



# AGENDA REPORT

BEACHES, PARKS & RECREATION COMMISSION  
Meeting Date: September 10, 2013

Agenda Item 5.A.  
**Approvals:**  
Dept. Head SH  
Manager \_\_\_\_\_  
Admin. Assistant \_\_\_\_\_

**Department:** Beaches, Parks & Recreation  
**Prepared By:** Pamela Passow, Recreation Manager

**Subject:** *STEED PARK CONCESSIONAIRE CONTRACT REVIEW AND SECOND AMENDMENT.*

**Fiscal Impact:** None. Under the current agreement, the concessionaire pays the City the greater of \$1,350 base rent or ten percent of gross sales. In fiscal year 2013, revenue averaged \$1,540 per month.

**Summary:** The concessionaire at Richard T. Steed Park has requested to exercise its second three-year extension option as provided for in the existing concession lease agreement. Staff is recommending several changes to the agreement to mutually benefit the City and the concessionaire.

**Background:** In 2007, the City entered into an agreement with Gary and Meg Greenberg to operate the concession at Steed Park. The initial term of the agreement was three years, with up to three successive options for the Tenant to extend the lease for a period of three years each. As provided in the lease, the Greenberg's have notified the City that they would like to exercise the second three-year option period. If approved, the lease would be extended until October 20, 2016.

**Discussion:** The requested concession lease extension has prompted a review of the agreement, and staff is recommending the following changes be addressed by a second amendment to the concession lease agreement to mutually benefit the City and the concessionaire.

Gate Control Operations – The contract allows the concessionaire to staff the front gate of Steed Park on weekends to restrict outside food and beverage. Special dietary items required for medical reasons and individual water containers are allowed. Bags, coolers and other visitor belongings are subject to inspection. Coolers are not allowed in the park, but the concessionaire has been allowing team coolers with water only into the park for players and coaches. Staff is proposing a change to this section of the contract to allow team coolers containing only water into the park.

As a method of gate control, the concessionaire charges a \$2 admission fee for all tournaments (youth and adult); however, the admission fee cannot be charged to youth players or coaches. A \$1 credit is given if a visitor shows the admission ticket and purchases food or drink at the concession stand. Staff is proposing to define "tournaments" to include all days of the week, as some tournaments begin and/or

end during the weekdays (Monday-Friday). An admission fee could be charged for all tournaments.

Memorial Weekend Tournament – The previous contract did not contain specific details as it relates to the Memorial Weekend girls softball tournament hosted by San Clemente Girls Softball (SCGS). In the past, the concessionaire has relinquished food and beverage sales to the SCGS because SCGS relies so heavily on this revenue as a fundraiser. The concessionaire would prefer to operate during this tournament, but has agreed to remove this weekend's operations from its contract if SCGS would cover the cost of utilities and rent associated with the three (3) day tournament. Approximate costs would be \$250-\$500. SCGS has agreed to this proposal by the concessionaire.

***Recommended***

***Action:***

STAFF RECOMMENDS THAT the Beaches, Parks & Recreation Commission recommend to the City Council 1) approval of the second of three three-year lease extensions to Gary and Meg Greenberg for the concession at Richard T. Steed Park to expire in October, 2016; and 2) an amendment to the lease agreement for Steed Park Food and Beverage Concession including described changes.

***Attachments:*** None.

***Notification:*** Gary and Meg Greenberg