

Lake Harriet Concessions
Lake Harriet CAC
May 19, 2009
Project Background – Page 1

- The Minneapolis Park and Recreation Board Commissioners were presented with options to operate the concessions in March, 2002 (section 12, CAC Book)
- The two options that were reviewed in 2002 were private operators or self operating with profit incentives for employees (section 12, CAC Book)
- The concessions had a low profit margin when the Park Board ran the operations prior to 2002 (section 14, CAC Book)
- Prior to 2002 the concession had been operated with a limited menu of ice cream, pop corn, hot dogs, and pop
- The emphasis was on providing a public service with hours that met the park users needs
- The first private operator to run a concession was Schwick, Inc at Lake Harriet in 2002 (section 11, CAC Book)
- The second private operator to run a concession was the Tin Fish at Lake Calhoun in 2004 (section 11, CAC Book)
- The third private operator to run a concession was Sea Salt at Minnehaha Park in 2005 (section 11, CAC Book)
- The private operators at Lake Calhoun and Sea Salt have offered an expanded menu selection and both operations have been very successful (both are profitable and have received strong public support)
- The 2008 profit for concessions was an all time historical high of \$222,136 (section 14, CAC Book)

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- The Minneapolis Park and Recreation Board Commissioners have strongly rated revenue diversification and use of partnerships as means of creating financial sustainability for the park system (budget work session 2009)
- The 2009 budget adopted by the Commissioners includes concession expansion as a budget strategy (Strategy 7, page 13 of the 2009 Budget)
- The operator contract for the Lake Harriet concession ended on December 31, 2008 (section 11, CAC Book)
- A Request for Proposals (RFP) was issued on August 15, 2008 for the operation of the Lake Harriet concession (section 3, CAC Book)
- Based on Board priorities and sentiments we have heard from the public , the RFP outlined the following key concepts:
 1. Maximizing income to the Minneapolis Park and Recreation Board
 2. Providing reliable service to the public with extensive hours and minimal closings
 3. A unique venue oriented to the neighborhood and visitor demographics
 4. An environmentally friendly business approach
 5. An expandable business approach to meet the needs of the large crowds during the concert series
 6. An operator with the resources to invest into the equipment and facility improvements
 7. A menu and venue that matches the excitement and energy of the band shell while maintaining the traditional favorites (popcorn and ice cream)
 8. A venue that respects and appreciates the unique setting and backdrop of Lake Harriet
 9. An operator with integrity and commitment to the park system and park patrons

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Timeline for Lake Harriet Concessions

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| August 15, 2008 | RFP for Lake Harriet Concessions released, because the current contract was to expire on December 31, 2008. |
| October 17, 2008 | Proposals for Lake Harriet Concessions due. |
| November 2008 | Initial proposals evaluated by MPRB staff, along with two citizens, selected by Commissioners Fine and Nordstrom. Those that submitted proposals had an opportunity to come and present their concepts to MPRB staff and the two citizens. |
| December 2008 | Proposal addendum requests sent to those who had submitted proposals in order to get a better comparative analysis of the options. Addenda received and evaluated by MPRB staff, along with citizen input. |
| December 31, 2008 | Contract for previous concession operator expires. |
| January 2009 | MPRB staff with citizen input, identifies Sea Salt Eatery and Wheel Fun Rentals as their top choices to operate concessions at Lake Harriet with the recommendation to expand concession operations at the venue. A copy of the initial RFP along with all proposals and addendums submitted can be found in the Lake Harriet CAC Binder. |
| January 21, 2009 | Contracts for Sea Salt Eatery and Wheel Fun Rentals presented to MPRB Administration and Finance Committee for review and approval. Motion tabled and moved to Planning Committee. |
| February 18, 2009 | Planning Committee does not approve recommendations to expand concession operations at Lake Harriet and instead moves to create a CAC |
| Mar. 4, 2009 | Board approves one-year concession agreement for 2009 with Wheel Fun Rentals for current concession operation. Board approves final charge of CAC. |
| April 2009 | CAC appointees selected and notified. |