

## **SUMMARY and FISCAL NOTE**

| <b>Department:</b>           | <b>Dept. Contact:</b> | <b>CBO Contact:</b> |
|------------------------------|-----------------------|---------------------|
| Seattle Parks and Recreation | Kathleen Gantz        | Alex Rouse          |

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to Seattle Parks and Recreation; authorizing the Superintendent of Parks and Recreation to execute for and on behalf of The City of Seattle a concession agreement granting The Kite Cafe LLC the right to exclusive use and occupancy of the Golden Gardens Bathhouse Concession Premises for the purpose of providing food and concessions for park patrons at Golden Gardens Park.

**Summary and Background of the Legislation:** The proposed legislation authorizes Seattle Parks and Recreation (SPR) to enter into a five-year, long-term concession agreement with The Kite Cafe LLC (“The Kite Cafe”) to manage and operate the food concessions located at Golden Gardens Bathhouse (“Bathhouse”). The proposed agreement includes one five-year term with an option to extend for an additional five-years for a total of ten years.

The 2023 fair market appraisal of the Golden Gardens concession stand and storage unit are \$32.61/square foot/year. The Kite Cafe will occupy a total of 500 square feet in the Bathhouse and the annual concession base fee will be the amount listed in the 2023 Request for Proposals, \$16,000. Should sales exceed one million dollars (\$1,000,000) per calendar year, concessionaire will also pay SPR 1% of gross receipts on revenue above one million dollars (\$1,000,000). The agreement also allows the concessionaire to have an ice cream Jeep (battery powered) during summer months on Thursday-Sundays.

**Background:** The original Golden Gardens Bathhouse, constructed in 1929-1930, housed a changing room, storage facility, and a lifeguard station. The Bathhouse was renovated in 2004 with Pro Parks Levy funds to include a separate area for food concessions.

Since that time, SPR has programmed the space through long-term food concession agreements awarded through formal RFP processes. The Kite Cafe is the third long-term concessionaire that was chosen from RFP processes. This most recent RFP process began in 2023 in anticipation of the end of the former concessionaire’s contract. The RFP was released in September 2023, with proposals due in October 2023. Four proposals were received and three of them met minimum qualifications and were reviewed by a diverse panel team of three SPR staff and three community representatives. The top two proposals were invited to an in-person interview, and The Kite Cafe was ultimately chosen as the top proposal. The Kite Cafe began a one-year contract on April 15, 2024, while SPR prepared the long-term concession agreement and authorizing legislation.

The Kite Cafe is a local food business owned and managed by local Ballard residents. They operate an ice cream Jeep, catering company, and brick and mortar cafe. They have over 22

years of combined experience in the food industry including front-of-house roles, back-of-house roles, and digital marketing. The Kite Cafe supports locally grown food from producers and offers a diverse menu with cost-conscious, local, and healthy food options. They embrace many of SPR's values of creating warm and welcoming spaces, creating community, providing jobs and training opportunities for youth, and partnering in the care and upkeep of a valued SPR asset.

Note that while this legislation authorizes the concession agreement and subsequent collection of concession fees, it does not result in material financial changes to SPR's 2025 Adopted Budget which already assumes revenues from the long history of concessions at the Bathhouse facility.

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ☐ Yes ☒ No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the city? ☐ Yes ☒ No

**Notes:** SPR does not anticipate that the new concession agreement with The Kite Cafe will have significant financial impacts on the 2025 Adopted Budget beyond those already described, as the budget already assumes concession revenues at this facility.

### 3.d. Other Impacts

**Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.**

No.

**If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.**

N/A

**Please describe any financial costs or other impacts of *not* implementing the legislation.**

Seattle Parks and Recreation would forgo at least \$16,000 annually in revenue over the five years of the lease plus extension. Golden Garden Bathhouse is managed offsite by SPR; therefore, having a concessionaire on-site year-round helps to activate the park positively, enhances park visitors experience by providing healthy food options and provides eyes on the park on a more

continuous basis. If the legislation is not implemented, SPR does not have funding to activate the park or provide healthy concession offerings.

**Please describe how this legislation may affect any City departments other than the originating department.**

N/A

#### 4. OTHER IMPLICATIONS

**Is a public hearing required for this legislation?**

No

**Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?**

No

**Does this legislation affect a piece of property?**

Yes, this legislation is for the food concessions area at the south end of the Golden Gardens Bathhouse, and the storage space at the north end of the bathhouse, located at 8498 Seaview Pl NW, Seattle WA 98117. The map is attached as Summary Attachment A.

**a. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

- i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**

The Kite Cafe continues to include a focus on inexpensive, grab-and-go as well as hot food items designed for families coming from all parts of Puget Sound to recreate at Golden Gardens beach for the day.

- ii. Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

N/A

- iii. What is the Language Access Plan for any communications to the public?**

The Kite Cafe's menu is available in Spanish and their point-of-sale menu includes 8 language options.

**b. Climate Change Implications**

- iv. Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

By using local ingredients, compostable packaging, and electric equipment, The Kite Cafe actively reduces its carbon footprint. The Kite Cafe also sources from the local food system whenever possible, minimizing emissions and impact on the environment from longer supply chain transportation. The Kite Cafe's ice cream Jeep runs on a battery inverter system while in operation, further reducing their reliance on fossil fuels.

- v. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

N/A

**If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)? What mechanisms will be used to measure progress towards meeting those goals?**

N/A

**Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

No

## 5. ATTACHMENTS

### **Summary Attachments:**

Summary Attachment A – Map and Photos of Golden Gardens Bathhouse Food Concessions and Storage Area