



AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: May 4, 2021

Agenda Item 96

Approvals:

City Manager ES

Dept. Head _____

Attorney _____

Finance _____

Department: Beaches, Parks & Recreation
Prepared By: Samantha Wylie, Recreation Manager

Subject: *CITYWIDE CONCESSION OPERATIONS – STRATEGIC PLAN*

Fiscal Impact: Unknown at this time; Depending on Council direction, an anticipated increase in expenses to be offset by a significant increase in revenue.

Summary: Staff recommends that Council review the Food and Beverage Strategic Plan compiled by Profitable Food Facilities Worldwide and direct staff on the future operations of the City concession buildings.

Background: The City owns four commercial concession stand buildings at the following locations: (1) T-Street Beach; (2) Pier Bait & Tackle; (3) North Beach; and (4) Richard T. Steed Memorial Park. Each of these sites has been under individual contracts with various operators for many years. All agreements have effectively come to term (site-specific dates are listed below), and each operator/concessionaire is now operating on a month-to-month basis. All executed agreements are on file with the City Clerk.

In November 2020, Profitable Food Facilities Worldwide (PFFW) was hired to perform an operational review of all City concession buildings and provide a recommendation on methodologies to maximize revenue and improve levels of service.

At its February 2, 2021 meeting the City Council directed staff to report back on its findings from the Food and Beverage Strategic Plan developed by PFFW and provide recommendations on the future operations of these facilities.

At its April 20, 2021 meeting the City Council directed staff to evaluate the bike rental store/concession lease agreement.

Discussion: PFFW completed its analysis of the City's concession facilities and its findings and recommendations are included in Attachment 1. A brief synopsis and options for future operations of each site are provided below.

NORTH BEACH

The North Beach concession building is uniquely positioned to service beach visitors with the potential to serve the broader North Beach area. This location is near a main Beach Trail access point, a Metrolink train station, and a popular bicycle corridor. In a recent facility inspection, mold was discovered in portions of the walls of the concession building. As all agreements are written with the building leased in as-is

condition, the most recent tenant opted to decline further operation of the site, leaving the concession stand unoccupied. Mold remediation is estimated at \$10,000.

Option A: Release an RFP seeking qualified bids for operation of the North Beach concession on a year-round basis, for a specified term.

Option B: Release an RFP seeking qualified bids for operation of the concession as a pop-up restaurant/concession site, securing various operators for 60-90 day periods of time as part of a one-year pilot program. New base rent terms would be incorporated into any new agreement. With this operational strategy, the City would perform mold remediation to offer a suitable food and beverage facility. The incurred cost would be expeditiously recovered through an increased base rent and regular operating hours, as opposed to the previous executed agreements terms and conditions.

Staff recommendation: Because there is no current contract in place for this location, staff recommends Council authorize the release of an RFP seeking qualified bids for the operation of North Beach as a pop-up restaurant location (Option B). In this format, staff would seek operators for 60-90 day periods to utilize the facility. Staff sees this as an opportunity to provide a unique year-round dining experience at North Beach while providing opportunities for local food and beverage operators to utilize a beach location. Setting this up as a one-year pilot program would afford the City the option to monitor and evaluate revenue generation and come back to Council for review and evaluation.

RICHARD T. STEED MEMORIAL PARK

The four ballfields at Richard T. Steed Memorial Park (Steed Park) are used daily. On weekdays, the facility is utilized by local youth sports organizations for games and practices and is the home to the Recreation Division's Adult Softball League three days per week. On weekends, the fields are utilized for large tournaments, hosting travel teams ranging from youth to seniors. It is estimated that the average tournament hosts up to 24 teams per weekend, or roughly 300 players, not including spectators, coaches, and tournament personnel. This equates to an estimated 50,000 visitors per year.

The current concessionaire has been operating since 2007 under a 12-year agreement which expired in 2019. At the initiation of the Agreement, it was estimated that the concessionaire would result in an estimated \$31,000 annually in revenue. Based on the current concession contract, the City averages \$16,200 annually in concession revenue, this includes the calculated gate fee and equates to the Base Rent amount of \$1,350 per month.

Option A: In-House Operations

- Assign operations to Beaches, Parks & Recreation Department for in-house management utilizing existing staff structures to execute an operating plan;
- First-year of operations will include 100% of the tournament gate fee (currently valued at \$2 per spectator), plus all other revenue generated through the sale of food and beverage;
- Part-Time hourly staff expenses estimated at \$122,050 annually;

- Food and beverage supply estimates are reflected on page 9 of Attachment 1.

