

REPORT OF GENERAL MANAGER

NO. 05-318

DATE December 14, 2005

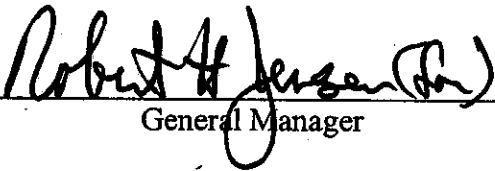
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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH PARK PONY RIDE - AWARD OF 10-YEAR CONCESSION AGREEMENT TO HEAVENLY PONIES AND CRITTERS

J. Combs \_\_\_\_\_  
H. Fujita \_\_\_\_\_  
S. Huntley \_\_\_\_\_  
B. Jensen \_\_\_\_\_

J. Kolb \_\_\_\_\_  
\*F. Mok 20.  
K. Regan \_\_\_\_\_  
M. Shull \_\_\_\_\_

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

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

- 1) Award the Pony Ride Concession at Griffith Park to Heavenly Ponies and Critters;
- 2) Approve a 10-year concession agreement with a five-year renewal option at the sole discretion of the City, substantially in the form as on file in the Board Office; subject to approval of the Mayor, in accordance with Executive Directive No. 3, and approval of the City Council, and approval of the City Attorney as to form;
- 3) Direct the Board Secretary to transmit the proposed agreement to the Mayor and City Attorney; and,
- 4) Authorize the Board President and Secretary to execute of the subject agreement upon receipt of necessary approvals.

SUMMARY:

The historic Griffith Park Pony Ride concession located at the main entrance of Griffith Park began operation in 1948 and has since served generations of Los Angeles residents and out of town visitors. The pony ride is adjacent to a miniature Train Ride and food concessions stand. All three are established and successful businesses operated by respective and independent concessionaires whose agreements are administered by the Department's Concessions Unit.

REPORT OF GENERAL MANAGER

PG. 2

NO. 05-318

Combined, these attractions formulate a key draw for visitors to Griffith Park and generate approximately \$240,382 in annual revenue for the City.

2004	Pony Ride	Refreshment Stand	Train Ride
Gross Receipts	\$581,440	\$229,613	\$1,137,791
Rent to City	\$115,066	\$26,627	\$98,689

In 1978, the Pony Ride concession was awarded to Thomas T. Wright as a ten-year agreement, expiring in June of 1989. The contract transferred to Hank W. Bronk in June, 1980. After expiration, Mr. Bronk continued operating under the hold-over terms of the contract, operating in recent years through the aid of his wife Karen and sons, Nick and Hank Jr.

An RFP was released in October 1996, awarded to Karen Bronk in 1997 (Board Report No. 444-97), but the contract was never executed. The Council disapproved the contract award on October 8, 2002, and requested that the Department perform significant research before issuing a new RFP (Council File No. 02-1877).

On June 26, 2005, staff released a new RFP for this concession. Having advertised the RFP in a Los Angeles area newspaper and mailed invitations to entrepreneurs in the pony ride industry who had expressed prior interest, a pre-proposal conference attended by 14 business entities was conducted on July 19, 2005.

Responsive proposals were received from the following companies on September 13, 2005:

- § Griffith Park Pony Ride, Inc. (GPPR) – Nick Bronk, principal
- § Heavenly Ponies and Critters (HPC) – Heavenly Clegg, principal

Accepted proposals required a Fourteen Thousand Dollar (\$14,000.00) Proposal Deposit in the form of Cashier's Check to guarantee that the Proposer would enter into a Concession Contract. Copies of the proposals were provided to Department staff for initial review. A matrix summarizing the proposal elements and offerings of both proposals was produced by staff. Staff then assembled an evaluation panel to review the individual proposals, the summary matrix, and participate in proposer presentation and interviews. The panel consisted of three persons - one Department staff member and two representatives from outside agencies:

- § Louie Camacho - LAEC, Inc., Chief Financial Officer
- § Nell Dizon - Department of Recreation and Parks, Management Analyst II, Service Contracts Group
- § Marnye Langer - Langer Equestrian Group, Treasurer and CFO

On the morning of October 26, 2005, the panel took a brief tour of the Pony Ride concession facility at which the current operator was present. Immediately thereafter, proposers were

REPORT OF GENERAL MANAGER

PG. 3

NO. 05-318

interviewed by the panel. Mr. Michael Honan, Department Concessions Manager and Mr. Stanley Woo, Department Concession Analyst, were also present at the interviews. The panel then analyzed and discussed both proposers' written information, presented material, and proposal details discerned from the interviews.

