



PARK BOARD STUDY SESSION

3 p.m. Thursday, Feb. 4, 2021

WebEx virtual meeting

Park Board members:

X Jennifer Ogden – President
X Bob Anderson – Vice President
X Garrett Jones – Secretary
X Nick Sumner
X Rick Chase
X Greta Gilman
X Sally Lodato
X Gerry Sperling
X Barb Richey
Hannah Kitz (Absent/excused)
Kevin Brownlee (Absent/excuse)
X Michael Cathcart – City Council liaison

Guests:

Mark Starr
James Richman

Staff:

Jonathan Moog
Jason Conley
Amy Lindsey
Jennifer Papich
Fianna Dickson
Jo-Lynn Brown
Al Vorderbrueggen
Pamela Clarke

Agenda

1. **Roll call:** *See above*
2. **Public comment:** None
3. **Presentation:**
 - A. **Food and beverage services at Riverfront Park, Manito Park and Dwight Merkel Sports Complex** – Amy Lindsey presented an [overview](#) of the food and beverage services contract at Riverfront Park, Manito Park and Dwight Merkel Sports Complex.
 - 1) Background: In November 2018, staff issued a Request for Proposal (RFP) for exclusive concessions at the Pavilion, exclusive catering at the Pavilion, Loeff Carrousel and Sky Ribbon, and non-exclusive park-wide services at Riverfront Park. Due to a low response to the first RFP, a second one issued August 2019. Lancer Food Holdings was again the only response to the RFP.
 - 2) Contract awarded to Lancer: In March 2020, the Park Board approved a five-year contract with Lancer for food and beverage services at all Parks sites, including Sky Ribbon Café, Loeff Carrousel Concessions, Manito Park Bench Café, Merkel Sports Complex Concessions, Pavilion concerts, and park-wide catering. Due to Covid, park attractions closed and all concerts were postponed. Lancer and Parks agreed to postpone the food services transition.
 - 3) Interim food services: Last July, Parks entered into agreements with Eat Good Group and Udder Delight who provided food services at the Sky Ribbon and Manito Park Bench Café, respectively.
 - 4) Potential long-term solutions: Staff offered the following options: 1) cancel or renegotiate with Lancer and issue an RFP for a local operator to provide food services at the Park Bench Café; and 2) retain the current Lancer agreement and incorporate local business services into Lancer's portfolio.

4. **Discussion:** The study session group discussed the RFP process, an option of renegotiating with Lancer, and the potential of incorporating a hybrid approach for food and beverage services. Some concern was shared that local restaurants/catering services had not seen the RFPs issued in 2018 or 2019. David's Pizza Owner Mark Starr stated he had not seen either RFP. Staff explained they contacted a number of local caterers, include Longhorn Barbeque and Nectar, to inquire if they had an interest in responding to the RFP. Ms. Lindsey explained the RFP was advertised in the paper by the city's Purchasing Department, and direct outreach and on-site tours were provided by staff to potential respondents. When calling the local concessionaires to find out why they didn't respond, Ms. Lindsey said they voiced their concern about the timing of the first RFP stating it was the holiday season and the turnaround time was too tight. Park Board members stressed the importance of supporting local businesses and encouraged staff to look into a hybrid approach which would include local caterers and Lancer. Questions were raised as to whether there are any caterers in the Spokane area who can handle events as large as those planned at the Pavilion. Mr. Starr explained David's Pizza and Longhorn Barbeque provide food service at the Dealer Auto Auction which involves serving approximately 5,000 people over a three-hour period. When asked if there is a coalition of local restaurants/caterers who could respond to the RFP, Mr. Starr explained the Spokane Hospitality Coalition (SHC) could respond. SHC did not exist when the second RFP was advertised in 2019. Ms. Lindsey said she recently spoke to representatives from Lancer and the concessionaire at the Spokane Public Facilities District, S. Levy. Both explained it would financially make the most sense to have a park-wide agreement, not just one for the Pavilion. Nick Sumner stated the importance of acknowledging and responding to changing times. When the second RFP was issued 19 months ago things were much different. In light of Covid and the current economic climate, the board should, even more than ever, support local businesses and citizens as much as it possibly can.
5. **Next steps:**
- A. Park Board consensus: While there was no formal vote taken, there was consensus among Park Board members present to seek a hybrid food service solution. Ms. Ogden suggested the board provide the following direction to staff: 1) go back to Lancer and look at renegotiating the contract; 2) see if there are options that will include local restaurateurs; 3) ask Lancer if they are willing to reduce their investment requirements; and 4) if necessary, look at issuing a new RFP. Staff was directed to delay Lancer's startup of operations at Parks which was scheduled for March 22. Eat Good Group, the current concessionaire at the Ice Ribbon, will be asked to extend their food service at the park.
- B. Working group: Ms. Ogden appointed a working group to meet with staff to reevaluate the current contract. The working group will include Mr. Sumner, Rick Chase, Gerry Sperling and Bob Anderson. Findings and opinions from the working group will be reported back to the Park Board.
6. **Adjournment:** The meeting was adjourned at 4:23 p.m.

Approved by: _____
Garrett Jones, Director of Parks and Recreation

2021 food service study session



overview and goals

Parks is currently under contract with Lancer Hospitality to provide food and beverage services at all sites including future concerts at the U.S. Pavilion. The 2020 Pandemic offered us the opportunity to support the Skate Ribbon and Manito Park Bench Café with small/local business when Lancer Hospitality postponed services.

