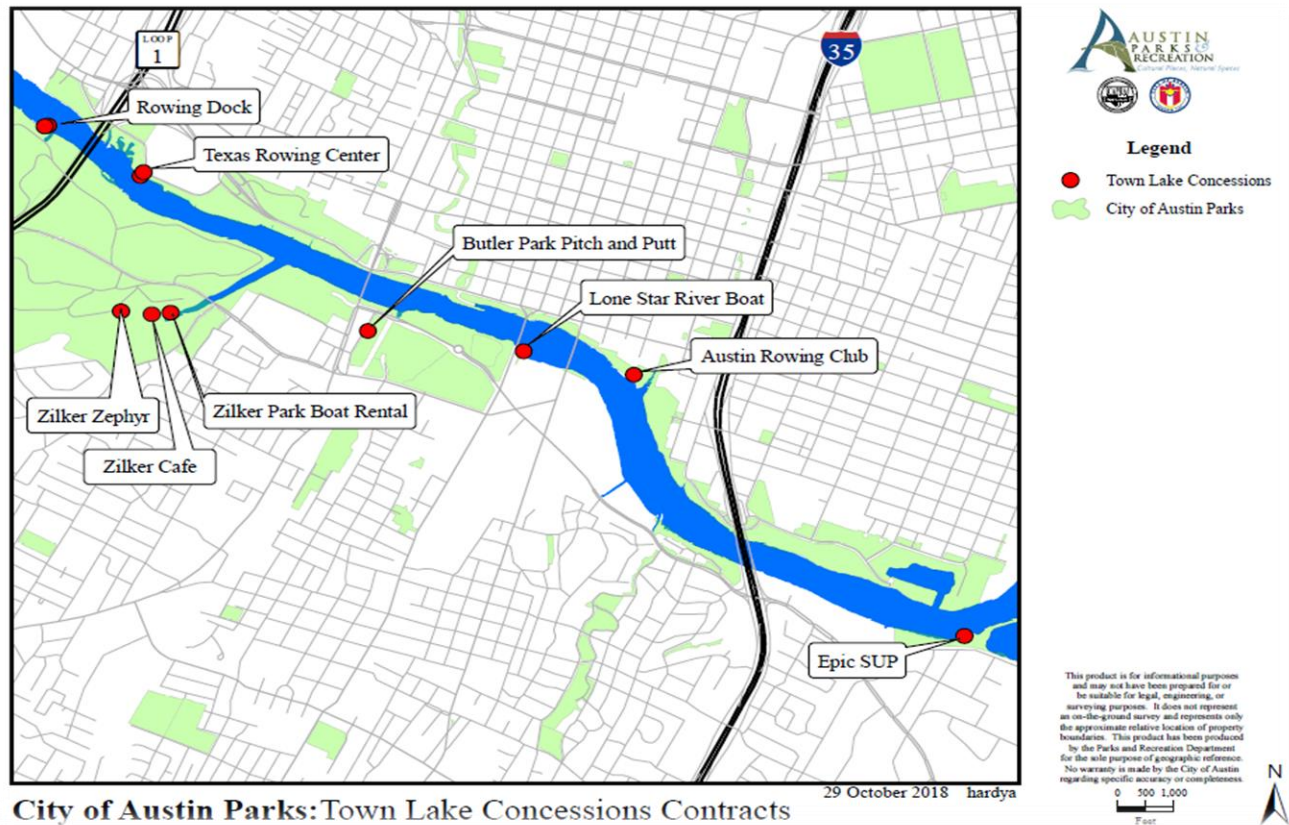


Figure 1. Map showing the locations of Lady Bird Lake concessions

As of FY20, there are nine concessions located in Town Lake Park.

- Six provide water-based recreation services, including one or more of the following: rentals of canoe, kayak, stand-up paddle boards (SUPs), rowing lessons and memberships, and lake excursion tours.
 - Texas Rowing Center
 - Zilker Park Boat Rentals
 - Lone Star Riverboats
 - Austin Rowing Club
 - EpicSUP
 - Rowing Dock

- Three provide varied activities that include food and beverage service, short-course golf, and a mini train, respectively:
 - Zilker Café (temporarily closed)
 - Butler Pitch and Putt
 - Zilker Zephyr (temporarily closed)
- Additionally, Austin Rowing Club offers food and beverages and event space rental in addition to recreation services at Waller Creek Boathouse.

Concession Contracts

Contract Terms

All the Town Lake Park concessions are currently under contract, except for Zilker Zephyr.

Concession	Contract Begin	Contract End	2000	2005	2010	2015	2020	2025	2030	2035	2040
Zilker Zephyr Railroad	1996	2020	10	5	5	2	1				
Texas Rowing Center	2000	2040	5	5	5	5	1/2	5	5	5	5
Zilker Park Boat Rentals	2006	2022		5	5	5	1				
Rowing Dock	2000	2022	2	5	5	5	5				
Austin Rowing Club	2012	2023				5	2	4			
EpicSUP	2013	2020				5	2				
Lone Star Riverboat	2015	2025				5	5				
Butler Pitch & Putt	2019	2029					10	5	5		
Zilker Café	2021	2031					10	5	5		
Interim Period											
Basic Term			Texas Rowing Center--180-day holdover, May-November 2020								
Option Executed			Austin Rowing Club--one 4-year extension by Council Resolution 20180628-070								
Option Remaining			Zilker Park Boat Rentals--12-month holdover, March 2021-February 2022								
Holdover											

