



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

2760 N. Studebaker Road, Long Beach, CA 90815-1697

(562) 570-3100 • FAX (562) 570-3109

www.LBParks.org



selected
best in the nation

June 21, 2018

MEMBERS OF THE PARKS AND RECREATION COMMISSION

City of Long Beach
California

RECOMMENDATION:

Authorize the Director of Parks, Recreation and Marine to execute all documents necessary to issue a Permit to In Circus Entertainment, LLC, for the operation of a Railway Concession and all related amenities and activities in El Dorado East Regional Park, for a period of ten years with two, five-year renewal options at the discretion of the Director of the Department of Parks, Recreation and Marine. (District 5)

DISCUSSION

Since 1997, there has been a Permit in place for the operation of an 18-gauge model railway and picnic concession in Area III of El Dorado East Regional Park (El Dorado) that has been approved by the Parks and Recreation Commission (Commission). The most current of these Permits, Permit No. 29815, expires on September 30, 2018, and the Permittee has informed the Department of Parks, Recreation and Marine (Department) that he wishes to cancel the Permit, and sell the train to a new operator. On February 8, 2018, the Department issued a Request For Proposals No. PR18-059 (RFP) seeking proposals from qualified operators to operate a Railway Train Concession in El Dorado. One completed bid was received by the RFP deadline, from In Circus Entertainment, LLC a California Limited Liability Corporation (In Circus). An evaluation panel consisting of five Department staff members determined that the bid met or exceeded the minimum requirements and a Notice of Intent to Award the concession to In Circus was posted on May 3, 2018. Negotiations with In Circus have concluded and the Permit is ready to be presented to the Commission for approval.

The proposal from In Circus included not only the operation of the 18-gauge model railway but other improvements and attractions as depicted in Attachment A, that include but are not necessarily limited to:

- Enhanced infrastructure including a new "Depot" for accessing the train, fencing and new façades;
- A Carousel that would be placed on a cement pad;
- An animatronic Story Telling Tree;
- A Panning for Gold attraction;
- A Stage for puppet or other similar shows;
- A portable or permanent Concession Stand for both souvenirs and food;
- A Photo Booth or other picture-taking options; and
- Special Party Packages.

It should be noted that the Department is not supportive of a "water feature" as depicted on Attachment A, and that In Circus has agreed that they will not seek or further propose any attractions that include standing water.

The Department is proposing Commission approval of a Permit with the following terms:

- Permit Area: The Permit Area shall be in the southeast corner of Area III, in El Dorado East Regional Park, as illustrated in Attachment B.
- Permitted Use: Operation of an 18-gauge model train and other attractions as pre-approved by the Department Director. It is understood that the attractions listed herein have the support of the Department, but may need approvals from other City of Long Beach (City) or State of California Departments or Bureaus. In Circus agrees and acknowledges that they must receive all necessary regulatory or other approvals before commencing any work within the Permit Area. In Circus may pursue other attractions with the written pre-approval of the Department Director and adherence to all other required approvals. In Circus may sell hats, whistles, books, t-shirts and the like as well as pre-packaged or prepared food and beverages (but no alcohol), with the consent of the Department Director.
- Hours: General operating hours will be as shown in Attachment C; changes must be approved by the Department Director. In Circus may not enter El Dorado prior to normal business hours without prior approval of the Department Director or designee. All operations and events within the Permit Area shall be concluded no later than one hour before park closing. El Dorado is closed on Christmas Day.
- Special Events: In Circus must inform the Department at least two weeks in advance of any large groups or events that could impact other park operations or parking. City (including Office of Special Events and Filming) must inform In Circus of Special Events or other Exclusive Use Permits or Events that could impact or close the Permit Area at least one month in advance. Special or themed activities would be subject to Departmental negotiation and approval.
- Maintenance and Other Projects: In Circus acknowledges that the City, Department and multiple utilities (including but not limited to Southern California Edison, Long Beach Water and Energy Resources Departments, Los Angeles Flood Control District) may require a temporary cessation of operations. Unless an emergency arises, all efforts will be made to ensure at least a two-week notice for any work required by these entities that could impact or close the Permit Area and/or operations.
- Term: 10 years, with two 5-year renewal options at the discretion of the Department Director.
- Fees for paid attractions: In Circus shall determine which activities or attractions within the Permit Area shall be free or shall have a fee, and shall set the fees for any paid attractions or concessions like food, beverage or photography. In Circus shall notify Department of fees or fee changes.