Option B: Release an RFP for the concession operation at Steed Park with increased base rent; and full review of the gate fee assessed to spectators.

Staff has spoken with the current operator, L.M. Catering, and they have requested to continue operations of Steed Park to the end of 2021 as they have recently renewed all required health and insurance certifications for the calendar year. Should Council seek to release an RFP, they will be afforded the opportunity to submit a proposal through the bidding process.

Staff recommendation: Based on PFFW analysis and findings, staff recommend Option A, shifting operations of Steed Park to in-house operations, and Council direct staff to include a comprehensive budget within the upcoming FY21-22 Budget as a Decision Package.

T-STREET

T-Street beach is a very popular beach location in San Clemente. The concession at T-Street is the only nearby option for food and beverage for thousands of beach visitors without traveling north to the pier and surrounding pier bowl area. Additionally, with the completion of the Beach Trail nearly 15 years ago, this location sees approximately one million people pass by on an annual basis. The location attracts trail-users and beach-goers on a year-round basis and is now host to an increasing amount of surf contests and permitted beach activities.

Option A: Negotiate new terms with the current concessionaire, including expanded operating hours and increased rent.

Option B: Release an RFP seeking qualified bids for operation of the T-Street concession as a pop-up restaurant/concession site, securing various operators for a 60-90 day period as part of a one-year pilot program. New lease terms would be incorporated into any new agreement.

Option C: Direct operations to be managed by the Beaches, Parks & Recreation Department, operating the facility as a year-round beach concession with varying operating hours dependent on the season. Evaluate opportunities to also provide beach rental equipment during the summer season.

The current operator has expressed interest in the continued operation of the site, should the Council opt to do so.

Staff recommendation: Staff recommends Council authorize the release of an RFP seeking qualified bids for the operation of T-Street as a pop-up restaurant location. In this format, staff would seek operators for 60-90 day periods to utilize the facility (Option B). Similar to the North Beach location, staff sees this as an opportunity to provide a unique year-round dining experience at T-Street while providing opportunities for local food and beverage operators to utilize a beach location. Additionally, a one-year pilot would offer the option to revisit the other two options stated above (Option A and C) should the concept be found to not be sustainable.

BIKE RENTAL SHOP – 1900 N. EL CAMINO REAL

The City owns a small, approximately 860 square feet, building previously used as a ticketing station for Metrolink, called the North Beach Passenger Services Building. Since 2010 the building has been operated as a bike rental business. The current agreement provides 8% of gross revenue with a minimum monthly rent of \$100 per month October-April, and \$300 per month May-September. This agreement came to term in 2017 and is currently month-to-month.

Staff recommends Council direct staff to request proposals for the operation of this building and increase monthly rent to market value at 10-12% gross sales or \$2,500-3,000 per month depending on the type of services provided. After reviewing proposals, staff will return to Council for approval of a contract.

In summation, the findings from the PFFW report have recognized that the City has four concession buildings that are under-utilized and provide a significant opportunity for general fund revenue enhancement. Any future concession agreements must take into account the volume of facility users and surrounding traffic as well as the unique opportunities of each location. Enhanced staff oversight should be prioritized and included in any future operational strategies.

PIER BAIT & TACKLE

As a landmark building located at the end of the iconic municipal pier, the Bait & Tackle building services local fishermen with goods and provides typical beach concession food and beverages to the general public. Additionally, in an upcoming CIP, the Bait & Tackle shop will be renovated to include exterior upgrades and public art additions, provided by contributions from PierPride.

Option A: Negotiate new terms with the current concessionaire, including expanded operating hours and increased rent.

Option B: Release an RFP seeking qualified bids for operation of the bait & tackle shop on a year-round basis, for a specified term.

Option C: Direct operations to be managed by the Beaches, Parks & Recreation Department, operating the facility as a year-round snack bar and bait/tackle shop, with an opportunity to sell unique San Clemente items, including apparel, towels, the San Clemente flag, and other locally sourced items.

The current operator has expressed interest in the continued operation of the site based on the current terms of the Agreement of base rent at \$300 per month or 6% gross sales, whichever is higher. The end of pier concession Agreement began on May 20, 2017 with an initial term of three years and four months with an option for an additional three year extension should both parties agree. At the end of the initial term, the Tenant did not provide written intention to pursue the extension. Therefore, the lease is currently month-to-month. The current operator has expressed interest in the continued operation of the site, should the Council opt to do so.

