

R-32

March 10, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute any and all documents necessary to execute an Exclusive Negotiation Agreement (ENA) with Little Brass Café, of Long Beach, CA, and The Grand Food & Beverage, of Long Beach, CA, for the maintenance and operation of concessions at El Dorado East Regional Park. (District 5)

El Dorado East Regional Park (El Dorado Park) is one of the most utilized parks in Long Beach, with over one million visitors per year, providing the opportunity for passive activities and recreation activities such as fishing and archery, certain fee-based activities such as bike rentals, picnic services and rentals, and special events that are open to the public. For the last several years, the City of Long Beach (City) has considered ways to re-activate vacant unused buildings within El Dorado Park to enhance visitor experience, improve park amenities, and create new revenue streams, while preserving the natural and idyllic elements of El Dorado Park (Attachment A). The Parks, Recreation and Marine and Economic Development Departments began exploring opportunities in 2019 to achieve these objectives.

On December 13, 2019, the City, through its consultant Lee and Associates, a local Real Estate Brokerage (Brokerage) specializing in restaurant and retail activity, released a Park Concessions and Catering Opportunity (Opportunity) to explore the feasibility of one or more concessionaire agreements at three existing structures within El Dorado Park. Two of the sites were formerly used as concession stands and the third structure was the former Park Ranger Station. These structures have been vacant since 2009.

The Opportunity was advertised through the Lee and Associates website and multiple commercial listing services, the City's social media accounts, and direct outreach to local restaurant contacts through the Brokerage. Approximately 200 potential concessionaires were reached through the outreach efforts. The Opportunity closed on January 31, 2020, and the City received two proposals that are currently being evaluated by a multi-disciplinary review panel comprised of staff from the Economic Development, Parks, Recreation and Marine, Public Works, and Development Services Departments, and the Special Events and Filming Office. The proposals are being reviewed for feasibility and consistency with the Parks,

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Recreation and Marine Department's goal of preserving existing park patron experiences while exploring the City's goals to: (1) enhance park users' experience and offer new services; (2) generate general fund revenue needed to support overall Parks, Recreation and Marine Department services such as park operations and maintenance; and, (3) engage well-qualified, experienced and community-vested local business owners to develop, operate, and maintain food and beverage concessions, event spaces, retail, or other customer-oriented services at the three locations. In addition to the review of the proposals, conditions for each Opportunity location are being evaluated and are expected to be completed within the Exclusive Negotiation Agreement (ENA) period.

To meet the goals and objectives of the Opportunity and allow both the City and respondents adequate time to complete additional analyses, it is recommended the City enter into an ENA with both respondents. The ENA will run for a period of 180 days, during which time the City and the respondents will meet to identify allowed uses and activities, hours of operation, rent structure, and other terms. Simultaneously, the respondents may request to operate temporary pop-up activities to engage with and survey park users to collect data that will inform the final proposals and test concept concessions. Any proposed temporary pop-up activities that would be conducted within the park during the ENA period are contingent upon approval by the Parks and Recreation Commission. The ENA period will provide City staff the opportunity to determine the suitability of the operations included in the proposals, and to conduct additional community outreach to both residents and park users. If the ENA period results in successful negotiations of an operations and maintenance agreement(s), any such agreement will be brought to the Parks and Recreation Commission for recommendation and City Council for approval. Should the City need additional time to analyze the proposals, the ENA period can be extended at the discretion of the City Manager.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on March 2, 2020 and by Budget Management Officer Rhutu Amin Gharib on February 28, 2020.

TIMING CONSIDERATIONS

City Council consideration of this transaction is requested on March 10, 2020, to ensure timely execution of the ENA. Potential revenue for reinvestment into El Dorado Park will be determined as a part of negotiations, but are an important component to feasibility.

FISCAL IMPACT

There is no known fiscal impact associated with this recommendation at this time. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF
ECONOMIC DEVELOPMENT



STEPHEN P. SCOTT
INTERIM DIRECTOR OF PARKS,
RECREATION AND MARINE

ATTACHMENTS: Subject Property Map

APPROVED:



THOMAS B. MODICA
ACTING CITY MANAGER

Attachment A



El Dorado East Regional Park