With valuable and diverse knowledge and experience in their respective fields, input from the three panel members was instrumental in understanding and analyzing details from both proposals - some technical in nature and some fundamental to their operational concepts of a pony ride business.

The panel formulated a ranking between the two proposers within the following categories which mirror the evaluation criteria set forth by the RFP. Assistance from the panel was provided professionally and without bias:

	Griffith Park Pony Ride, Inc.			Heavenly Ponies and Critters		
	<i>Rank by 3-member panel (1 = best, 2 = second best)</i>					
Qualifications/ Experience applicable to the pony ride business	2	1	2	1	2	1
Capital Improvements (reflection of entrepreneurship, monetary value, ability to meet \$150,000 minimum)	2	1	2	1	2	1
Proven Performance and quality of current comparable operation	2	2	2	1	1	1
Vision for concession, including business plan and marketing	2	2	2	1	1	1
Prices, and other customer service elements	2	2	2	1	1	1
Documented financial ability to perform as proposed	2	1	1	1	2	2
Services and rental terms offered	2	2	2	1	1	1

The diverse backgrounds of the panel members (i.e. equine care, management of equine facilities, business finance and management, servicing the public) aided in the comprehension of history and facts gathered by staff and information presented by proposers to the Department as part of this RFP process – current conditions, animal care, potential of the established site, entrepreneurship, and creative ideas.

The following sections illustrate the criteria used by Department staff and the formulated panel

## REPORT OF GENERAL MANAGER

PG. 4

NO. 05-318

to help evaluate the proposals as delineated in the RFP. The consensus is for Heavenly Ponies and Critters to be awarded operation of the Griffith Park Pony Ride concession. Staff is confident that HPC would be proactive in maximizing and elevating this City concession in areas of appearance, operation, available services, animal care, community outreach, marketing, and customer care.

With regard to GPPR, ability to perform optimally in the future was questioned by the panel. Operations, especially facility maintenance and animal care by GPPR through the years has been "reactive" in nature. The areas to be maintained by the operator minimally met contract terms but demonstrated lack of enthusiasm and pride in the concession, regardless if the agreement that GPPR was operating under had multiple years before expiring or was month-to-month on an expired permit.

To summarize the analysis by criteria:

- Qualifications and Experience

### Griffith Park Pony Ride, Inc.

Nick Bronk has been working with and around horses and ponies since age six and has 25 years experience operating the Griffith Park Pony Ride concession in all aspects – training of horses/ponies, farriery operations, care of other livestock, care of the concession, supervising ticket sales and record keeping, hiring and management of personnel, dealing with customers and safety care of child patrons, managing related operations associated w/ Pony Ride, purchase and use of feed, housing and care of the animals, and the general operating and managing of the concession.

Hank Bronk III has 20 years experience of day-to-day operation of GP Pony Ride, been around horses and ponies since age seven. He also has the same experience as Nick in operating all aspects of the concession.

Karen Bronk has 25 years of experience in the overall management of the GP Pony Ride in every aspect, working with the public, the City, neighboring concessionaires, Park Rangers, and maintenance staff.

### Heavenly Ponies and Critters

Ms. Clegg has 19 years experience in the pony ride business with 15 years operating her own business – Heavenly Ponies and Critters. HPC has serviced private birthday parties, city events, major network shows, county fairs – highlights: Smith's Food King hot air balloon fest (approximate attendance 500K), Perris Farmers Fair (250K), Orange St. Fair (400K), and more.

Ms. Clegg has earned a Bachelor's degree in Organizational Psychology and Sociology with a minor in Economics. She holds certificates in staff development, human resources, and

## REPORT OF GENERAL MANAGER

PG. 5

NO. 05-318

accounting. Ms. Clegg has 13 years management experience guiding teams of up to 12 staff members. She also worked for UC Riverside, part time, as an Accounting Manager.

Shaun Swann will be Manager of Operations during Capital Improvement Stage. He is an iron worker with 10 years experience in the construction industry and has an education background as a certified farrier. Mr. Swann has 12 yrs experience owning/operating small business; he is trained in equine dentistry and possesses over 30 years experience working with animals.

Manager Lindsay Robinson has been employed by HPC for the last 5 years. She has worked 21 years as a researcher and laboratory manager. Ms. Robinson has been involved w/ horses and ponies for 30 years as owner and employee for various operations. She has a Certificate of Completion from a Professional Packing School from Rock Creek Pack Station in the high sierras and has worked for Critter-To-Go – a petting zoo and pony ride concession.