Staff recommendation: Staff recommends seeking proposals for operations, incorporating a required increase in operating hours and an increase in base rent/gross sales percentage.

Recommended

Action:

STAFF RECOMMENDS THAT the City Council

1. Approve an in-house concession operating plan for Richard T. Steed Park and direct staff to explore staffing options and budget impacts for incorporation into the upcoming budget process; and
2. Direct staff to release an RFP for new food and beverage concessionaires to operate pop-up restaurants/concessions at T-Street and North Beach, focused on local established eateries, wherever feasible, utilizing this model for a one-year pilot program; and
3. Direct staff to return to Council at the completion of the pilot program to evaluate the pop-up restaurant setup and seek further direction; and
4. Direct staff to release an RFP for the operation of the Pier Bait & Tackle location with the final contract to be approved by the City Council; and
5. Direct staff to request proposals for the operation of the building located at 1900 N. El Camino Real.

Attachments: 1. City of San Clemente Food & Beverage Strategic Plan

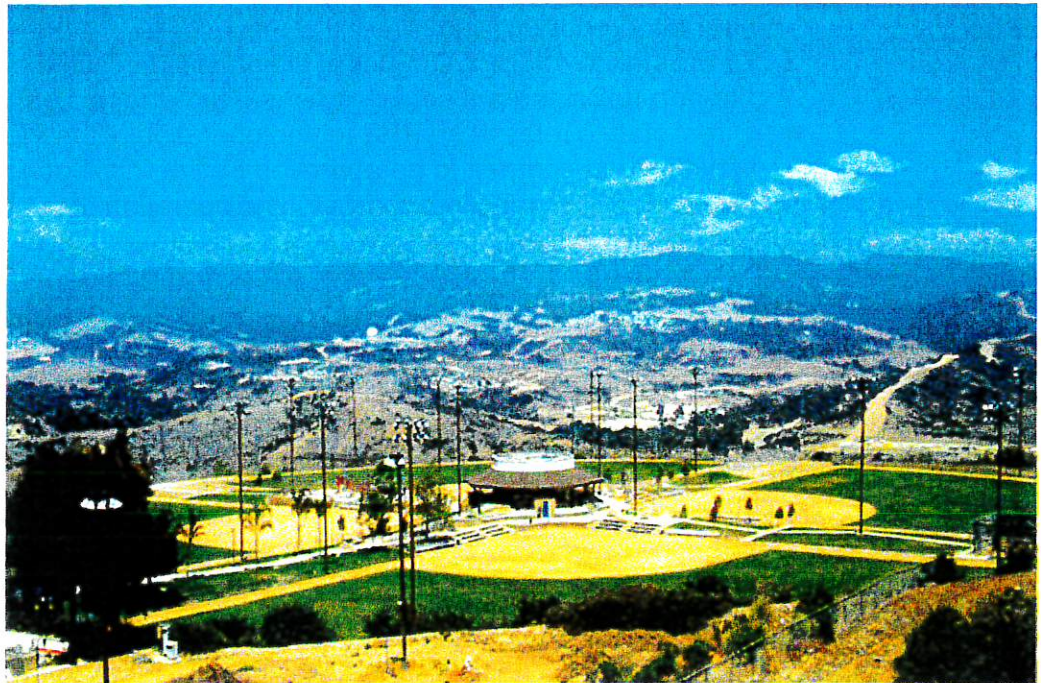
Notification:

Bicycles San Clemente
Fisherman's Bar & Restaurant/Crab Pot Restaurant & Beach Eatery
L.M. Catering, Richard T. Steed Park Concessionaire
Interested Parties
San Clemente Pier Grill & Tackle
T-Street Surfer



Profitable Food Facilities Worldwide

City of San Clemente Food & Beverage Strategic Plan



San Clemente, California March 2021

THERE IS AN ART TO CREATING SUCCESS IN FOOD AND BEVERAGE. IT IS OUR MISSION TO TRANSFORM YOUR OPERATION FROM ITS CURRENT STATE INTO ITS FUTURE POTENTIAL.

Company Highlights

Profitable Food Facilities Worldwide (PFFW) is a food and beverage consulting firm specializing in kitchen design and operations' evaluations for captive market venues including, but not limited to, Park and Recreation agencies, public golf courses, Sportsplex, catering operations, outdoor aquatic facilities, ski resorts and health/day spas.



