

**OFFICE OF THE CITY MANAGER
DES MOINES, IOWA**

**CITY COUNCIL COMMUNICATION 96-282
JULY 1, 1996 AGENDA**

| SUBJECT: | TYPE: | SUBMITTED BY: |
|--|---|---|
| BIRDLAND MARINA CONCESSION CONTRACT | ◆ RESOLUTION ORDINANCE RECEIVE/FILE | DON TRIPP PARK & RECREATION DIRECTOR |

SYNOPSIS —

To approve a Birdland Marina concessionaire contract for watercraft rental and pre-packaged food and beverage sales through September 15, 1996.

FISCAL IMPACT —

With a season which closes as of September 15, 1996, the Park and Recreation Department anticipates a maximum of \$4,900 net revenue. Staff received a bid of the following percentages:

| <u>Gross Revenue</u> | <u>Minimum % to City</u> |
|----------------------|--------------------------|
| \$ - 0 - to \$45,000 | 10 % |
| \$45,001 to \$55,000 | 8% |
| \$55,001 to \$65,000 | 6% |
| \$65,001 to \$85,000 | 8% |
| \$85,001 and over | 10% |

RECOMMENDATION —

Approval.

BACKGROUND —

Family Boat Rentals contacted the City in the late spring of 1996 requesting permission to operate a Birdland Marina concession, to include watercraft rental and possibly, some food/beverage sales. The concept of such a public opportunity was recommended in the Birdland Marina Study conducted by Dunbar and Associates in 1991. The Marina has recently been rebuilt with new docks, harbor wall, utility, parking, landscaping, and dredging. Use by slip rental and public access has waned in recent years, believed to be the result of the deteriorated condition. The prospective concessionaire's contract will not only provide a non-boat owner opportunities to enjoy the Des Moines River, but will provide significant visibility to Birdland Marina due to the concessionaire's planned advertising.

A concession agreement for the remainder of the 1996 season only is recommended as a pilot project. Information gained by the City's full review of the concessionaire's financial records will provide good detail to encourage others to competitively bid future concessionaire rights. Staff will also assess other impacts of this operation on the other river users and the immediate neighborhood.