### General Conclusion

Both operators possess the necessary qualifications and staff for operation of this concession. The current operator, GPPR, would continue operations with the current management (operating for the past 25 years with an established track record) and ancillary staff. No “professionals” (i.e. planners, architects, designers) were mentioned in connection with renovation to the facility and/or expenditure of the required capital improvements.

HPC brings a team of three professionals with varied and applicable skills, knowledge, and abilities, to manage the concession. The pony ride concession could benefit from new/innovative ideas and sound principles of HPC (i.e. economics degree, certificates in staff development/human resources/accounting, certified farrier, business owner/operators, experience from various horse-related operations). HPC would engage the expertise of professional designers and architects to study, design, and recommend placement of HPC’s major capital improvements such as the loading platforms, party area, petting zoo, and coral/pens.

- Capital Improvements

### Griffith Park Pony Ride, Inc.

Improvements include: Removal and replacement of all asphalt in front of current ticket booth and under pergola; Remove and replace fencing/railing to improve patron flow, remove/replace/repaint wood in the pergola structure, replace lighting/wiring and the electrical panels in the pergola, build new shaded hitching area for the wagon team, demolish and reconstruct Ticket Booth and Gift Sales area. GPPR has indicated an additional \$5,000 Capital Improvement during the second year. Two credit letters and two bank statements illustrate ability to fund the \$150,000 capital improvement minimum and \$5,000 additional.

## REPORT OF GENERAL MANAGER

PG. 6

NO. 05-318

### Heavenly Ponies and Critters

Improvements include: Raised ramps modeled after Knott's mule ride for loading pony riders; an exclusive track (in lieu of the sweeper) for young riders to be hand lead by parent or attendant; three other (redesigned) riding tracks for different speeds (accompanied by attendants on horseback); mature landscaping; to provide shade for animals and customers; western style fencing around party area (safety) ; new benches (added sitting area); new western themed office and signage; new loading depot (modeled) after the train ride's; would like to provide support to City for enhanced restrooms. Letter from credit union illustrates ability to meet \$150,000 capital improvement minimum.

### General Conclusion

Repairs and renovation mentioned by GPPR includes increasing the area of the new ticket booth and adding a souvenir window. The general layout and operation will vastly remain the same. GPPR had documented a higher dollar total to accessible funds.

HPC proposes major redesign elements for enhanced safety, comfort and appeal. The look of the concession would change substantially.

- Proven Performance and quality of current comparable operation

### Griffith Park Pony Ride, Inc.

The family behind GPPR has operated the concession for 25 years. The protocol of the operation works and they do not propose change. Panel observed the condition of the current operation and ponies at the pre-interview tour.

### Heavenly Ponies and Critters

Staff visited HPC's Montrose operation – hand-led pony rides and petting zoo in the blocked-off streets and sidewalks of the Montrose Farmer's Market. The condition of the equipment (canopy, tack) appeared near new. Business was continuous, well-planned and executed, with many repeat parents and riders. Clean-ups were immediate when ponies relieved themselves on the street/sidewalk. Condition of the ponies appeared good (hooves, coat, general appearance). The farm animals were also in great condition. Photos were taken and shared with the panel.

### General Conclusion

Under GPPR, the appearance of the facility where maintenance is the responsibility of the current concessionaire has become aged and lacks luster and appeal due to minimal upkeep. Prior to the release of the RFP (June 26, 2005), Staff visited GPPR twice (March 25, 2005 and April 27, 2005) to announce upcoming scrutiny by proposers and evaluators during the RFP process. Although GPPR eliminated clutter, there is continued room for improvement in the appearance and upkeep of the facility and ponies. The quality of the GPPR product pales in comparison to other municipal pony rides investigated during this RFP. Without a current

## REPORT OF GENERAL MANAGER

PG. 7

NO. 05-318

petting zoo, there is no reason for the current inventory of farm animals who reside on the concession premises.

On a pre-announced visit with the concessionaire on October 26, 2005, evaluation panel members walked the concession facility, and made observations. The panel was disappointed with the conditions (hooves, lack of grooming, and bare patches of skin where riders rub). Condition of the ponies receives ongoing concern from the public. Though occasional visits to the facility over recent years by the Department of Animal Services had not found GPPR in any violation, the panel believes the animals deserve much better.