Established in 1991, PFFW has a client base numbering over 650 projects in 48 states, Canada, Jamaica, Asia, Australia, and the Middle East.

Consultant Highlights

Mike Holtzman is President and CEO of Profitable Food Facilities Worldwide (PFFW). He has been working with park districts on food and recommendations and maximizing city revenues for the past 29 years. Mike offers a vast amount of F&B knowledge to educate and develop your team and transform your food and beverage operations from a simple amenity to revenue-generating facilities. His firm has also completed more than 150 projects with Park & Recreation agencies across the USA, as well as other countries like Canada.

Mike has recently been working with the City of Edmonton (COE) on evaluating the current F&B operations that are overseen by the city and managed by 3rd party vendors. With a city of 1.3 million people and millions of citizens utilizing the golf courses, aquatic facilities, and recreation buildings, this was a big decision for the city. "What is in the best interests of the city as well as the residents in the community" is the big question that PFFW was tasked to provide the city of Edmonton.

Operating Highlights

PFFW performed a recent site visit from November 19th – November 20th, 2020 to tour and gather historical and current operational data for analysis on all the F&B facilities that the City of San Clemente currently outsources. The goal of this visit was to offer a long term strategic Food and Beverage plan for the Richard T. Steed Park which includes a sportsplex with 4 diamonds (Regional Park) and three beach operations (North Beach, The Pier Site, and T Street)

This report will also provide some recommendations for each of the concession operations including kitchen needs and approximate budgets to repair and operate each location.

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Executive Summary

The City of San Clemente (COSC) has some of the best beaches in Orange County. COSC currently leases two beach operations (T Street and North Beach) along with a pier concession located at the end of the San Clemente pier. COSC also currently leases out the Richard T Stead Memorial Park, a sports complex that includes 4 baseball/softball diamonds and batting cages between the fields. All of these operations are currently leased.

The contract for the T-Street concession has collected just \$300 per month in rent or \$900 per year. The current agreement in place does not align with similar restaurants located on a public beach. There is tremendous potential for the city to accrue tens of thousands of dollars with a different lease agreement or managing in-house.

COSC must now decide what to do with this contract. Does the city look to self-operate? Do we put the concession back out for an RFP? What should we ask for in terms of rent or percentage if we do go out for an RFP? What is the potential cost recovery for the city if we do self-manage? PFFW was tasked to review, assess and analyze the beach site and provide recommendations on the kitchen needs, as well as what the potential would be if COSC took this in-house vs. outsourcing to another lease.

The contract for the North Beach concession was just terminated by the new operator, leaving the current facility without a lease. There may be an opportunity for the city to take back this operation as well. PFFW had a chance to look at this operation and will provide recommendations to COSC on kitchen needs as well as potential ROI.

The contract for the End of Pier concession is also up for renewal. The current operator is doing a good job providing hamburgers, hot dogs, and other menu offerings at a prime location at the end of the pier. At the pier entrance, The Fisherman's Grill is an icon for the city and has been leasing for more than 10 years at this site. This vendor also operates a simple grab n' go operation across the street and there are 4 other restaurants nearby as well. There is room for everyone, but much more competition at this site than any of the other sites.

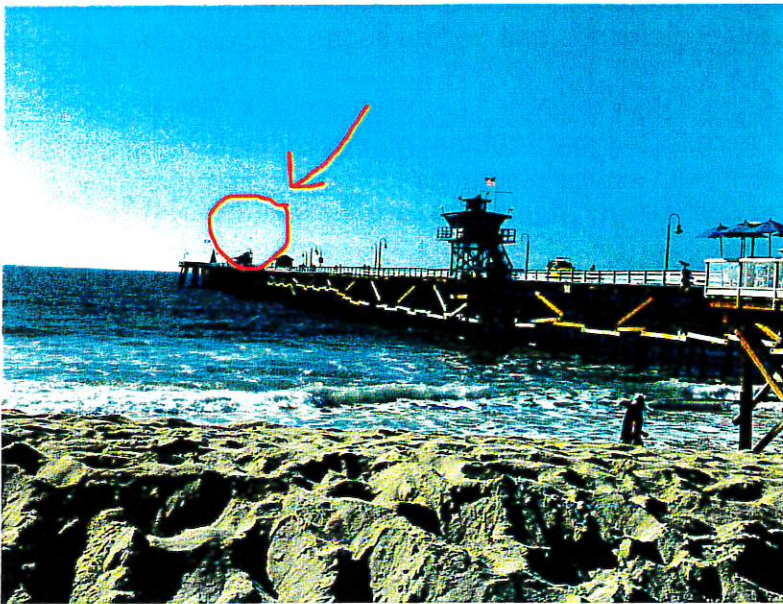
The most interesting operation we were asked to review is the Richard T. Stead Memorial Park. This facility hosts nearly 120 tournament days annually and charges a \$2.00 gate fee, yet the city receives less than \$161 in rent per tournament day. The current operator has been there for 10 years and is on a month-to-month agreement. Based upon our analysis which will be outlined in full detail in this report, there is a great opportunity for the city to take this in-house.

