



**CITY OF SANTA BARBARA
ADDENDUM NO. 1
RFP NO. 3930**

7/17/2018

This addendum must be signed and returned with your RFP. Failure to return the signed RFP addendum may result in the rejection of your RFP.

1. How did the City determine the rent requirements?

- a. The City in consultation with a local commercial real estate agent and restaurant management consultant reviewed all restaurant leases managed by the City of Santa Barbara with a focus on the waterfront area. In addition a number of other local government owned restaurant contracts on the waterfront were reviewed. Percentage rent is consistent with the vast majority of these leases. Base rent is set to protect the City's investment, and is deemed reasonable given the unique opportunity and review of other local leases.

2. Does the City anticipate % rent on sales?

- a. The City requests 10% of all Gross Sales. – Gross sales are defined in the sample concession lease, included as Exhibit I.

3. What type of rentals occurred within the Pavilion prior to the renovation?

- a. A mix of public and private events with the majority of revenue generated by weekend private / non-profit bookings.

In 2016, The Pavilion was booked for 212 different events ranging from weekly regular bookings during the day for corporate meetings to larger weekend private / public gatherings.

Approximately 28,000 people attended a function or meeting at the Cabrillo Pavilion in 2016.

85 bookings of more than 6 hours in duration occurred, with the majority catered by local caterers. (41 Saturdays, 17 Fridays, 12 Sundays and 15 mid-week events).

4. What are the fees to book the second floor?

- a. Average fees charged to rent the Cabrillo Pavilion in 2016 was \$2,987 for an event of 6 hours or more. The fee includes rental of the pavilion, cleaning, set up and table and chair rentals if requested.

- 5. Is Catering of the second floor anticipated to be exclusive for the concessionaire?**
- a. No, The City cannot accept an exclusive caterer under the terms of this RFP.
- 6. Who is responsible to fit out the catering kitchen on the second floor?**
- a. The City will fit and finish the catering kitchen.
- 7. Who is responsible for liquor licenses for events**
- a. Public and private events in the second floor would not fall under the Restaurant's liquor license when not providing alcohol as the designated caterer for the event. Beach events are permitted separately through the Parks and Recreation Department, with event planners requesting the appropriate permitting as necessary.
- 8. Are there any restrictions to number of events on the beach?**
- a. The Parks and Recreation Department permits beach activities and seeks to maximize public recreation and activities at all parks and facilities. If the concessionaire anticipates providing services on the beach, these must be clearly articulated in the proposal.
- 9. How does the City anticipate the first floor to be operated?**
- a. The first floor will be open 7 days a week for extended hours to provide multiple uses for the facility. Fitness users and beach goers will benefit from an updated gym, multipurpose room, and upgraded family friendly locker rooms. Access will be by user fee with the intent for the facility to be accessible and affordable to encourage regular and wide ranging uses by the community.
- 10. Does the City already have a liquor license for the restaurant?**
- a. No, the proposer shall include the costs of acquiring a full license in their proposal, and it would remain their private asset during the term of the lease. The City supports a full liquor license and would assist in the application process as necessary.
- 11. How are boundaries for alcohol consumption to be managed**
- a. The City requires that the concessionaire meet all Alcohol Board of Control (ABC) and Historic Landmarks Commission (HLC) requirements.
- 12. Can people dine in the multi-purpose rooms?**
- a. The City anticipates these being used for conferences, business lunches, recreational activities etc. and not exclusively for restaurant patrons.
- 13. Does the City require 365 days, breakfast, lunch and dinner service?**
- a. The City seeks to maximize the revenue from the Restaurant concession while providing casual, affordable and accessible food and drinks. The City anticipates the proposer will operate year round, with seasonal peaks during the summer months, and possible mitigation for colder months. There is no requirement to be open when it is reasonably commercially sensible to be closed for business.

14. Can the new restaurant concession rent other beach items as part of their business?

- a. The restaurant concession will be in a prime position and location to offer other beach services and should include these in their proposal.

15. Does the City require evidence of money available in accounts as part of the proposal submittal?

- a. The City does not require proposers to have financing available on July 31, 2018, however the proposal must demonstrate that they can meet the initial investment and start-up costs expected to be in excess of \$1m. This may take the form of financial statements of net worth, company balance sheets, reference letters etc.

16. Is Tenant subject to Prevailing wages for the initial build out?

- a. No, Prevailing wage is triggered if the City contributes, or reimburses any portion of the tenant improvements.

17. What is the possible height of the proposed ceiling in the restaurant tenant space?

- a. The plan sections show the bottom of the existing truss at 12'4". Final ceiling height would depend on the space the restaurant requires for mechanical vents, conduit and sprinklers.

18. Can a gas line be installed on the Portico concrete patio to provide gas to fire pits?

- a. This could be done by horizontally drilling from the restaurant space, under the Portico slab, and stubbing up into the new extended portico concrete patio. However, the piping would need to be installed prior to pouring the portico extension, which will occur later in the project.

All other terms and conditions shall remain unchanged.



Rich Hanna.
Assistant Parks and Recreation Director

Proposers Acknowledgment:

Name of Proposer

Signature of Authorized Representative

Date

Title of Authorized