HPC has involvement with various temporary locations of various overall attendance, including the Montrose Farmer's Market, illustrating adaptability. Additional harnesses (wide piece at lower back of rider, and chest harness on the ponies) are used for added safety. The HPC staff responsible for loading/unloading and leading the ponies appeared more professional and engaged in their customers. Though HPC's operation is currently on a smaller scale than that of GPPR, if HPC is awarded the concession, the panel believed they would still provide better overall care of the facility and ponies because of the level of cleanliness and pony care seen in current operations, albeit temporary. Current behavior is indicative of future behavior. Being more inviting and memorable would elevate the pony ride experience.

- Vision for concession, including business plan and marketing

### Griffith Park Pony Ride, Inc.

GPPR would like to continue operations "as the patrons have experienced for the past 25 years" – slow/medium/big ponies, a pony sweep (extra one near Merry-Go-Round when needed), and a wagon ride. Riders will be lifted onto ponies by uniformed staff. Still photos and film sales shall continue. The wagon ride will continue to offer something for the adults along with children. The new souvenir window within the new and enlarged ticket booth would feature Western style hats, T-shirts, toys, vests, etc. The Concession will continue to hand-sell tickets from the ticket window. The gift shop would be opened within the first year. In the second year, GPPR would add a new petting zoo with domesticated farm animals. The projected five-year pony ride ticket sales are 242,076 tickets in year one escalating to 262,029 in the fifth year. They did not propose any advertising or marketing.

### Heavenly Ponies and Critters

HPC aims to redesign the facility with services and diversity to encourage more time spent in the area to enjoy themselves and spend discretionary income.

HPC's proposes a new Pony Depot - a raised loading ramp/dock to load the riders onto ponies modeled after Knott's Mule Ride operation. It would be covered in similar style to the Train Ride's cover to provide shade comfort. Planned are different lanes for various skill levels as

## REPORT OF GENERAL MANAGER

PG. 8

NO. 05-318

ponies are matched to the rider's ability. Young riders in the lanes would be assisted with a lead attendant/rider to ensure a safe pace. HPC proposes to replace the pony sweep with a single lane for parents to lead child on pony. For tiny tots too young to ride, HPC plans to provide a gentle mechanical pony ride for their first pony rides. Signs will be posted in English and Spanish.

HPC proposes community outreach to "at risk teens" and college students to assist with the ponies, thus tapping good sources of labor. Staff would be uniformed.

Token machines will be installed along with a change machine to increase convenience and efficiency for patrons while saving on labor expense. Token machines keep records for tracking and accountability. This will prove useful during Department audits. If problems occur with a machine, the petting farm attendant would act as a back-up to sell tickets/tokens.

Party Area will be designed to match the Pony Depot loading area. HPC proposes to partner with the adjacent refreshment stand concessionaire to provide party food. HPC will also include train rides into party packages. Partnering with other Department concessions will also increase their revenue and rent to the City.

A petting zoo within a large enclosure will be constructed and feed will be available for purchase. Parents may accompany their children at no additional charge. Animal care is a paramount concern, as such HPC will maintain a health chart for each pony and corrals would be converted to pipe in lieu of chain-link fence. A Master Blaster air-groomer will be used for enhanced dusting/grooming of the ponies. Bathing will occur as weather permits. All animals shall be permitted by U.S. Department of Food and Agriculture. As such the animals will receive inspections.

Petting zoo will be implemented prior to installing capital improvements to minimize financial loss and service interruption. HPC believes in order to properly implement the major capital improvements, temporary closure would be necessary; however, HPC would work diligently toward a grand re-opening in approximately three months from construction start.

HPC believes satisfied customers will promote their pony ride by word-of-mouth. HPC would produce brochures to large businesses for bulletin board offering one free admission to petting zoo per family. HPC would contact local television shows. Brochures will be distributed to pre-schools, children's gyms, children's museums, community children's organizations, etc. Advertisement would occur in L.A. Family Magazine, local Hispanic newspapers/media outlets, Entertainment coupon book, on their own web site, in addition to child and party related web sites.

The projected five-year pony ride ticket sales are 284,000 tickets at year one, escalating to 453,605 in the fifth year.



## REPORT OF GENERAL MANAGER

PG. 9

NO. 05-318

### General Conclusion

Both operators described diets for the ponies and rotated work schedules that are acceptable to the panel, as are the proposer's minimal requirements for accommodating riders: "at least one year old and up to 100 pounds." Both businesses offer ride access for disabled children, and a new petting zoo area.