1. Review past, current and future food service initiatives at Parks and Recreation owned and operated facilities.
2. Explore current and new solutions to incorporate additional community business.

food service locations & operations

1. Sky Ribbon Café
2. Looff Carousel Concessions
3. Pavilion Concessions
4. Manito Park Bench Café
5. Merkel Sports Complex Concessions
6. Park-wide Catering (Community engagement events, 4th of July beer garden, birthday parties, private/corporate/weddings events, backstage catering for artist/tours, etc.) May expand catering opportunities to outer parks.

why outsource?

1. Pavilion operations
2. Food service equipment needs (8+ new concert POS)
3. Continued labor challenges
4. Expertise, not our primary business / core service

Goals:

- Retain operational consistency and oversight given seasonal changes related to volume and labor (ramp up and down quickly, share staff between locations)
- Risk and Expertise – Additional resources to comply with industry best practices. Lowers our risk for food related problems
- Have a more robust food service safety and service training programs

food service program timeline



1978 - 1991	1974 – 80s: After EXPO – Pavilion restaurant, Fountain Café Pavilion, Loeff Carrousel, Manito Park Bench Café Private Operators
1991	Parks takes food service in-house, hires first food and beverage manager
Nov 2018	Parks issued an RFP for concessionaire services that included the following: <ol style="list-style-type: none">1. Exclusive concessions at the U.S. Pavilion2. Exclusive catering at U.S. Pavilion, Loeff Carrousel and Skate Ribbon3. Non-exclusive park-wide catering at Riverfront Park
Aug 2019	Re-issued RFP due to low response rate and feedback from local concessionaries who cited poor timing and tight turnaround time Spoke directly with and provided site visits with additional potential partners Outcome: Received one response from Lancer Hospitality
Mar 2020	Contract approved by Park Board
Mar 2020	COVID
	Attractions Closed - Events & Life Cancelled
	Lancer-Parks agree to postpone transition
June 2020	IRFP issued for concessionaire services Skate Ribbon & Manito Park Bench Café
July 2020	Entered into agreements with Eat Good Group (Sky Ribbon Café) and Udder Delight (Manito Park Bench Café)

lancer hospitality key deal points



- Exclusive Concessionaire – Pavilion, Numerica Skate Ribbon, Looff Carrousel, Merkel Sports Complex and Manito Park Bench Café
- Exclusive Caterer – Riverfront indoor event and meeting spaces
- Non-Exclusive Caterer – Riverfront outdoor venues and other venues as arranged
- 13 Blackout dates for annual community events
- 11% Commission – Concessions | 14% Commission – Catering
- 15% Commission – Pavilion Concerts (up to \$500K) / 20% Commission (over \$500K)
- \$175K investment to support concessions and catering services (\$125K Year 1, \$50K Year 3) | \$15,000 annual investment in marketing and sales initiatives
- Coordinate and fund city equipment repairs (up to \$5,000 per year)
- Procure/pay Liquor License Permits
- Fund alcohol enforcement agents for Pavilion concert series (50+ staff)
- Implement Mystery Shopping Program

2020 operational review



Manito Park Bench Café Revenue Comparison 2019-2020

	July	Aug	Sept	TOTAL
2019	\$ 45,792	\$ 40,995	\$ 3,400	\$ 90,187
2020	\$ 55,124	\$ 73,400	\$ 40,000	\$ 168,524

Sky Ribbon Café Revenue Comparison 2019-2020

	Aug	Sept	Oct	Nov	Dec	TOTAL
2019	\$25,415	\$8,916	\$3,988	\$9,409	\$34,548	\$84,295
2020	\$6,695	\$6,923	\$5,951	\$3,039	\$14,061	\$36,670

potential solutions



Solution: Cancel (or renegotiate) Lancer Hospitality Contract, Issue RFP for local operator at Manito Park Bench Café

Pros:

- Provides local economic impact in the wake of COVID
- Supports local businesses and great story to tell
- Community often prefers to support local, recognized brands, which could boost sales
- We had great success with Ben & Jerry's at Manito Park Bench Café

Cons:

- Jeopardizes operations of Looff Carousel Concession, Merkel Sports Complex and Sky Ribbon Café
- Loss of Pavilion operator – RFP and contracting timeline is very tight at this point in time
- Potential loss of \$175K capital investment, \$15K marketing funds, \$5K equipment repair
- City of Spokane is prohibited by state law to exclude firms from competition based on their location
- Damages Park's integrity from a business partner standpoint. Lancer's time and effort to date (e.g. travel, menu development, responded to RFP twice) and honoring our commitments.

potential solutions



Solution: Retain current Lancer Hospitality agreement, incorporate local business products and services into Lancer's portfolio

Pros:

- Maintains operational consistency and oversight: Structured to support seasonal changes related to volume and labor challenges (ramp up and down quickly, share staff between locations)
- Risk and Expertise: More resources to comply with industry best practices. Lowers our risk for food related problems
- Streamlines communication, billing/administration (e.g. contracts, procurement)
- Provides access to robust food service safety and service training programs
- Opportunity to incorporate local products/brands thought all parks and recreation locations

Cons:

- Takes operational opportunity away from community based operators
- Outside organizations lack in-depth understanding of local culture, food service landscape and community-based initiatives

lancer hospitality's local product plan

- Partnership with Greater Spokane Food Truck Association
- Exclusive local coffee provider
- Sell local baked good (Alpine Bakery, Thomas Hammer)
- Local ice cream organization
- Craft beer operations
- Additional partners TBD

next steps + estimated timelines

1. Status Quo – March 22 Initiate Lancer Transition
2. Explore Hybrid Option/Contract Amendment (1-2 Months)
3. Issue RFP (5+ Months)



thank you!

