

SUMMARY and FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
Parks and Recreation	Charles Ng 684-8001	Forrest Longman 684-0331

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the Superintendent of Parks and Recreation to execute, for and on behalf of the City, a concession agreement granting Fifth Avenue Sports, LLC d/b/a Green Lake Boathouse the right to operate a concession providing boat rental service, and retail and food sales at the Department's facility at Green Lake Park.

Summary and background of the Legislation:

The proposed Council Bill authorizes the Superintendent of Parks and Recreation to execute a five-year concession agreement for the operation of a boat rental service and food sales at Green Lake Park. The proposed bill also authorizes options to extend the initial term of the agreement for two additional 5-year terms at the mutual consent of the parties.

- **Background:** The Department of Parks and Recreation (DPR) has provided boat rentals and food service at Green Lake Park for over 30 years, and these services have proven popular with park visitors. The last concession agreement expired in December 2014 and DPR desires to continue this service. A publicly advertised Request for Proposals (RFP) process was completed in 2014. Three companies submitted proposals and Fifth Avenue Sports, LLC, d/b/a Green Lake Boathouse was the winning proposer and met all requirements as set forth in the RFP. DPR will receive an annual concession fee equal to the greater of 12% of gross income from all rentals and sales or \$45,000, and the Concessionaire has also committed to making improvements to the site in the amount of 2% of gross sales; or a minimum of \$7,500 annually, whichever is greater. In addition, the concessionaire will provide all staffing, equipment, supervision, an assistance boat, maintenance, and insurance to support the Department's boating facility as well as food service at Green Lake Park.

The Concessionaire is currently providing these services at Green Lake Park with an extension through December 31, 2015 or until a new long-term agreement is negotiated and signed.

2. CAPITAL IMPROVEMENT PROGRAM

_____ This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

X This legislation has direct financial implications.

Budget program(s) affected:	Parks and Recreation Fund (10200) Org K2551			
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2015	2016	2015	2016
	N/A	N/A	N/A	N/A
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2015	2016	2015	2016
	N/A	N/A	\$24,000	\$24,000
Positions affected:	No. of Positions		Total FTE Change	
	2015	2016	2015	2016
	N/A	N/A	N/A	N/A
Other departments affected:				

3.a. Appropriations

N/A This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2015 Appropriation Change	2016 Estimated Appropriation Change
TOTAL				

Appropriations Notes:

3.b. Revenues/Reimbursements

X This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
Park & Recreation Fund 10200	Parks & Recreation	Concession Revenue related to boat rental & food service at Green Lake Park – K2551 Contract Administration & Support	\$45,000	\$45,000
TOTAL			\$45,000	\$45,000

Revenue/Reimbursement Notes:

DPR’s concession agreement with Green Lake Boathouse requires the concessionaire to pay 12% of gross receipts (less taxes) or a base minimum of \$45,000 annually, whichever is greater, throughout the initial term of the agreement. With the new legislation/contract and Concessionaire’s success in growing his food operation business at the facility, Parks expects to receive an additional \$24,000 annually, or a total of about \$69,000 per year, but the guaranteed amount is \$45,000. 2014 actual revenues from the Green Lake Boat and Food service were \$69,677.

3.c. Positions

N/A This legislation adds, changes, or deletes positions.

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2015 Positions	2015 FTE	Does it sunset? (If yes, explain below in Position Notes)
TOTAL							

Position Notes:

4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**
 No.
- b) **Is there financial cost or other impacts of not implementing the legislation?**
 The cost of not implementing the proposed legislation includes potential loss of at least annual revenue of \$45,000 and the loss of popular boat rental services and food sales at Green Lake Park.
- c) **Does this legislation affect any departments besides the originating department?**
 No.
- d) **Is a public hearing required for this legislation?**
 No; however, Parks staff attended community meetings (Green Lake Community Council, Friends of Green Lake and Green Lake Chamber of Commerce) before advertising the RFP to let the community know our intent and to ask for input on what amenities and/or qualifications they would like to see in the RFP.
- e) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle***

Times required for this legislation?

No.

f) Does this legislation affect a piece of property?

Yes - the attached Exhibit 1, Green Lake Boat and Food Concessions Premises Map, displays the park property that is a subject of this legislation.

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

The Concessionaire supports many events at Green Lake such as Summer Splash and provides free or reduced-cost boats for numerous organizations including the Boys & Girls Clubs of Greater King County, YMCA, Bagley Elementary School, Tulalip Indian tribe and other groups. The concessionaire also provides free use of his boats to DPR's summer programs offered by our Green Lake small craft center.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

N/A

i) Other Issues:

List attachments below:

Exhibit 1 – Green Lake Boat Rental and Food Concessions Premises Map