

**APPROVED**  
AUG 12 2015

BOARD OF RECREATION  
AND PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 15-191

DATE August 12, 2015


C.D. 4

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH PARK – GREEK THEATRE – ADDENDUM NO. 2 TO REQUEST FOR PROPOSALS FOR THE OPERATION AND MAINTENANCE OF THE GREEK THEATRE FOOD AND BEVERAGE CONCESSION (CON-F15-002)

R. Barajas \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
\*V. Israel ✓ \_\_\_\_\_

K. Regan \_\_\_\_\_  
N. Williams \_\_\_\_\_

  
\_\_\_\_\_  
General Manager

Approved ✓

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the draft Addendum No. 2 to Request for Proposals for the Operation and Maintenance of the Greek Theatre Food and Beverage Concession (CON-F15-002); and
2. Authorize the General Manager or designee to make any necessary technical changes consistent with the intent of these actions to administer this request for proposals.

SUMMARY:

The Greek Theatre is located at 2700 North Vermont Avenue in Griffith Park and was officially dedicated in 1929. Since that time, it has provided entertainment and cultural events to the general public and residents of Los Angeles.

On April 15, 2015, the Board of Recreation and Park Commissioners (Board) approved General Manager's Report No. 15-082 authorizing the Department of Recreation and Parks (RAP) to proceed with implementation of an open venue model at the Greek Theatre. On May 4, 2015, a special meeting of the Commission Task Force on Concessions (Task Force) was held to discuss two (2) draft Request for Proposals (RFP), one for Oversight of the Greek Theatre's Open Venue Model and the other for the Operation and Maintenance of the Greek Theatre Food and Beverage Concession.

## REPORT OF GENERAL MANAGER

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On May 20, 2015, the Board approved General Manager's Report No. 15-111 authorizing RAP staff to release the two (2) RFPs. On June 26, 2015, the Request for Proposals for the Operation and Maintenance of the Greek Theatre Food and Beverage Concession (CON-F15-002) (Food and Beverage RFP) was released. The Food and Beverage RFP was advertised in the Los Angeles Daily Journal and posted to the Los Angeles Business Assistance Virtual Network (BAVN).

### DISCUSSION

On July 14, 2015, a mandatory pre-proposal conference and mandatory site walk were held as required by the Food and Beverage RFP. During the site walk of the Greek Theatre, several potential proposers expressed concerns with the available kitchen equipment. Addendum No. 1 was issued on July 29, 2015 in part to extend the proposal due date to Tuesday, August 25, 2015 to provide time for the Board to consider Addendum No. 2, to extend the deadline for questions to August 11, 2015 and to add a contracting requirement, Iran Contracting Act of 2010.

Addendum No. 2 (Exhibit A) addresses the concerns regarding equipment by providing an equipment credit of up to Two Hundred Thousand Dollars (\$200,000.00) for the successful proposer to purchase or lease major equipment for the operation. The successful proposer must obtain RAP's pre-approval for the purchases or leases. If the equipment is purchased, RAP retains ownership of the equipment. The equipment credit will be reduced from the successful proposer's monthly revenue sharing payments to RAP in the first year of operation. There shall be no equipment credit for either of the two (2) extension options, if they are exercised by RAP and the Board. The equipment credit will encourage proposers to respond to the RFP.

### FISCAL IMPACT STATEMENT

Approval of Addendum No. 2 would provide an equipment credit of up to Two Hundred Thousand Dollars (\$200,000.00) to the successful proposer. This credit would reduce the food and beverage revenue minimum of One Million Three Hundred Thousand Dollars (\$1,300,000.00) in the first year of the agreement. There are no equipment credits for any of the two (2) extension options.

This Report was prepared by Agnes Ko, Senior Management Analyst II, Partnership and Revenue Branch, Concessions Unit.

**BOARD OF RECREATION AND  
PARK COMMISSIONERS**

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MAYOR

August xx, 2015

**DEPARTMENT OF  
RECREATION AND PARKS**

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**MICHAEL A. SHULL**  
GENERAL MANAGER

**REQUEST FOR PROPOSALS  
FOR THE OPERATION AND MAINTENANCE OF THE GREEK THEATRE  
FOOD AND BEVERAGE CONCESSION  
(RFP #CON-F15-002)**

***ADDENDUM NO. 2***

The Request for Proposals for the Operation and Maintenance of the Greek Theatre Food and Beverage Concession (RFP) has been modified as follows:

1. Section IV. Proposal Items, A. Business Plan-Refer to II. Objective of the Request for Proposals:

Delete the third paragraph on page 4, which reads:

Proposers must provide all concession related equipment, including but not limited to kitchen equipment, mobile food and beverage carts, point of sale systems, credit/debit card machines, and must maintain all equipment in good working condition throughout the term of the Agreement. A list of major equipment must be included in the proposal response.

Replace with the following new third paragraph:

Proposers must provide all concession related equipment necessary to provide the quality services required in the RFP. All equipment and smallwares remaining at the venue after the current operator vacates the venue become Department property. If any of the major equipment such as stoves, ovens, fryers are removed from the premises by the current operator, the successful proposer will be responsible for the purchase or lease of all equipment required for the operation. The Department will provide an equipment credit, up to Two Hundred Thousand Dollars (\$200,000.00), for certain major equipment replacement. The equipment credit will be reduced from the successful proposer's monthly revenue sharing payments to the Department in the first year of operation. The successful proposer must submit a minimum of three (3) bids for the equipment and must obtain the Department's pre-approval prior to the



purchase or lease of the equipment. The newly purchased equipment for which the successful proposer is receiving the equipment credit shall become Department property. Under no circumstances shall the equipment credit exceed Two Hundred Thousand Dollars (\$200,000.00). The successful proposer will be required to purchase all smallwares, such as small counter top equipment, including, but not limited to, the point of sale registers.

There shall be no equipment credit for either of the two (2) extension options, if they are exercised by the Department and the Board.

All other information within Section IV. Proposal Items remains the same.