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**City of New York
Parks & Recreation**

The Arsenal
Central Park
New York, NY 10065
www.nyc.gov/parks

MEMORANDUM

TO: All Prospective Proposers

FROM: Andrew Coppola, Senior Project Manager *AC*

SUBJECT: Notice of Intent to Enter into Negotiations for the operation, renovation and maintenance of a restaurant, snack bar and rowboat rental at the Loeb Boathouse, Central Park, Manhattan.

DATE: August 5, 2022

In accordance with Section 1-14 of the Concession Rules of the City of New York ("Concession Rules"), the New York City Department of Parks and Recreation ("Parks") intends to enter into a negotiated concession for a license agreement for the operation, renovation and maintenance of a restaurant, snack bar and rowboat rental at the Loeb Boathouse, Central Park, Manhattan. The selected operator must be able to operate, renovate, and maintain the facility as a high-quality restaurant, snack bar and rowboat rental amenity for the public. The selected operator must also act in good faith to seek to accommodate any events booked with the current concessionaire.

The concession will have a term not to exceed ten (10) years. The concession will be operated pursuant to a license issued by Parks; no leasehold or other proprietary right will be offered. The concession is projected to commence around Spring/Summer 2023 and will expire no more than 10 years from the commencement date. As compensation to the City, Parks anticipates receiving a license fee, expressed as the greater of a guaranteed annual minimum fee versus a percentage of gross receipts.

At this time, it is neither practicable nor advantageous to award this concession by competitive sealed proposals or competitive sealed bids due to the existence of a time-sensitive situation as the existing concessionaire repudiated its concession agreement by notice dated July 14, 2022, in which it announced the closure of the concession effective as of October 16, 2022. The concession must be awarded quickly, or the facility will remain vacant and significant revenues lost. Delay in placing a new operator will not only be a loss for the public in their use of the restaurant, event space, and boat rental, it will also require Parks to expend significant resources to maintain and secure this facility in Central Park, including but not limited to performing routine maintenance on the electrical and plumbing systems, ensuring proper pest control, and monitoring the facility so it is not damaged. Absent a negotiated concession, this facility, in the most visited city park in the country, will be closed, service to the public will be interrupted, and significant concession revenue will be lost by the City (the timeframe for an award via competitive sealed proposals or competitive sealed bids for this concession would be more than a year from solicitation to award). For reference, the gross receipts reported for this concession in operating year 2021 were \$13,143,764.91. For all of these reasons, it is in the best interest of the City to pursue a negotiated concession for this facility.

Potential concessionaires that would like to express interest in the proposed concession and/or obtain additional information concerning the concession may contact Andrew Coppola, Senior Project Manager for the Revenue Division, at (212) 360-3454 or via e-mail at Andrew.Coppola@parks.nyc.gov by August 19, 2022. Thereafter, there will be a process for submission of proposals. Parks will evaluate the proposals on the bases of capital investment, improvement and designs; operating experience; financial capability; planned operations; and fee offer. Where applicable, Parks may condition the award of this concession upon the successful completion of PASSPort (the Procurement and Sourcing Solutions Portal) Questionnaires and review of that information by the Department of Investigation. In addition, any person or entity with at least a 10% ownership interest in the submitting vendor (including a parent company), may be required to complete PASSPort Questionnaires (Principal Questionnaire for any person and Vendor Questionnaire for any entity with at least a 10% ownership interest in the submitting vendor).

This concession has been determined not to be a major concession as defined by Chapter 7 of the Rules of the City Planning Commission.

Please note that the concession award is subject to applicable provisions of federal, State, and local laws and executive orders requiring affirmative action and equal employment opportunity.

The New York City Comptroller is charged with the audit of concession agreements in New York City. Any person or entity who believes that there has been unfairness, favoritism or impropriety in the proposal process should inform the Comptroller, Office of Contract Administration, 1 Centre Street, New York, New York 10007, telephone number (212) 669-2323.

Please address any questions and/or correspondence relating to the potential concession award to Andrew Coppola, Senior Project Manager for the Revenue Division, at (212) 360-3454 or via e-mail at Andrew.Coppola@parks.nyc.gov (Office of the Revenue Division, City of New York Parks, The Arsenal-Central Park 830 Fifth Avenue- Room 407 New York, New York 10065).