



# Amendment to the Seacrest Boathouse Concession Agreement



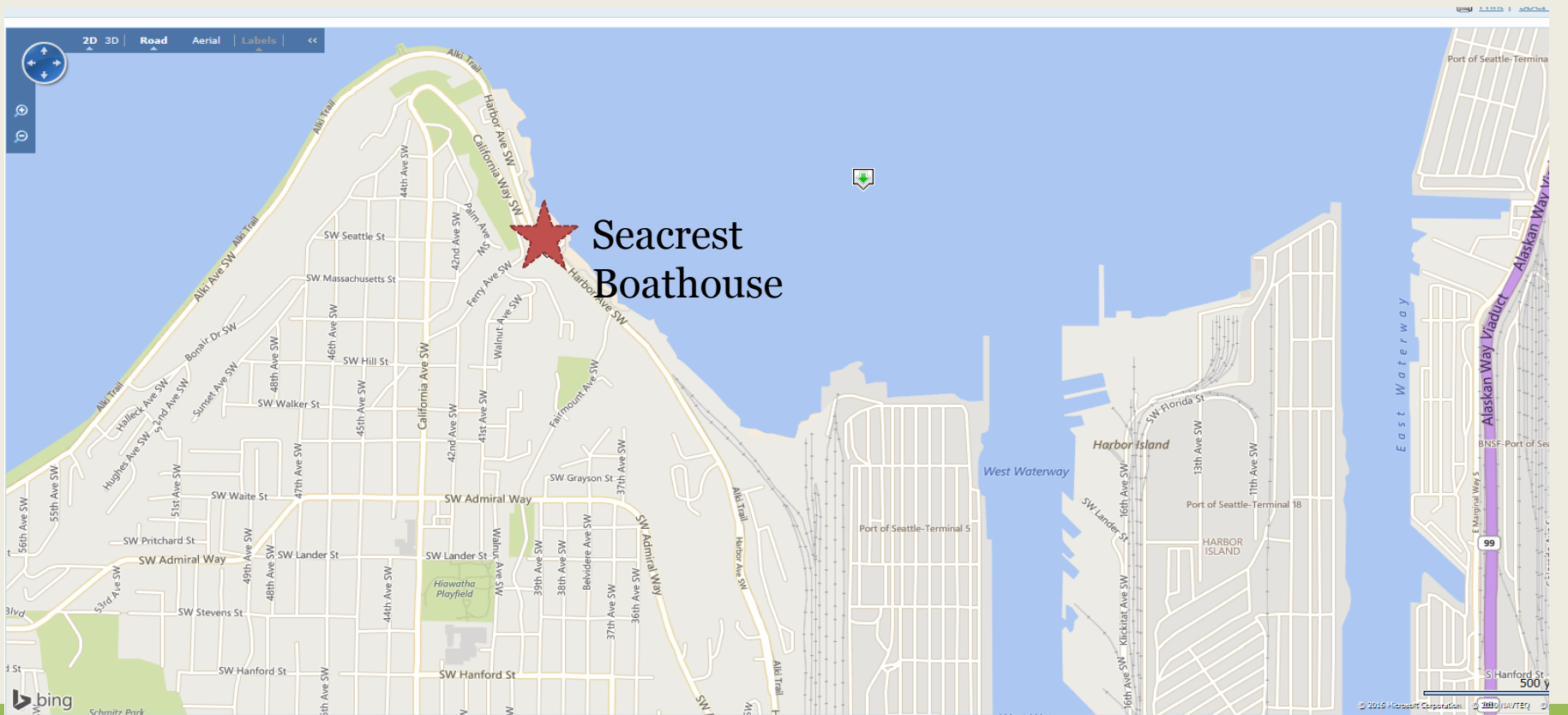
**CITY COUNCIL PARKS, SEATTLE CENTER,  
LIBRARIES AND WATERFRONT COMMITTEE**

**THURSDAY JUNE 16, 2016**

# Seacrest Boathouse Amendment



Seattle Parks and Recreation's Seacrest Boathouse is located in West Seattle on Harbor Avenue SW





# Seacrest Boathouse Amendment



- The boathouse has a restaurant and a boat & recreation equipment rental business.
- In 2013, after a Request for Proposal process, Seattle Parks & Recreation leased the space to Marination (Ordinance 124112).
- Marination is a local, women-owned business serving Hawaiian-Korean cuisine.



# Seacrest Boathouse Amendment



- Since 2013, Marination has made over \$200,000 worth of improvements to the Boathouse and paid over \$360,000 in concession fees to the City (more than triple the revenue from the previous Boathouse operator).
- Marination has successfully grown the Seacrest food operations, fostered positive relationships with the local community and built a strong reputation with its unique brand of high-quality food and customer service.





# Marination Ma Kai

## Local Media



seattle  
magazine

Seattle Magazine: “The Table Outside” (July 2014)

“This is the patio that most patios aspire to be... a triple threat of epic Seattle skyline view, friendly service and killer food.”

Seattle Met

Seattle Met: “Where to Go For... A Brand Spanking New Patio” (June 2013)

“The postcard-worthy skyline views and giant patio space put Marination’s Alki Beach outpost on the fast track to iconic patio status.”

The  
Seattle  
Times

The Seattle Times: “Sipping in the sun: the 10 best places to get an outdoor drink this summer” (May 2014)

Sunset

Sunset magazine: “The Urban Beach Town: West Seattle” (August 2015)

“Fuel up on kalbi beef tacos (and maybe a beer) at Marination Ma Kai, and enjoy its patio with dynamite views.”



# Seacrest Boathouse Amendment



## Ratify & Confirm Clause

- Marination requested a change in the fee structure in 2013. DPR analyzed Marination's operations and completed a market analysis to evaluate the request.
- At the Council's request, SPR delayed changing the agreement until a more thorough assessment of how SPR assesses fees and lease payments could be completed.
- Council commissioned a study by Jones Lang LaSalle (JLL) in late 2014.
- JLL officially transmitted the study to Council in December 2015.
- The proposed amendment to the agreement is consistent with the recommendations of the JLL study.

# Seacrest Boathouse Amendment



- The proposed ordinance amends the original agreement with Marination.
- The original agreement imposed a fee of 10% of gross receipts with no ceiling.
- With higher than anticipated sales, the fee became unsustainable for Marination (equivalent of ~\$55/sf; well above market rents).
- The proposed amendment charges an annual fee of \$32/sf plus 2% of gross receipts.
- This fee is more consistent with market rates for comparable space.