PFFW recommends that the city should take this operation in-house because of the huge potential for a facility that currently is only generating revenue mainly on weekends. Once COVID-19 allows us to resume sports, this site could provide the city more than one million dollars in revenue per year.

PFFW is always available if you have any questions or concerns.

End of Pier Concession:

SUMMARY: The City of San Clemente owns a small concession at the end of the San Clemente pier. This location has been leased out to a concessionaire for the past 3 years. The income that the city receives is just \$300 per month and payments are only required from Memorial Day to Labor Day, meaning that the city has only received about \$1000 per year for the past 3 years.



The current operators have a good relationship with the city and have been happy with their operations. The current contract expired on 10/2000 and is now on a month-to-month agreement. The agreement indicates the city should receive 6% of the gross or \$300 a month, whatever is greater.

PFFW Recommendations:

Renegotiate the Contract: This is the most difficult site that the city could take back to manage because the product

has to be delivered to a pier, trash is an issue, parking staff is an issue, and there is a great deal of competition starting at the beginning of the pier. In addition, the current operator is doing a good job, therefore, PFFW would recommend: Renegotiate a new 5-year agreement to a 10% rent payment or \$300/mo., whichever is greater. Ask for 11% in year 2 and 12% in years 3-5.

Audit after every 100-day season: When the sales are submitted from the vendor, the data should include a POS system that can provide:

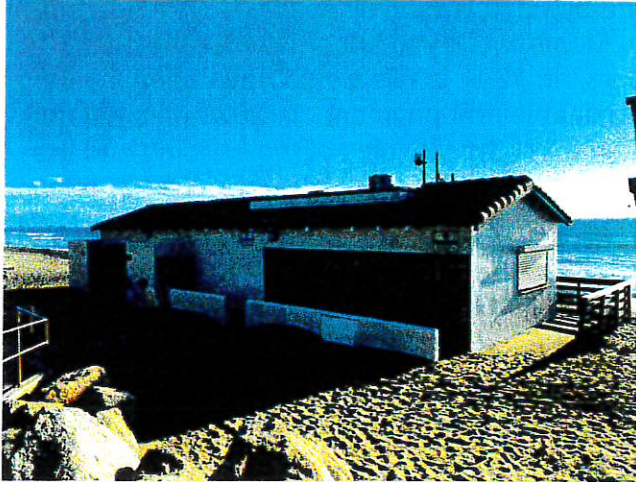
- A) Daily sales.
- B) Z-reports to verify all daily sales.
- C) A daily menu mix of items sold each day to verify sales.
- D) The POS register must be able to provide all of the above data.

The Pier is a great location but has the least amount of potential financially. For the simplicity of the city, some operational challenges make more sense for an outside vendor to manage than the city.

North Beach Concession:



Summary: The North Beach Concession is located right on the ocean adjacent to a large parking lot and at the beginning of the walking trail that estimates over 1 million people a year and close to



32,000 people or more per day in peak season. The North Beach kitchen space is more than adequate, with an additional storage space and kitchen space to produce a great menu. Some mold issues need to be addressed. This site has far fewer challenges than the Pier location.

PFFW Recommendations:

The most recent contract negotiated required a rent payment of just \$300 per month or 6% of the gross sales from Memorial Day to Labor Day. PFFW feels this number is very low. For example, if the vendor does \$300,000 in revenue, the city will receive \$18,000 in rent. This is a huge increase from the past of just \$900 per month. However, if the city

were self-managing the \$300,000 operation, they would net more than \$170,000 because their only expense is food cost and labor costs. Even though city labor costs are higher, overhead is much lower. That means over the next 5 years, the city will gross \$90,000 from the vendor and if they are self-managed, they would receive over \$850,000 in revenue for the city.