Figure 2. Contract terms for Lady Bird Lake concessions

Changes were made to the contracts for the following concessions in FY20:

- Zilker Zephyr--contract terminated in February 2020
- Lone Star Riverboat--contract renewal/extension for a five-year option ending in 2025
- Texas Rowing Center--180-day holdover extended contract to November 15, 2020

Solicitations and New Contracts

Texas Rowing Center

In FY 2020, staff conducted a Request for Proposals for the operation and management of Texas Rowing Center. The contract was set to expire in May 2020, but a 180-day holdover was put in place in order to accommodate the timeline for the solicitation and approvals. The solicitation was released in March, the evaluation took place in May, and the contract was awarded to the current vendor, Texas Rowing Center. Approvals from the Contracts and Concessions Committee and the Parks and Recreation Board were completed in June, and Council approved the negotiation and execution of the contract in August. The new contract began on November 1, 2020. The contract includes a basic term for 10 years with options for two five-year extensions.

Zilker Café

The Zilker Café has been closed since early 2016, when the contract with the previous vendor expired. The building has undergone extensive renovations to address the structure's severely deteriorated condition, to meet code requirements, and to provide ADA accessibility.

In September 2018, the City initiated a solicitation process for a new vendor to operate and manage the café and signed a contract with the successful proposer, Springfed LLC JV, in October 2019. The contract term is expected to begin in January 2021, after all renovations are complete and the vendor takes possession of the facility. The contract includes a basic term for 10 years with options for two five-year extensions.

Contract Extensions

Lone Star Riverboat

In June 2020, the Parks and Recreation Board recommended to the PARD director to approve a five-year extension to the contract with Lone Star Riverboat. The contract, which began in 2015, included one five-year option period. The contract specified that during the option period, the monthly fee would increase from \$1500 to \$1667 and the lump sum payment would increase from 9% to 10% of annual gross revenue over \$200,000.

Zilker Park Boat Rentals

The Zilker Park Boat Rentals contract will expire in February 2022. The contract authorized a basic term of five years (2006-2011) with two five-year options (2011-2016, 2016-2021). Zilker Park Boat Rentals has no remaining contract extension options, but a holdover has been put in place to extend the contract until February 2022. PARD prepared a solicitation seeking proposals from qualified vendors for the management and operation of the concession. However, rather than release the solicitation immediately, Corporate Purchasing has recommended a strategy for a later release that may allow for a greater pool of responders that may be available following the pandemic.

Expiring Contracts

Zilker Zephyr

On September 30, 2018, Texas Special Company began the second and final one-year extension on their agreement. In May 2019, a storm caused severe erosion beneath the Zilker Zephyr track, which required an immediate suspension of operations to protect public health and safety. After the concession's closure, PARD

was in negotiation with the vendor regarding the execution of a professional services contract that would allow for the repair of the track and the continued management and operation of the train. However, the current vendor did not accept the terms and conditions of the proposed professional services contract, leading to the termination of the contract in March 2020. Subsequently, PARD engaged the Austin Parks Foundation to procure a new family amusement train vendor and oversee the operations of the train. A new train concession is expected to be in operation by summer 2021. The proposed concession is expected to be in place while the master planning process for Zilker Park is ongoing. Once the master planning process is completed, PARD will release a competitive solicitation for a vendor to manage and operate the train concession.

EpicSUP

Since its contract began in 2013, EpicSUP has been operating as a subcontractor of Hosteling International-USA (HI-USA), which had an agreement with PARD to use the building at 2200 S. Lakeshore Blvd. The contract with HI-USA required EpicSUP to pay a 10% of gross revenue to the City and 1% to HI-USA. HI-USA closed their Austin location in summer 2020 due to COVID-19 and terminated their agreement with the City on November 2, 2020. Accordingly, the HI-USA contract with EpicSUP was also terminated. Council Resolution 20201112-071 allows EpicSUP to continue to provide paddling rentals on Lady Bird Lake through a contract with the Trail Foundation. The resolution allows the concession to continue operations until 2023, when the original contract was set to expire. If the City Manager determines that concession operations should continue at this location after 2023, the City will follow applicable purchasing guidelines to secure future concession operations.

New concession contracts will be available for solicitation near the end of the last term of each respective contract.

Concession Revenue, Payments, and Expenditures

The world has been significantly impacted by the coronavirus pandemic this past year. Table 1 provides a brief timeline of the impact to the Lady Bird Lake concessions between mid-March and mid-August. Decisions to close PARD concessions were based on state and local orders, including Austin Public Health's (APH) five-stage risk-based guidelines.

COVID-19 Impact

Table 1: COVID-19 Timeline and Impact on Concessions

Date	State and Local Orders and PARD Response
March 13	<u>State of Texas Declaration of State of Disaster</u> Concessions modify operations to include social distancing, hand sanitizer, etc.
March 24	<u>Austin/Travis County Stay Home-Work Safe Order</u> Concessions closed
May 1	<u>Open Texas Phase 1</u> Boating concessions reopen with modified operations
May 8	Lone Star Riverboat reopens at 25% capacity limits
May 24	Lone Star Riverboat increases to 50% capacity limits
June 15	<u>Austin/Travis County moves to Stage 4</u>
June 28	<u>Pause in Open Texas Phases</u> Concessions closed for July 4 weekend and beyond to reduce opportunities for community spread
August 15	<u>Park facilities limited reopening</u> Boating concessions reopen; modified operations still in place Butler Pitch and Putt remains closed to begin renovations
August 25	<u>Austin/Travis County moves to Stage 3</u> No change in modified operations

Each concession has been significantly affected by required business closures dictated by the state and local health authorities. In March, each business instituted modified operations in order to stay safe during the pandemic. Modifications include social distancing requirements while serving customers, requiring all staff and customers to wear a mask, and frequent cleaning of equipment. The revenue details presented in this report illustrate the significant impact the pandemic has had on the concessions this year.

