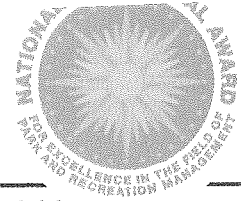


CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



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November 3, 2015

HONORABLE MAYOR AND CITY COUNCIL
 City of Long Beach
 California

RECOMMENDATION:

Authorize the City Manager to execute the First Amendment to Commercial License Agreement No. 33468 with Lee Ostendorf to add a Saturday farmers' market at Bixby Park, and to amend the license fee. (District 2)

DISCUSSION

On January 21, 2014, the City Council authorized the City Manager to execute Commercial License Agreement No. 33468 (Agreement) for the operation of a farmers' market at Bixby Park, located at 130 Cherry Avenue. The farmers' market (Tuesday Market) has been operated by Lee Ostendorf (Licensee) every Tuesday evening from 3:00 p.m. to 7:00 p.m. The Agreement was initially for a term of three years, expiring on December 31, 2016, with two, two-year renewal options at the discretion of the City Manager or his designee.

Since February 2015, Mrs. Ostendorf has also been conducting a trial farmers' market at Bixby Park on Saturday mornings (Saturday Market) under a temporary permit issued by the Office of Special Events and Filming. The Department of Parks, Recreation and Marine (PRM) and the Licensee have determined that the Saturday Market is both viable and desirable for continuation at Bixby Park.

The Licensee pays the City of Long Beach (City) a tiered license fee that increases as the weekly gross income reaches certain levels. Currently, the gross income, which determines the license fee, is currently calculated weekly, but paid quarterly. With the addition of the Saturday Market, and in order to cut down on staff administrative time and to improve clarity of the Agreement, PRM is proposing a change in the license fee calculation from weekly to monthly, and combining the gross income from both the Tuesday Market and the Saturday Market to determine the base on which the license fee will be computed. The license fee will continue be paid on a quarterly basis.

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HONORABLE MAYOR AND CITY COUNCIL

November 3, 2015

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On September 18, 2015, the Parks and Recreation Commission (Commission) recommended that the City Council authorize the City Manager to execute the First Amendment to Commercial License Agreement No. 33468 with the following changes:

- Location and Hours of Operation: The location for both the Tuesday and Saturday Markets would include the central quad located east of the Community Center and south of the playground, and could include the basketball court and the Bixby Park Band Shell. During the summer, PRM may offer the band shell as a reserved site during market hours, with all parties coordinating its use. During the setup and teardown of booths, the cement areas will be used for access. The Tuesday Market will be conducted weekly from 3:00 p.m. to 7:00 p.m. during Pacific Standard Time, and from 3:00 p.m. to 8:00 p.m. during Daylight Saving Time. The Saturday Market will be conducted weekly from 10:00 a.m. to 3:00 p.m. Three hours will be allowed for setup prior to each of the markets, and a two-hour teardown and cleanup period will be allowed after the closure of each of the markets.
- License Fee: The Licensee will continue to receive six percent of gross sales from farmer booths and ten percent of gross sales from vendor booths. Commission adopted rates will continue to apply for any hours that the restrooms or community center are open beyond normal hours. In addition, the Licensee will pay the City one percent of the sum of monthly gross receipts from both markets up to \$16,000, two percent of the sum of monthly gross receipts from both markets from \$16,001 to \$32,000, and three percent of the sum of monthly gross receipts from both markets over \$32,000.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson on October 9, 2015, and by Budget Management Officer Victoria Bell on October 13, 2015.

TIMING CONSIDERATIONS

City Council action is requested on November 3, 2015, in order to enable the execution of the First Amendment to Commercial License Agreement No. 33468 in a timely manner.

FISCAL IMPACT

Additional annual revenue projected to be approximately \$1,000 will accrue to the General Fund (GF) in the Parks, Recreation and Marine Department (PR). The recommended action will result in a positive impact on jobs, although the exact number is unknown at this time.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



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

SS:AGM:RL

APPROVED:



PATRICK H. WEST
CITY MANAGER