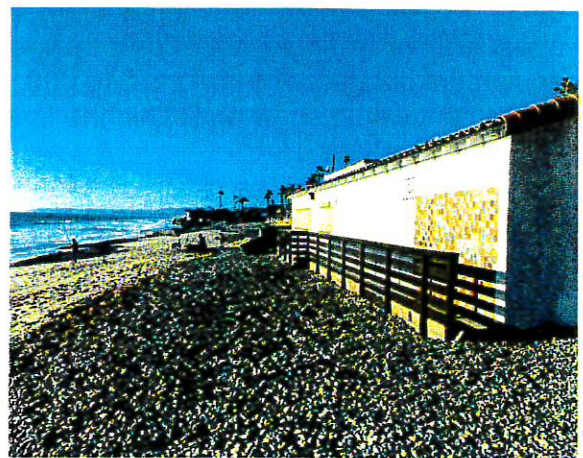
NOTE: PFFW understands there is a \$10,000 estimate to have the mold removed from the restaurant and the vendor says it should be the city's responsibility. During this strategic plan development, the vendor, Passion Palm Inc., elected to decline continuing with its contract, and the lease has since been terminated. **PFFW highly recommends that the city hold strong and require the vendor to pay for the mold removal.** If the vendor refuses and wants to step out of the contract, then let them step out and walk away.

Add More Language to The New Contract:

Similar to the End of the Pier, the contract should require:

- A) Z-reports to verify all daily sales
(duplicate from above)
- C) A daily menu mix of items sold each day to verify sales
- D) The POS register must be able to provide all of the above data and the city may audit at any time without notice

As you will see when we discuss the ball fields, this data is critical. We want to protect the city's assets and ensure we are collecting everything the city deserves.



T-Street Beach Concession:

Summary: The T-street concession has been managed by Edith Wilson since 1991. The agreement has the vendor paying 13% of annual gross sales from Memorial Day to Labor Day for the past 30 years. In 1991, a this would have been a very reasonable rent payment. In 2020, this will not even cover the cleaning of the building and the utilities. Over the past 10 years, the city has received an average of \$7,150 per year (operating Memorial Day to Labor Day) for the operation of the T-Street concession stand. In 2013, a new contract was never fully executed by Ms. Wilson, and currently, an agreement does not exist. The city asked PFFW to evaluate this operation and provide recommendations for this site.



PFFW Recommendations:

Meet with the current vendor to talk about the concession. What were their biggest challenges? Was it easy to manage? What were the top-selling items? What would you do differently? And most importantly, what were your sales each year from 2015-2019?

Take this operation “in house;” This location sits right on a very busy beach. In fact, there are very few restaurant locations like this in the state. According to city statistics, more than 1 million people walk by this site...this is not a site the city should give up. We realize that it is very easy to simply have 3rd party operator and even though the T-Street is a great site, PFFW feels it is just too much for a city to take in house.

Equipment Needs: The current kitchen has enough space and there is no expansion needed to open. In assessing the kitchen equipment, some pieces need to be replaced. The hood system is adequate but adding some additional fryers and cooking pieces will be critical. We estimate the equipment budget to be around \$40,000. This investment would show an ROI in the first 30-60 days of operations.

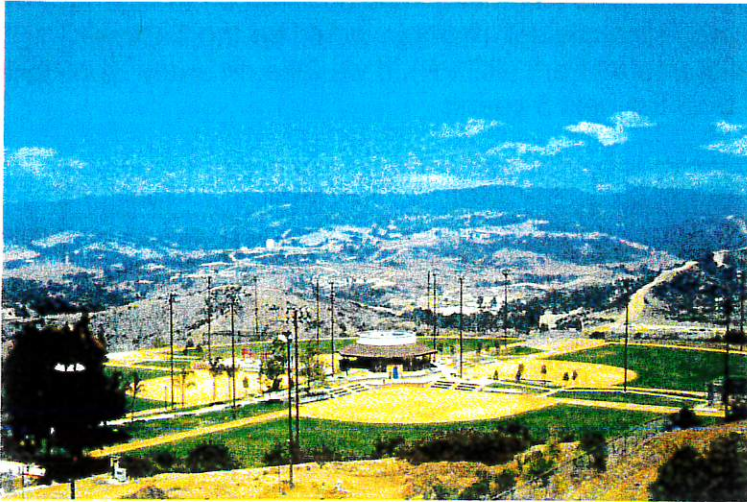
Simple Calculation The city would need a seasonal employee to manage this concession. If the city outsources this concession for 10%, and the sales are \$500,000 annually (with 30,000 people daily, which calculates to 17 cents per person walking by), then the city would receive \$50,000 a year. If the operation is managed by the city with \$500,000 in revenue, the city would receive \$200,000 to \$250,000 a year. So over 10 years, the city can



have \$500,000 in rent, or manage in house and have \$2,500,000 in revenue.