In addition to modified operations, all parks facilities were closed for several months in summer 2020, when Austin and Travis County went into APH's Stage 4. However, because the concessions offer mainly outdoor activities, these businesses have been able to remain open at a time when many entertainment businesses and sports venues have closed. Not all concessions are running at full capacity. Lone Star Riverboat is subject to state limits on passenger capacity in order to ensure social distancing. Austin Rowing Club has canceled many of its event space rentals since March, and two subcontractors, Alta's Café and Ro Fitness, have experienced decreased revenues due to City restrictions on restaurants and gyms, respectively.

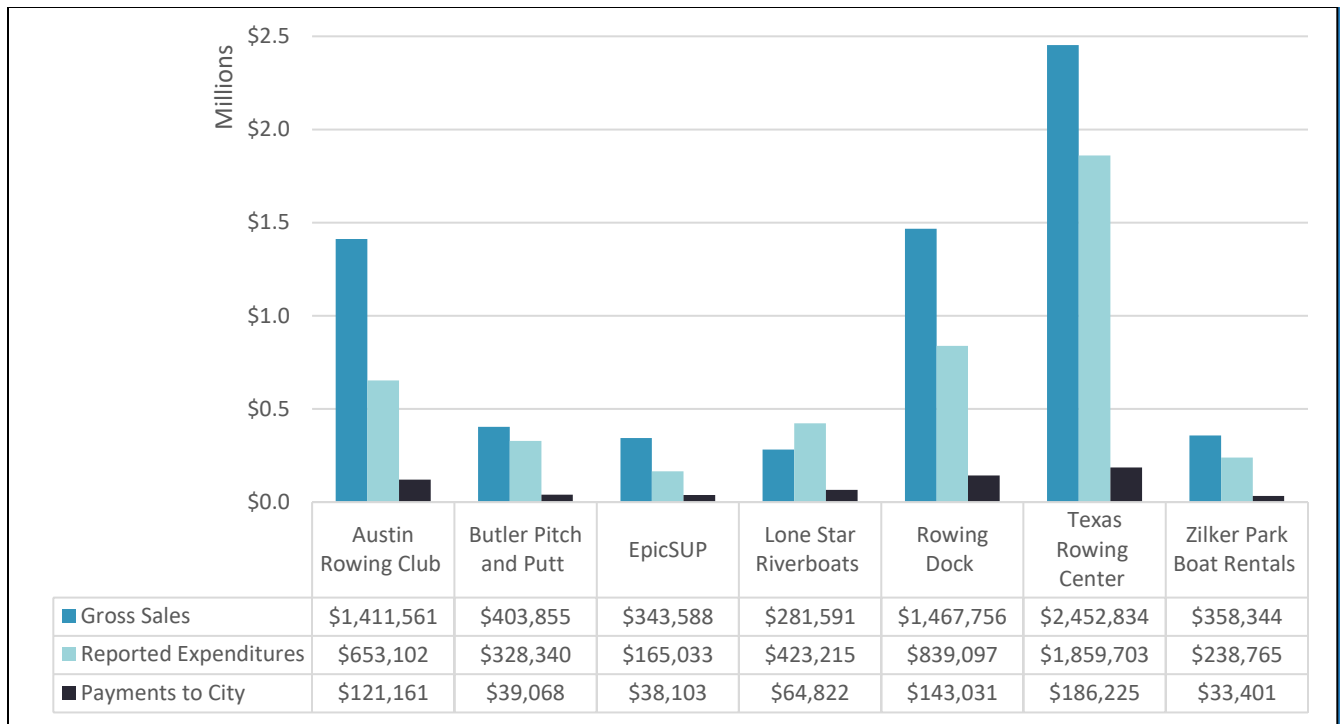


Figure 3. Bar graph showing FY20 gross sales, payments, and expenditures by concession

Figure 3 represents the concessions' revenues, reported expenditures, and payments to the City for FY20. Gross sales generated by the Town Lake Park concessions totaled \$6,719,530 in FY20. In comparison, total gross sales for the previous three years were: \$8,373,744 (FY19), \$8,812,340 (FY18), and \$7,945,477 (FY17). Total gross sales for FY20 were approximately \$266,000 lower than for the previous year.

Analysis

- Texas Rowing Center continues to have the highest annual gross sales of the Town Lake Park concessions. This year they reported almost \$2.5 million in sales, corresponding to \$186,225 in payments to the City.

- Rowing Dock and Austin Rowing Club are next in gross sales at around \$1.4 million each, with Rowing Dock paying around \$143,000 to the City and Austin Rowing Club around \$111,000.
- EpicSUP, Butler Pitch and Putt, Lone Star Riverboat, and Zilker Park Boat Rentals are much smaller operations. Their FY20 payments ranged between \$33,000 and \$64,000.