Though GPPR opts to continue the pony sweep ride near the Merry-Go-Round, business at that location is not brisk and is not likely to be missed if removed. The evaluation panel, which saw the current operation allow ponies with very young children to "trot" free within the lanes, believes there is room for improvement, from a safety concern, in the protocol of the pony rides. GPPR has not demonstrated any enhancements or change to the operation or facility in the past 25 years. Individual pony care is committed to memory with GPPR staff, versus individual health charts for each pony.

Loading would be safer with HPC's proposed loading ramp/dock eliminating the need to hand-lift the children onto ponies. HPC demonstrated innovation by identifying key sources of labor reduction via reaching out to teens in need and college students with equine interest. Not only will labor costs be reduced, but teens who need a purpose or a sense of belonging, or those who long for the chance to be with ponies and other animals will be given the opportunity to learn skills of small business operations, customer service, and animal care. Quality care of the concession ponies and petting farm animals are of paramount concern for HPC. Another innovative change is the opportunity for the youngest riders to be hand-led on a pony in a secluded track by their parent. This eases the fear of being separated from their parent, and promotes a close bond between child and parent for a lasting memory. This also helps reduce labor costs on behalf of the operator.

The panel and Staff recognize that the HPC proposal is more financially aggressive than GPPR's, however the panel and Staff are confident that HPC's business plan, education, experience, and resources would help ensure HPC attains its goals. A better product is proposed by HPC - City property should be better cared for, animals should receive better care, and customer service should be enhanced. Temporary closure is acceptable to ensure the renovations and construction be done quickly and also ensures safety to the public.

HPC anticipates a higher number of pony ride ticket sales over GPPR - 17.32% higher in the first year to 73.11% higher at year five due to improvements that will attract more customers. Though both proposers introduce a petting zoo, HPC also proposed to add a party area with personalized service. The party area would be a welcomed addition as parents of small children are continually looking for suitable venues to host birthday parties. This increases usage and exposure to Griffith Park (visitors who, otherwise, may not attend) and also increases revenue to the City. The Department has already recognized the profitability of party areas and service as illustrated in the self-operation of the party area rentals and service packages at Sherman Oaks Castle Park. HPC's pony photo with a decorative background "booth" is likely to yield more

## REPORT OF GENERAL MANAGER

PG. 10

NO. 05-318

business than that of GPPR's pony photo without a booth. HPC's marketing and outreach to create new business is much more aggressive. With either proposer, business is likely to increase since the operation will be open for business seven days a week, as stipulated in the RFP, in order to match the two adjacent concessions (train ride, refreshment stand) versus closure on Mondays – a schedule under which GPPR currently operates.

Increased patronage to the pony and train ride area of Griffith Park is a goal to strive toward. HPC's proposal includes new and exciting ways for patrons to enjoy spending time and money at the pony ride concession. This includes new audiences who would not have visited Griffith Park just for a pony ride, but could be induced by other pony ride concession-related activities such as a petting zoo or party event, which also increases use of services from the adjacent refreshment stand and train ride concession. Currently, the concession parking lot in front of these two rides may be found at full capacity especially on weekends in summer months. Increased patronage would result in additional usage of the adjacent overflow parking lot north of the main lot. However, there is excess capacity on weekdays and certain times of the year, and some of HPC's target markets include groups that are likely to visit Griffith during the weekdays.

- Prices and other Customer Service Elements

### Griffith Park Pony Ride, Inc.

GPPR has priced their pony rides at \$3.00. Customer service training is done personally by the current operator and would continue as such.

### Heavenly Ponies and Critters

HPC has priced their pony rides at \$2.00. Customer service training would be performed by the new operator. HPC would utilize an employee manual. HPC is strict on employee appearance (no tattoos, no smoking) and each would undergo, at minimum, an inquiry with the Department of Justice and fingerprinting prior to hiring. Ponies would be groomed/dusted regularly.

### General Conclusion

With GPPR, an employee manual of policies is nonexistent. There are no background checks on their employees.

HPC has certificates in staff development and human resources. Ponies would undergo a higher level of grooming/dusting than present conditions – an enhanced appeal to the public.

The evaluation panel opines that \$2.00 for a pony ride is below market, that \$3.00 and \$4.00 are reasonable. Staff has documented two municipal pony ride operations in Los Angeles and Orange County who charge \$4.00 per ride. As such, both proposers have demonstrated price sensitivity to lower income families and families with numerous children.