Richard T Steed Memorial Park:

Summary: Richard Steed Memorial Park (RSMP) is the final concession operation we were asked to review. The facility has 4 full-sized baseball/softball fields that include batting cages and a large



concession operation. There is a \$2.00 entry for every adult who is not a player, or a coach and this fee has also been collected by the concession operator. There is also no outside food and beverage allowed and this is strictly enforced at the front gate This venue is very unique in the fact that it is a tournament venue that hosted 118 tournament days for out-of-town groups.

The venue has been operated by one vendor since 2008 and the agreement has some very clear stipulations including:

“Any income earned by the tenant for imposition of the gate fee shall be included in the total monthly gross sales...Payment shall be accompanied by an itemized statement showing gross sales derived from all business and operations... tenant shall maintain full, complete, and accurate books, records, and accounts of all DAILY gross sales for a minimum of 3 years...”

Over the past 13 years, the city has only received the minimum from the vendor nearly every year (see document to the right).

PFFW recommends the City of San Clemente takes this whole operation in-house for the benefit of increasing city revenues.

glAnq 11/20/2020 6:01:28AM		Account Information SAN CLEMENTE					
Account No: R 001-000-36238-000-		Title: STEED PARK CONCESSION					
		Rent Received					
Account History							
Year	Total Budget	Revenues	Balance				
2021	19,000.00	0.00	19,000.00				
2020	19,000.00	12,576.76	6,423.24				
2019	18,500.00	19,222.87	722.87-				
2018	18,500.00	19,090.17	590.17-				
2017	18,500.00	18,845.28	345.28-				
2016	18,000.00	18,301.99	301.99-				
2015	18,000.00	18,776.83	776.83-				
2014	18,000.00	18,945.23	945.23-				
2013	20,000.00	18,517.25	1,482.75				
2012	20,000.00	18,541.32	1,458.68				
2011	20,000.00	20,379.35	379.35-				
2010	20,000.00	16,924.39	3,075.61				
2009	15,000.00	23,696.68	8,696.68-				
2008	31,000.00	8,987.00	22,013.00				
2007	0.00	0.00	0.00				
2006	0.00	0.00	0.00				
Account Activity							
Period	Total Budget	Revenue	Balance				
1	19,000.00	0.00	19,000.00				
Totals:	19,000.00	0.00	19,000.00				
Period	Jrnl	Doc Type	Doc Date	Post Date	Group	Transaction Detail Reference	Descr

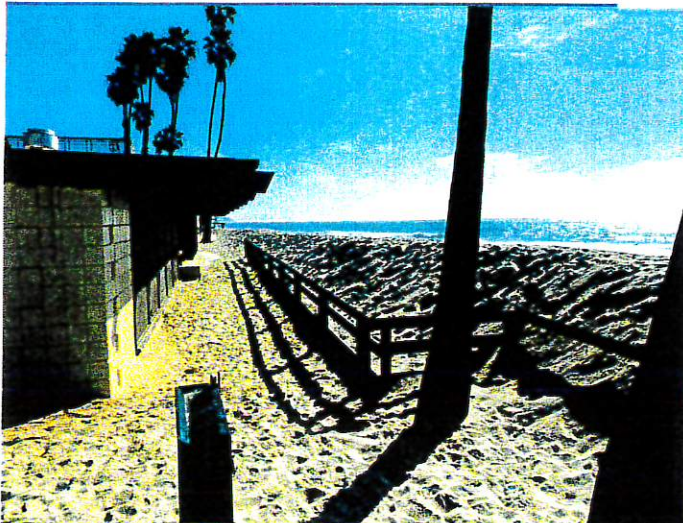
Return on Investment

In our experience, concessions that are outsourced generate around 10% of the gross sales. However, if the concessions are managed in-house, cities can make 40%-50% net on the same concessions. The two concessions we recommend the city self-manage would be the T-Street operation on the beach and the Richard Steed Memorial Park (RSMP). If we take on a new approach to all of our concessions, here is the potential over the next 5 years:

REVENUE	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025	Total
RSMP	TBD	\$1,000,000	\$1,200,000	\$1,400,000	\$1,500,000	
T-Street on the beach	\$600,000	\$900,000	\$1,000,000	\$1,100,000	\$1,250,000	
	\$800,000	1,900,000	2,200,000	2,500,000	2,750,000	
FOOD COST-25%						
RSMP	TBD	(\$250,000)	(\$300,000)	(\$350,000)	(\$375,000)	
T-Street on the beach	(\$150,000)	(\$225,000)	(\$250,000)	(\$275,000)	(\$315,000)	
Total Food Cost	(\$150,000)	(\$475,000)	(\$550,000)	(\$625,000)	(\$690,000)	
Labor Cost-25%						
RSMP	TBD	(\$250,000)	(\$300,000)	(\$350,000)	(\$375,000)	
T-Street on the beach	(\$150,000)	(\$225,000)	(\$250,000)	(\$275,000)	(\$315,000)	
Total Labor Cost	(\$150,000)	(\$475,000)	(\$550,000)	(\$625,000)	(\$690,000)	
Other - 5%						
RSMP	TBD	(\$50,000)	(\$60,000)	(\$70,000)	(\$75,000)	
T-Street on the beach	(\$30,000)	(\$45,000)	(\$50,000)	(\$55,000)	(\$62,000)	
Total Other Cost	\$30,000	\$95,000	\$110,000	\$125,000	\$137,000	
Total Costs	\$330,000	\$1,045,000	\$1,210,000	\$1,375,000	\$1,517,000	
City in house profits	\$270,000	\$845,000	\$990,000	\$1,125,000	\$1,233,000	\$4,463,000
City 10% Profits	\$60,000	\$190,000	\$220,000	\$250,000	\$275,000	\$993,000

Conclusion:

PFFW was contracted to review all of the existing concession contracts and provide recommendations on the future of these concession opportunities.



The contracts for the T-Street concession, the Sportsplex Concession at the Memorial Park, and the concession at the pier are all expiring and the COSC was looking for a strategic plan to move forward. PFFW spent two days working with the representatives of the city of San Clemente including Samantha, on the potential opportunities of these concessions.

The concession at the pier is by far the most difficult to manage. Food delivery, staff parking, the size of the building, and the great restaurants nearby limit the potential and although it is a great site, PFFW would recommend continuing with the current vendor.

The T-Street concession has been managed by one vendor for nearly 30 years. The city collected just \$28,900 in rent for the entire contract. PFFW recommends the city bring this concept in-house and manage this operation along with the sports complex. This creates an initial seasonal position to manage the concession. Located right on the beach, T-street will be a million-dollar operation in just 100 days of operations.

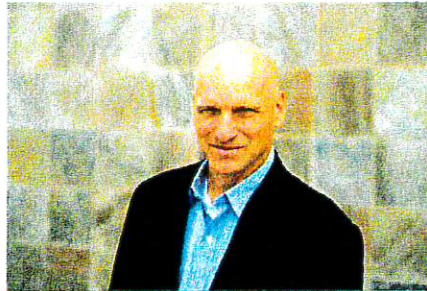
The North Beach concession is a great site with phenomenal potential. The city can utilize the same F&B manager to oversee this operation as well.

PFFW also recommends the city manage the Steed Park concession in-house as well. These venues are worth millions to the city and with the challenges of maintenance fees and other expenses, this is the time for COSC to offset the expenses with this revenue.

PFFW can assist the city in providing the roadmap to success. We can assist in developing all of the menus and teaching the city how to self-manage these facilities. As outlined in the ROI, the city will have more than 4.5 million in net profits over a 5-year span if they self-manage, or just 20% of that amount if the operations are subbed out.

If you have any questions about this report or need any clarifications, please do not hesitate to contact us at Profitable Food Facilities Worldwide.

Consultant Contact Information



MIKE HOLTZMAN
CEO/MASTER CONSULTANT

Tel (858)748-7333

mike@profitablefood.com

Mike Holtzman is at your service to assist with anything you need regarding this report and the recommendations offered within. Do not hesitate to contact me with questions or concerns.

Company Information



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