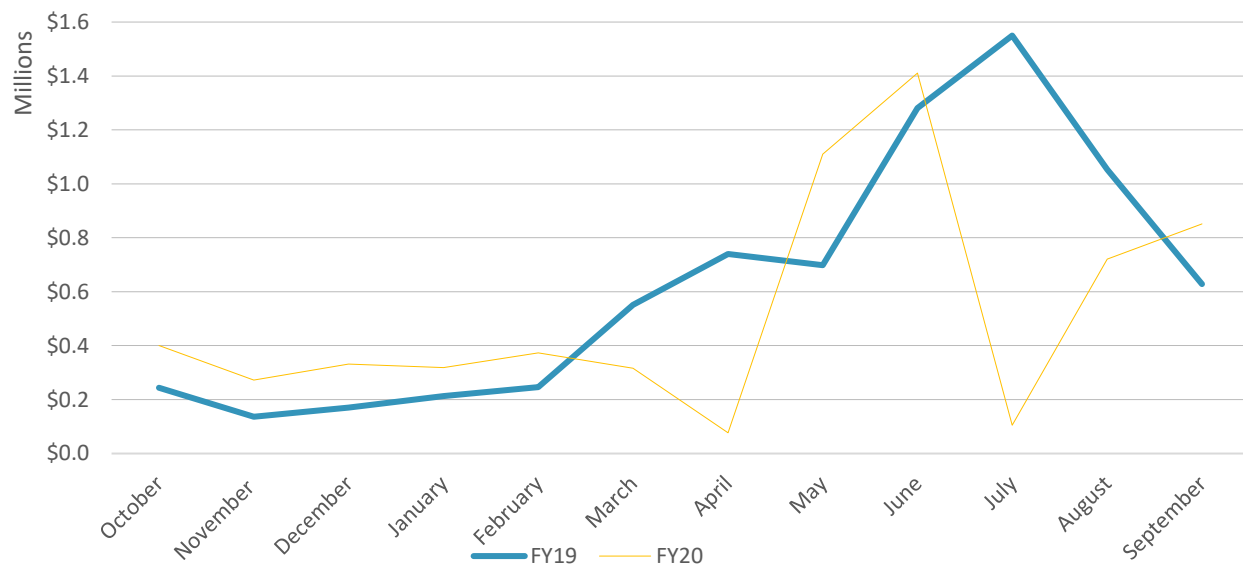


Figure 4. Graph showing month-by-month trendline for total concession revenues in FY19 and FY20

Lower revenue in FY20 can be attributed to business disruptions due to the coronavirus pandemic. As these graphs show, the pandemic occurred just as the peak season was about to begin. Businesses were closed mid-March through the end of May, and again in early July through mid-August. The average number of closure days per concession was 82.

The low revenue in these months was partially offset by slightly higher than usual sales over the fall and winter months (probably due a mild winter and the absence of

flooding), and sales were much higher in May and June than in FY19, due to demand for outdoor sports when Stay Home orders were lifted.

The boat rental concessions, once reopened, did a booming business, limited only by the number of boats available in their rental inventories and the time it took to get customers on the water. For example, EpicSUP typically has the lowest annual gross sales. In FY20, however, EpicSUP increased its annual gross sales by nearly \$16,000, a 72% increase over FY19.

In contrast, both Lone Star Riverboat and Zilker Park Boat Rentals experienced a dramatic decrease in sales in FY20 compared to FY19. Lone Star Riverboat, which provides excursion boat tours, is limited by mandatory social distancing rules and caps on occupancy. To be successful, they must fill the boat with passengers. Yet, under current social distancing guidelines, they are limited in the number of tickets the concession can sell, as well as the number of private parties.

This year Zilker Park Boat Rentals was adversely affected by their proximity to the spillway at Barton Springs, a hotspot that attracted more crowds than usual this summer during a time that social distancing was recommended or mandated. Because of the extreme crowds in this area, causing safety concerns for workers and customers, Zilker Park Boat Rentals stayed closed longer than the other concessions, for a total of 112 closure days.

Golf was determined early on to be a safe activity, due to the social distancing built into the game, and as a result Butler Pitch and Putt was closed for only 66 days due to the pandemic. However, the site has been temporarily closed for renovation since August 2020. The renovations are expected to be completed in January 2021.

Payments to the City

Revenue share for each concession is determined by a unique formula used to calculate the required payments to the City. Zilker Park Boat Rentals and EpicSUP remit a percentage of gross revenue on a monthly basis, and the other concessions pay a monthly flat fee in addition to an annual lump sum payment based on total annual gross revenue. Table 2 provides the formulas used for each concession in determining its payment to the City.

Table 2. Required monthly fees and formulas for annual lump sum payments by concession

Concession	Monthly Payment to the City	Annual Lump Sum Payment Formula
Austin Rowing Club	\$1000/month	1% of annual net revenue (gross sales minus sales tax) less than and up to \$80,000 plus 8% annual net revenue greater than \$80,000
Butler Pitch & Putt	\$2700/month	18% of annual gross revenue (gross sales minus sales tax) minus the sum of the monthly payments (\$31,500)
EpicSUP	12% of monthly gross revenue	n/a
Lone Star Riverboat	\$1500/month (through July 2020) \$1667/month (starting August 2020)	9% of annual gross revenue (gross sales minus sales tax) greater than \$200,000 (through July 2020); increased to 10% starting August 1, 2020
Rowing Dock	\$667/month	1% of annual net revenue (gross sales minus sales tax) plus 8% of net revenue greater than \$80,000

Concession	Monthly Payment to the City	Annual Lump Sum Payment Formula
Texas Rowing Center	\$1000/month	1% of annual net revenue (gross sales minus sales tax) plus 8% of net revenue greater than \$80,000 minus \$4000
Zilker Café	\$17,500/quarter	8% of gross annual sales (minus sales tax and quarterly installments)
Zilker Park Boat Rentals	10% of monthly gross revenue	n/a

In FY20, the City received \$626,124 in payments from the permanent concessions in Town Lake Park. This is a 17% decrease in revenue payments to the City over the previous year. This revenue loss is not only due to lower concessionaire revenue. The revenue decrease was partially due to PARD waiving monthly flat fees during April, May, and July to offset the concessionaires' losses during closure periods.