MEMBERS OF THE PARKS AND RECREATION COMMISSION

June 21, 2018

Page 3 of 4

- Permit Fees: In light of In Circus's initial capital investment, all Permit Fees will be waived for the first five years of the Permit, as long as (in the sole determination of the Department Director) In Circus is making good faith efforts to complete the enhancements proposed to take place in the first five years of the Permit (Attachment D). Beginning in the sixth year of the Permit, In Circus shall pay the City an annual minimum rent of \$7,000 or the following percentages: 7% of the first \$100,000 of gross revenue; and 6% of the gross revenue from \$100,001 to \$150,000; and 5% of the gross revenue from \$150,001 to \$200,000; and 4% of any gross receipts in excess of \$200,001. In no event will the minimum rent be reduced from \$7,000.
- Maintenance: The Department currently provides routine turf maintenance of the Permit Area and will continue to do so until such time as added attractions make basic mowing impractical for the Department's turf contractor. At that time, In Circus shall become responsible for general maintenance including at-least weekly mowing in spring and summer and as-needed mowing the remainder of the year. Beginning in year three of the Permit, or at such time that the level of trash noticeably increases, above current levels, In Circus shall become responsible for daily trash pick-up and hauling year-round. The Department shall be responsible for irrigation lines and repairs to irrigation unless damage is a result of actions of, or misuse by, the In Circus. In all instances, the Permit Area shall be maintained to the satisfaction of the Department Director. Department shall trim trees in or near the Permit Area so that they do not impede the movement of the train or create a safety hazard, provided that In Circus has notified the Department of the need for tree trimming and allows access to do the trimming. In Circus may also conduct tree trimming provided all Department and City policies (including Nesting and Prevailing Wage) are followed.
- Signage: All signage type and location shall be subject to pre-approval of Director; such approval shall not be unreasonably withheld.
- Utilities: The City shall pay all costs to get water and electricity to a connection point at or within the general vicinity of the Permit Area; In Circus shall pay for costs of connections and installation of water, sewage and electricity, or any upgrades to current service.
- Parking: In Circus shall not be entitled to any preferential parking (unless mutually agreeable with the Department and agreed upon in advance) or for any particularly requested special reservation of any area(s) within El Dorado. No gate entry fees may be waived for patrons going to the Permit Area, however, pre-arranged and/or pre-paid entry may be negotiated with the Department.
- Other Permittees: The City (including the Office of Special Events and Filming) shall have the right to issue other Permits for different purposes and additional Permits for other or similar concessions. In Circus shall fully cooperate with other Permittees in El Dorado.
- Insurance: In Circus shall purchase and maintain all applicable insurance and endorsements, as required and approved by the City's Risk Manager.
- Other Laws: In Circus acknowledges that it shall adhere to all state and federal laws including those related to the safety of all proposed attractions and rides.

MEMBERS OF THE PARKS AND RECREATION COMMISSION

June 21, 2018

Page 4 of 4

FISCAL IMPACT

With the exception of expected increases to gate revenue in El Dorado East that should result from increased use of the Train Concession, there is no fiscal impact for the first 5 years of a newly approved Permit. As the ownership of In Circus is currently proposed to be the operators of the concession, there is not expected to be any impact to local jobs.

SUGGESTED ACTION:

Approve recommendation.

Respectfully Submitted,



STEPHEN P. SCOTT
DEPUTY DIRECTOR
BUSINESS OPERATIONS



GLADYS KAISER
MANAGER
COMMUNITY RECREATION SERVICES



HURLEY P. OWENS
MANAGER
MAINTENANCE OPERATIONS

APPROVED:



GERARDO MOUET
DIRECTOR

GM:SS:GK:HO:rl

ATT: A – "El Dorado Frontier" Proposed Improvements and Attractions

B – Permit Area

C – Hours of Operation

D – Proposed Timeline of Good Faith Efforts for Approval and Installation of Additional Attractions

