

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

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

99-346

SYNOPSIS -

AGENDA:

AUGUST 2, 1999

SUBJECT:

BOTANICAL
CENTER GARDEN
GATE CAFE
AMENDED 28E
AGREEMENT WITH
FRIENDS OF THE
DES MOINES
BOTANICAL
CENTER, INC.

The East Euclid Hy-Vee Food Store, the current concessionaire in the Garden Gate Cafe, and the Board of Directors of the Friends of the Des Moines Botanical Center, Inc. have requested the 28E Agreement between the Friends and the City be modified to state that the 15 percent commission on catered food provided by the concessionaire to groups or individuals holding events or meetings at the Botanical Center be eliminated. In return for this consideration, the East Euclid Hy-Vee will enhance their marketing efforts of the Garden Gate Cafe, improve the menu and quality of service, and maintain all of the appliances in the Garden Gate Cafe.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT -

Over the remaining 18 months of the concessionaire's contract, the fiscal impact is probably neutral. The City has expended \$1,054.84 on equipment repair in the current fiscal year (FY) and \$516.24 in FY 1997-98. The concessionaire believes the 15 percent to be a stumbling block. The pledged changes in the Cafe's menu and method of operation will have a positive impact on Cafe sales; therefore, resulting in more revenue to both the City and the Friends.

SUBMITTED BY:

DONALD TRIPP
PARK AND
RECREATION
DIRECTOR

RECOMMENDATION -

Approve resolution for the amendment to the 28E Agreement with the Friends of the Des Moines Botanical Center, Inc.

BACKGROUND -

The current concessionaire in the Garden Gate Cafe believes that they are at a competitive disadvantage when bidding for

catering jobs for private events held at the Botanical Center because of the 15 percent commission that they, and not competing caterers, are required to pay. The end product of ongoing negotiations between the Garden Gate Cafe Committee of the Friends of the Des Moines Botanical Center, Inc. Board of Directors and the East Euclid Hy-Vee Food Store management, is the recommendation under consideration.

Groups or individuals holding events at the Botanical Center and leasing space for a fee have the right to use any caterer. (Note: Currently, City Boards or Commissions or related groups like the Des Moines Metropolitan Planning Organization (DMMPO) holding meetings at the Botanical Center and receiving free space must use the concessionaire for catered food service.) In addition, all groups have the right to bring in and/or prepare on site their own food. The right of choice of food source is exceptionally important because it helps to insure the affordability of the Botanical Center's space rental program to a broad cross-section of the community. Any change in this policy would increase the cost of renting space at the Botanical Center and limit or restrict access to individuals and groups within the community. The current proposal does not increase rental costs, still enables groups or individuals to bring in their own food, and encourages competitive pricing for food catering services. Additionally, Hy-Vee has agreed to a series of management changes which are designed to improve the menu, marketing, and customer service of the food service business at the Botanical Center.