Figure 4 shows total revenue payments over the last five years. The FY20 revenue payments to the City are the lowest since FY14, when revenue for all concessions totaled \$620,989. Table 5 shows the breakdown of revenue for each concession over this period.

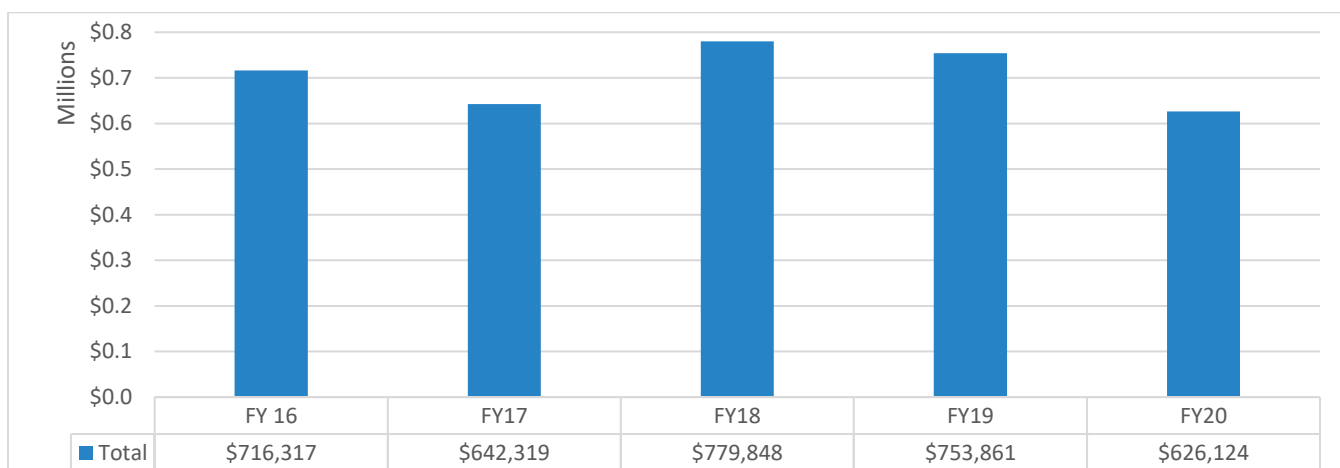


Figure 4. Bar graph showing total concession payments to the City from FY16 to FY20

Table 5. Payments to the City FY16 through FY20 by concession

Concession	FY16	FY17	FY18	FY19	FY20
Austin Rowing Club	\$97,390	\$110,090	\$133,387	\$146,135	\$121,161
Butler Pitch & Putt	\$113,480	\$52,945	\$87,368	\$73,801	\$39,068
EpicSUP	in-kind	in-kind	\$24,212	\$22,199	\$38,103
Lone Star River Boat	\$44,620	\$47,066	\$61,888	65,237	\$64,822
Rowing Dock	\$136,077	\$135,268	\$133,373	\$146,717	\$143,031
Texas Rowing Center	\$226,974	\$197,016	\$216,249	\$205,687	\$186,225
Zilker Café	\$8,750	closed	closed	closed	closed
Zilker Park Boat Rental	\$45,700	\$57,163	\$74,536	\$62,519	\$33,401
All Concessions	\$716,317	\$642,319	\$779,848	\$753,861	\$626,124

Capital Improvements

Few of the concessionaires on Lady Bird Lake undertook capital improvement projects, mainly due to business instabilities caused by COVID-19. The exception is Texas Rowing Center, which will complete a multi-year improvement project including a dock expansion and floating boathouse in December 2020. Rowing Dock reported its annual upgrades to the dock, which includes replacing older parts of the dock that are wearing out.

Rowing Dock – \$41,760

Dock Improvements

- Replaced portion of wood and steel substructure and top decking
- Added steel boat racks

Texas Rowing Center – \$492,000

Boathouse / Dock Construction

- Added 9,000 square feet of dock space
- Renovated the remaining wooden dock
- Added two 3,000-square-foot boathouses

The entire project, when completed at the end of 2020, is estimated at \$1.15 million.

Public Benefit

Similarly, the charitable contributions reported by the concessionaires on Lady Bird Lake were much lower than in typical years. Many boat rental vendors typically provide free or reduced access to youth or summer camps. However, camps and events were mostly canceled in FY20 due to COVID-19.

The reported charitable contributions are as follows:

Austin Rowing Club* – \$138,000

- RISE (Rowing in School Experience) partnership with Murchison Middle School, free Learn to Row/Scull programming, full and partial scholarships for Junior Rowing program

Butler Pitch and Putt – \$4,375

- Free lessons and rounds of golf for cancer survivors, partnering with Texas Team Survivor.