ATTACHMENT A - Proposed Improvements and Attractions

El Dorado FRONTIER

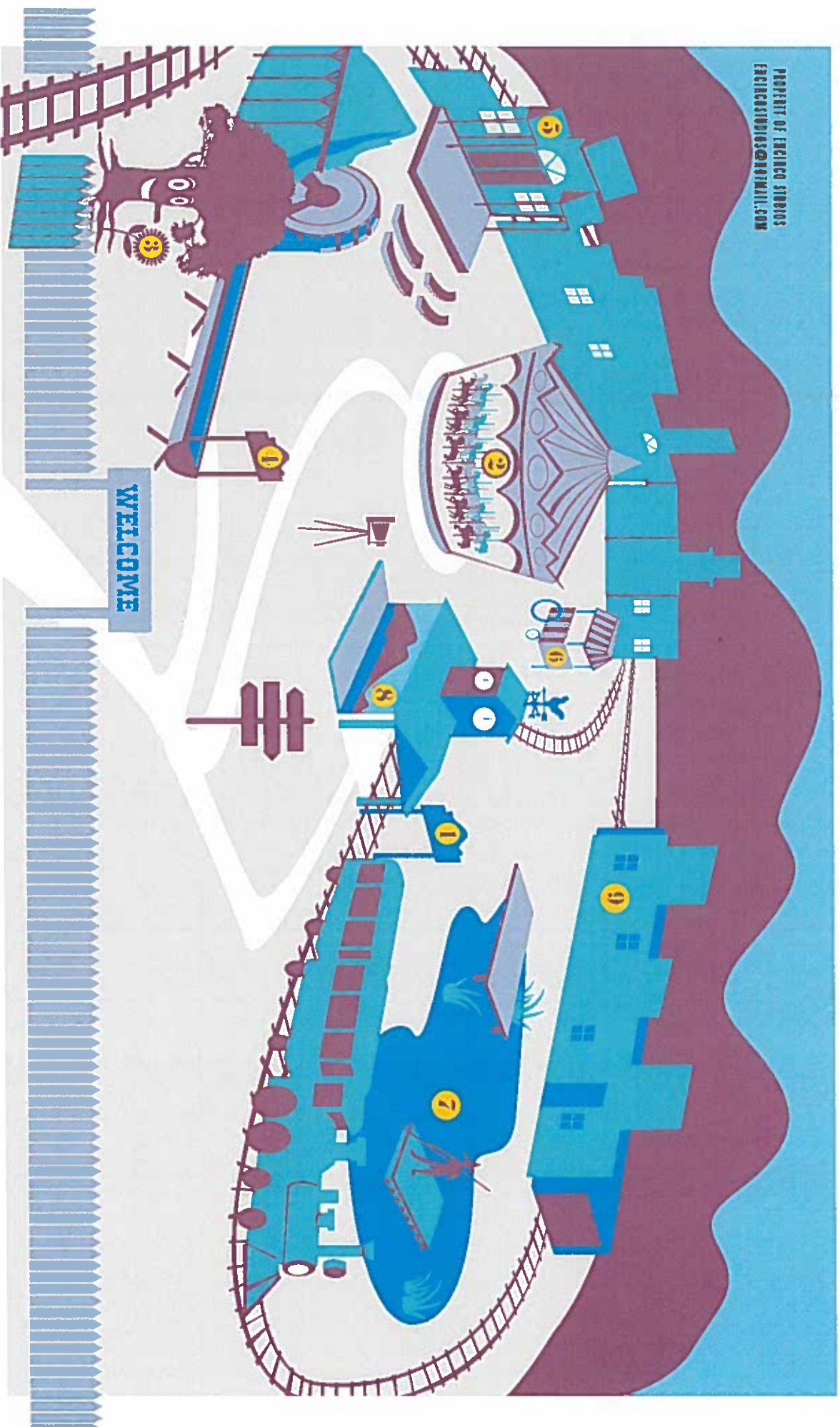
7350 E SPRING ST, LONG BEACH, CA 90808
OPEN DAILY: 10AM-5PM