REPORT OF GENERAL MANAGER

PG. 11

NO. 05-318

In general, both proposers are offering similar services – pony rides for various ages and skills, a petting zoo with hand sanitizer, and optional souvenir photos. GPPR will continue a wagon ride which accommodates all ages and GPPR will introduce a souvenir gift window – HPC's proposal does not offer either. HPC will introduce to the pony ride concession a party area and market various packages to suit needs and budgets. Packages may include ancillary services (i.e. souvenir cup "Thanks for the Ride - Griffith Park Pony Rides", bounce house, clown, trick rope cowboy, face painting, photo, safe piñata, cake service, pony education exhibit, etc.). The HPC party packages may also include service at/from the two neighboring concessions – Train Ride and Refreshment Stand resulting in increased concession revenue. HPC will also feature petting zoo feed for a nominal price, a souvenir photo "booth" for an enhanced background, and a gentle mechanical pony ride for children who aren't ready for live ponies but desire to ride – services not proposed by GPPR.

- Documented financial ability to perform as proposed

Griffith Park Pony Ride, Inc.

Line of credit letter from Bell Diversified Mortgage Co. for \$150,000.

Line of credit statement from Wells Fargo for \$130,000.

First American Bank statement - checking – balance \$21,473.

First American Bank statement - savings – balance \$132,281.

Heavenly Ponies and Critters

Statement from Service Plus Credit Union – balance \$156,785.

General Conclusion

Both proposers were able to document available funds for the minimum capital improvement investment of \$150,000 as stipulated in the RFP, though GPPR had documented a higher dollar total to accessible funds.

- Services and rental terms offered

Revenue below is based on varied services offered by each respective proposer as detailed in their proposal. The bulk of the gross receipts will come from pony rides. Their respective rent estimate is based on the amount of sales in each service category and the corresponding rental percentage in years 1-5.

Griffith Park Pony Ride, Inc.

Service	Years	Rental %	Notes
Pony Ride	1-5	15%	

REPORT OF GENERAL MANAGER

PG. 12

NO. 05-318

Carriage	1-5	15%	
Sweep @ main area	1-5	15%	
Sweep @ park center	1-5	10%	
Photo/Film	1-5	15%	(weekends and holidays)
Gift Shop	1-5	10%	
Petting Zoo	1-5	10%	(to begin during year 2)

Year	Estimated Rent Based on Proforma
1	\$114.8K
2	\$127.6K
3	\$131.4K
4	\$134.0K
5	\$136.7K
Total:	\$644,438.84

Heavenly Ponies and Critters

Service	Year	Year(s)	Year(s)	Year
Pony Ride	1 @ 5%	2-3 @ 10%	4 @ 15%	5 @ 20%
Petting Farm	1 @ 10%	2 @ 15%	3-5 @ 20%	
B-Day party rental / photos /other	1 @ 10%	2-5 @ 15%		
External Pony Ride service	1 @ 5%	2-5 @ 10%		

Year	Estimated Rent Based on Proforma
1	\$ 50.0K
2	\$107.7K
3	\$128.6K
4	\$182.7K
5	\$246.3K
Total:	\$715,346.38

General Conclusion

GPPR would provide 15% rent for pony rides during the first five years whereas HPC would begin rent at 5% in the first year and increase rent to 20% in the fifth year. Rent from GPPC would be consistent through the first five years, totaling roughly \$644,438.84. Rent from HPC would start low in the first two years allowing aggressive investment and improvements into the concession operation and City-owned facility. Rent would be comparable between the two proposers in the third year. In years four, five and likely in subsequent years - rent received from HPC is higher than GPPR.

## REPORT OF GENERAL MANAGER

PG. 13

NO05-318

The Department's Environmental Management staff has determined that the subject project will consist of the award of a concession Agreement for the operation of pony rides, and minor alterations of an existing public facility involving negligible or no expansion of use. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (1, 14) of the City CEQA Guidelines.

### FISCAL IMPACT STATEMENT:

Award to Heavenly Ponies and Critters will ultimately result in increased revenues for the Department. The proposed rent is on an escalating scale where anticipated rent will begin around \$50,000 in the first year and build steadily through year five and beyond at around \$250,000. Currently, rent from this concession is in the \$100,000 to \$125,000 range annually, and no Living Wage is paid to employees.

Report prepared by Stanley Woo, Management Analyst II, Administrative Resources Division.