EpicSUP – \$10,365

- Discounts to teachers and veterans, gift cards for local community organizations such as Explore Austin, and board rentals for group events and lake cleanup efforts.

Rowing Dock – \$45,216

- Contributions to local non-profits' fundraising efforts, free equipment use for local schools and community organizations, and discounts to military, first responders, and student groups

Texas Rowing Center – \$105,500

- Rowing scholarships, adaptive programs, programs with Austin High School, sponsorships, and charitable events

*Austin Rowing Club is required by contract to provide a minimum of \$40,000/year in programming for underserved youth and 10% of annual rowing revenue to financial assistance for rowing memberships, lessons, or camps.

Environmental Commission Recommendations

In response to staff's presentation of the Annual Concession Report at the Environmental Commission meeting on November 20, 2020, the Environmental Commission voted (9-0) to recommend continuation of the concession contracts on Town Lake Park with motion 20201120-002a, which included the following:

Environmental Commission Conditions:

1. Consistent with the Environmental Commission's previous recommendations: in the 2021 Annual Report, PARD staff will verify that three years of records for marine waste disposal have been maintained for any entity that pumps waste on Lady Bird Lake, and that these monthly records are included in the public record going forward.
2. PARD staff should review the number of public and private boats that are typically on Lady Bird Lake, and if there is a capacity issue, that should be considered; including consultation with the City of Austin rescue teams and the Watershed Protection Department.
3. PARD should continue working on consistent terms and conditions in the various contracts to the extent practicable.
4. Include the waste pump-out data in the 2021 Annual Report
5. Consider the physical, social, environmental capacity of Town Lake Park when anticipating upcoming solicitations.
6. Provide an update on any new concessions, including the Seaholm Power Plant and the Zilker Park Vision Plan.

These recommendations and conditions are consistent with those of previous years.

Marine Waste Disposal

In response to the recommendations regarding marine waste disposal, PARD's actions are as follows:

- All boats and pump-out facilities must comply with the State of Texas Clean Water Certification Program requirements and other state requirements for boat design, installation, operation, waste documentation, etc.
- Austin Water's Lake Water Protection program requires permits for each excursion boat with onboard toilet facilities (marine sanitation devices) and each boat pump-out facility.
- Austin Water conducts inspections at least annually on boats and pump-out facilities.
- PARD monitors Lone Star Riverboat's monthly pump-outs by requiring copies of manifests.

Currently, only three excursion boats with marine sanitation devices have been permitted for use on Lady Bird Lake:

- Lone Star, operated by Lone Star Riverboat
- MV Nighthawk, operated by Capital Cruises
- MV Pride and Joy, operated by Capital Cruises

The Capital Cruise boats are launched from a private dock and thus are not under PARD's purview.

More information about the Austin Water Lake Protection Program is provided in Appendix 2.

Watercraft Inventory

In response to the recommendations regarding lake capacity, PARD tracks the number of boats in each concession's inventory. Table 5 records the number and type of boats owned by the six water recreation concessions in FY20 and the total number of boats over the last five years. The total FY20 inventory of boats numbered 1640.

Table 5. Watercraft inventory FY20 by type of boat and concession

Type of Boat	Austin Rowing Club	EpicSUP	Rowing Dock	Texas Rowing Center	Zilker Park Boat Rentals
Kayaks	111	26	151	179	80
Stand-up Paddle Boards (SUP)	64	125	117	398	70
Canoes	0	0	23	23	60
Rowing Shells	55	0	0	148	0
Coaching Boats/Launches	10	0		10	0
Totals	240	151	291	748	210

Fiscal Year	2016	2017	2018	2019	2020
Total Boat Inventory	1456	1794	1694	1597	1640

Lake Safety

In response to the recommendations regarding lake safety, PARD's actions are as follows:

- In consultation with Austin Police Department and Austin Fire Department rescue teams, PARD will continue to monitor the number of boats in the concessions' rental inventories, will develop a plan for monitoring the number of public and private boats typically on the lake, and will consider any capacity issues that may arise.
- PARD will continue to consider the physical, social, and environmental capacity of the lake when anticipating upcoming solicitations.

In the past, PARD has required concessions to provide rental numbers during peak periods: the weeks including Spring Break, Fourth of July, Memorial Day, and Labor Day. This year, the concessions' peak times did not follow typical years because of COVID-19, and the concessions were closed during Spring Break and Fourth of July. For this reason, PARD did not track peak period rental numbers this year.

Other Considerations

In response to the additional recommendations:

- PARD staff will continue to work on consistent terms and conditions in concession contracts to the extent practicable.
- PARD will continue to provide updates on any new concessions, including any at the Seaholm Power Plant and Zilker Park.

Parks and Recreation Board Recommendations

In FY20, the Contracts and Concessions Committee of the Parks and Recreation Board recommended that PARD staff continue to address the following in the FY21 report:

- Provide a comprehensive contract and concessions report that includes a plan to increase concessions at park facilities.
- Report expenditures and revenue on all park concessions outside of the Town Lake Park.

PARD's response to these recommendations follows below.

Strategic Plan to Increase Park Concessions

In response to the recommendations to provide more information on PARD's efforts to increase park concessions, PARD staff provided the following summary of the strategic plan regarding development of new concession throughout the park system.

- Integrate concession planning into Vision Plan process for individual parks.
- Implement Long-Range Plan recommendations for establishing concessions.
- Refer to previous data referencing community needs and wants for diverse system-wide concessions.
- Evaluate concession ideas based on business needs and viability.
- Collaborate with PARB working group to engage with communities and explore innovative concessions.
- Collaboratively develop criteria for concessions.
- Develop, release and oversee concession solicitations.
- Standardize concession contract language.