- 1 FINN'S TRAIN STATION
- 2 CAROLINE'S CAROUSEL
- 3 THE STORYTELLING TREE

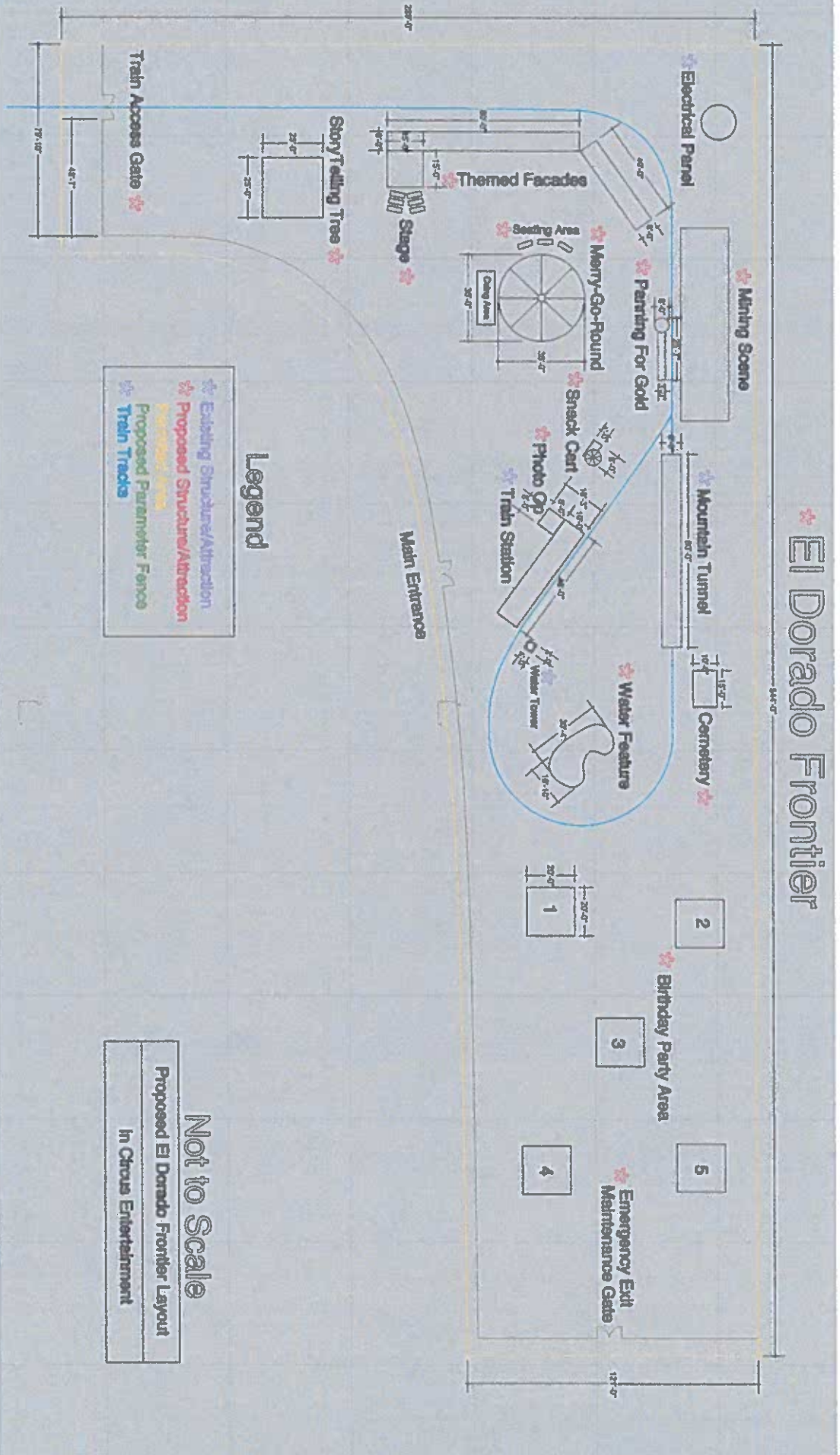
- 1 POLLY'S PANS FOR GOLD
- 5 JAMES HENSON STAGE
- 6 CHARLIE'S CONCESSIONS

- 7 TOM SAWYER LAKE
- 8 KODAC KODY'S PHOTO OP
- 9 TRACY'S TREASURES

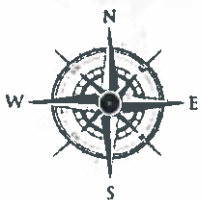
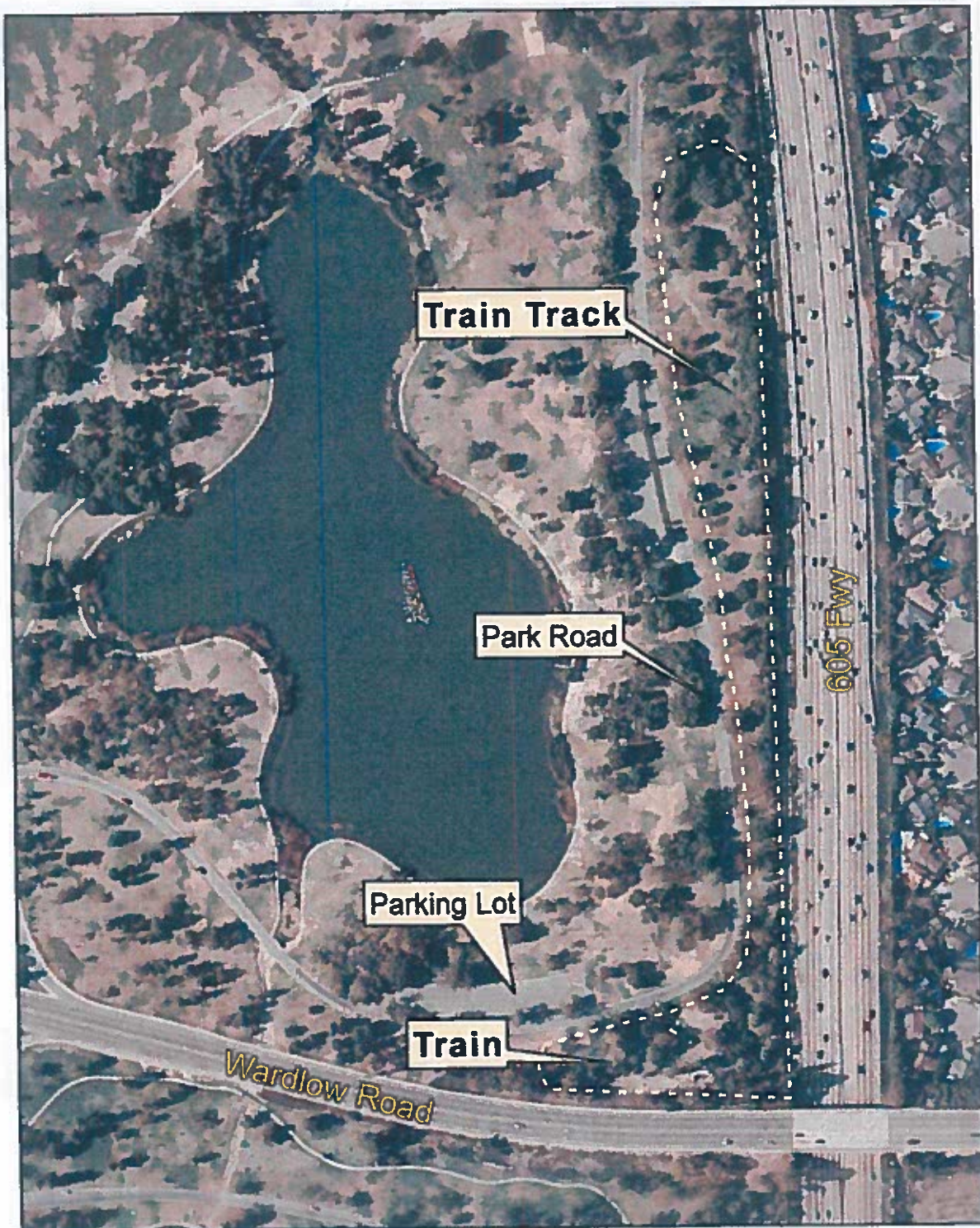
PROPERTY OF ENCIENO STUDIOS
ENCICENSTUDIOS@HOTMAIL.COM



ATTACHMENT A - Proposed Improvements and Attractions



Attachment B – Permit Area



Permit Area for EL Dorado Frontier
El Dorado East Area III

ATTACHMENT C - Hours of Operation

The El Dorado Frontier will be an enclosed theme park where families, churches, businesses, schools, sports teams and others can come to celebrate any event or holiday. Here they can enjoy an all day experience starting with a train ride, other rides and activities, learn about our states history and create memories to last a lifetime.

Schedule of days: Our objective is to conduct business year round rather than only seasonal. El Dorado Frontier will be open Tuesday through Sunday (*closed Monday*).

Times of operation:

Fall/Winter: Nov. 1 thru Feb. 28, Tues. ~ Fri. 8:00 ~ 3:00

Sat./Sun., 10:00 ~ 4:00

**Special events or holidays can be open extended hours*

Spring: Mar. 1 thru May 31, Tues ~ Fri. 8:00 ~ 4:00

Sat./Sun., 10:00 ~ 4:00

**Special events or holidays can be open extended hours*

Summer: Jun. 1 thru Oct. 31, Tues. ~ Fri. 10:00 ~ 7:00

Sat./Sun., 10:00 ~ 7:00

**Special events or holidays can be open extended hours*



ATTACHMENT D - Proposed Timeline of Good Faith Efforts for Approval and Installation of Additional Attractions

Renovation and New Development Desired Goals and Outline:

First 1 - 24 months: Carousel attraction, revamp existing structures, concessions and outer perimeter fence

Year 2 - 3: Panning for gold attraction, photo opportunity areas, and town façade and sound barrier, bathrooms.

Year 3 - 5: Stage, Story-telling Tree attraction, and continued beautification

All renovation and new development goals are subject to approvals and permits from outside sources and therefor not in our control. Due to the nature of the involved outside processes we cannot guarantee the outlined goals and timeframe at 100% accuracy. However, it is our desire to complete these projects as fast as possible and demonstrate satisfactory progress to all involved.

NOTE: "Good faith efforts" for the purpose of waiving of rent in years 1-5 shall be satisfactory efforts to plan, apply for necessary approvals and install the above listed items in the timelines listed.