Table 6 summarizes the current status of concession development in individual parks in relation to the master planning process in those parks.

Table 6: Vision Planning and Concession Development in Process

Park	Planning Process	Concession Potential
Holly Festival Beach	Phase 1A—community outreach	TBD through community outreach
John Treviño Metro Park	Vision Plan approved by Council October 2020	Boating and paddling Food and beverage
Seaholm Intake Building	Phase 1 design	Café possible in Phase 2 (currently unfunded)
Walnut Creek Sports Complex	Request for Information (RFI) expected January 2021	TBD depending on proposal concepts submitted
Walter E. Long Metro Park	Vision Plan approved by Council October 2020	Boating and paddling Food and beverage
Zilker Botanical Garden	In progress	ZBG Conservancy desires opportunities
Zilker Metro Park	Consultant team approved by Council August 2020	TBD through community outreach

More information is provided for reference in Appendix 3. The goal of this report is to foster change to the process and ensure park amenities keep pace with the demand on the park system. It is in the interest of Austin citizens that PARD strike a balance between commercial and recreational uses in the park system.

Concessions Outside of Town Lake Park

In addition to the permanent concessions discussed above, PARD's Special Events Office issues six-month and one-day permits for temporary concessions. PARD issues concession permits for food trucks and boating and cycling equipment rentals and commercial use permits for fitness trainers, performing artists, and group tour operators. Permit fees are based on term and type of park: metro parks are \$1500 per six-month term and all other parks are \$500. PARD also collects fees from four vendors that operate concessions at the City's golf courses and fees for the use of Walsh Boat Landing. (Walsh Boat Landing was closed for renovations between October 2019 and May 2020.) The total FY20 revenue collected from the golf concessions was \$62,356, and the total collected from commercial use permits was \$27,984.

Details regarding the temporary concessions in Town Lake Park, including types of permits, park areas affected, and names of vendors, is included in Appendix 4.

Appendix 1. Annual Concession Report Presentation Slides

Appendix 2. Austin Lake Water Protection Plan and Marine Waste Information

Appendix 3. Strategic Plan to Increase Park Concessions

FACT SHEET

PARD has historically used multiple strategies to attract partnerships and concessions within the park system. These strategies include direct programming by PARD staff, short-term permits (pop-ups), temporary and permanent concessions, and long-term park partnerships that include activation, maintenance and operations, or a combination of these.

PARD staff is currently working on park master plans for metropolitan and district parks that include specific recommendations associated with concessions and partnerships. For instance, the master plan for Walter E. Long Metro Park recommends promoting more concessions associated with water and ecotourism and calls for specific partners to provide funding for a boathouse for possible rowing, canoeing, and kayaking. Also, the John Trevino Jr. Metro Park master plan recommends concessions along the Colorado River.

The master planning for Zilker Metropolitan Park has not yet begun but is expected to recommend a range of activation strategies. These may include a new governance model for operating the park, such as a conservancy to operate multiple concession opportunities identified through the master plan process.

Levels of Park Activators

1. Direct Programming. This level includes direct programming offered at a park through PARD staff, such as the Park Ranger program.
2. Short-Term Activation. For example, PARD used the 10-Minute Walk Campaign to activate parks that are underdeveloped or have perceived safety concerns. PARD also partnered with Stronger Austin to provide free fitness classes at three neighborhood parks. These pilot programs are for six weeks and are coordinated through PARD's Office of Special Events. These programs include:
 - Providing free use of a loose parts lending kit for partners to use in a park for children's activities.
 - Promoting a neighborhood walking program at underutilized parks.
 - Creating pop-up events that included temporary installations and programming.
3. Temporary and Permanent Concessions. Concessions are frequently recommended in specific park master plans to activate the park. PARD solicits Requests for Proposals (RFPs) to attract specific operators or programs in a park. The term for these

concessions can be as short as six months or as long as five years. Some examples of this type of concession include Texas Rowing Center and Zilker Park Boat Rentals.

4. Park Partnerships

- Friends Groups and Adopt-a-Park Groups. These groups include neighborhood associations such as Friends of Mayfield. These partners typically get involved with maintenance of parks and greenbelts.
- Non-profit partners. These partners typically have a citywide focus and provide some level of investment in the park. Partners include Stronger Austin, Keep Austin Beautiful, and Austin Parks Foundation. Examples of events include Movies in the Park.
- Foundations and Conservancies. These non-profit partners conduct fundraising on behalf of a specific park or site. They have long-term relationships with PARD and are interested in developing, maintaining, and operating a park. This type of partners includes The Trail Foundation and Pease Park Conservancy.

Appendix 4. Temporary Concessions and Commercial Use

Report FY20

Temporary Concession Permits and Commercial Use

Temporary concession and commercial use permits are required and issued to applicants for commercial activity needs that benefit the public's recreation experiences at approved City of Austin park locations. Permits are granted for either single-day or six-month use.

Impacts Due to COVID-19

Due to City, County, and State orders temporary concessions and commercial use groups were impacted by the following:

- Interruption of services for businesses deemed non-essential
- Full closure of park spaces
- Closure of park amenities
- Timing of reopening of service
- Local Stay at Home Orders regarding general park attendance and gatherings
- Additional expenses incurred to meet and manage health and safety requirements

Temporary Concession Type	Approx. Days Not in Operation Due to Orders
Recreation Service	98
Boating Rental	85
Food Service	49
Commercial Use	180

Summary of Revenue for Temporary Concessions

Net Revenue from All Temporary Concessions: \$15,326.60

- Total Revenue for All Temporary Concessions: \$23,751.60
- Total Refunds for All Temporary Concessions: \$8,425.00
 - Pro-rated refunds for time not operating due to COVID-19 Orders

Temporary Concession Permits

Total Permits Issued: 35

- 6 Month Total Revenue: \$13,375.00
 - Total Refunds: \$7,000.00
 - Fee/Permit: \$500.00 – \$1,500.00
- Single Day Revenue: \$2,800.00
 - Total Refunds: \$700.00
 - Fee/Permit: \$50.00 – \$100.00

Commercial Use Permits – Instructor led groups (six month)

Total Permits Issued: 15

- Total Revenue: \$7,526.60
 - Total Refunds: \$725.00
 - Fee/Permit: \$50.00
 - Fee/Attendee: \$0.45/Attendee
- Group Attendees: 14,018 participants

Performing Artist (single day)

Permits Issued: 5

- Total Revenue: \$50.00
 - Fee/Permit: \$10.00

Temporary Concession Permits – Six Month and Single Day

- Concession permits are issued for commercial activity (vending, merchandise sales, etc.) in the park system. Six-month and single-day permits are available.

Park Area	Vendor
Zilker Park – District or Metro	Austin Scoops Cannone Gelato Mmmpanadas Kona Ice Odd Pop
Town Lake – District or Metro	Barton Springs Bicycles and Tours Mike's Bikes and Rentals Austin Duck Adventures Mobile Bicycle Workshop Top G Roasted Corn
Northwest – District or Metro Parks	Kona Ice Fresh Paws Pet Wash Outside Glide Watercraft Rental
Northeast – District or Metro Parks	Casey's New Orleans Snowballs Austin Pedal Kayak Watercraft Rental
South – District or Metro Parks	None
Downtown – District or Metro Parks	None
Zilker Park Area – Other	Cannone
Town Lake – Other	Jim Jim's
Northwest – Other	Kona Ice Southside Flying Pizza
Northeast – Other	Southside Flying Pizza
South – Other	None
Downtown – Other	None

Targeted Concessions

- PARD invited vendors to apply for temporary concessions in parks with high pedestrian traffic through a Request for Applications (RFA) process. The following sites were targeted:
 - Zilker Metropolitan Park
 - Vic Mathias Shores at Town Lake Metro Park
 - PARD continued to test concessions serving a park purpose at Vic Mathias Shores – Recreation Goods/Services have shown success
 - Deep Eddy Pool
 - Lions Municipal and Morris Williams Golf Courses.

Commercial Use – Fitness Instructors and Instructor-Led Classes

- Commercial use permits are issued for instructor-led classes and exercise groups in the park system for two permit terms: January–June and July–December.

Park Area	Vendor
Shoal Creek	Wellspring Tai Chi
Tarrytown	Randeen Fit
Northwest, Walnut Creek, Garrison	Sit Means Sit – Dog Training
Little Stacy	Organic Fitness and Training
Dick Nichols, Garrison, Springwoods	Fit4Mom
Alamo Park, Bartholomew, Butler Shores, Clarksville, Circle C, Dick Nichols, Givens, Mary Moore Searight, Metz, Pease, Ramsey, South Austin Park	Camp Gladiator
Roy G. Guerrero	ATX Sprint Squad
Longview, Enfield, Pease, Bull Creek	Texas TJ Edge
Zilker	Down Dog Fitness
Duncan	Stronghorn Fitness

Performing Artists – Balloon Artist and Face Painting

- Performing artists are permitted to entertain in the parks using single-day permits.

Park Area	Vendor
Zilker Playscape Area	Zippy the Clown
Zilker Playscape Area	Scarlett's Balloon and Face Painting

Updates

Progress of Goals

Continue to promote temporary concession availability at approved park spaces

- Special Events website is used for general promotion of concessionaires and fielding inquiries.

Continue to expand list of park spaces available to temporary concessions

- Concession activity is expanded as park spaces are requested by potential vendors and tested on trial basis.
 - Covert Park at Mount Bonnell (food concession)
 - Emma Long Metro Park (recreation rentals)
 - Walter Long Metro Park (recreation rentals)
 - Zilker Botanical Garden (food concession)
 - Zilker Metro Park – Parking Lot 2 (food concession)

Walsh Boat Landing

- Walsh Boat Landing was closed for construction on September 23, 2019.
- Walsh Boat Landing improvements were completed and the park re-opened to the public.
- Access and Use Guidelines are posted at Walsh Boat Landing park and on the park website.
- Permitted vessels may use the boat North ramp for commercial activity.
 - One company has received permitting to date.

New Recreation Opportunity - Bicycle Tours

- The Parks and Recreation Department will authorize Bicycle Tours led by a professional through the Commercial Use permit processes following the completed trial period.
- Permits will be available for land-based group tour operators that would like to offer tours on parkland using human-powered bicycles or electric vehicles (scooters or e-bikes) with an ability to disable the electric assist.
- Activity must promote and enhance park experiences for all park users and afford the Department the opportunity to collect data, such as number of tours and participants, as a method to determine impacts.
- Permits are based on two permit terms: January–June and July–December.