



CITY OF SANTA BARBARA
PARKS AND RECREATION DEPARTMENT

CABRILLO PAVILION RESTAURANT CONCESSION INFO SHEET

On May 10, 2017, the City of Santa Barbara issued a Request for Proposals (RFP) for the right to enter into a non-exclusive Food and Beverage Concession Agreement at the Cabrillo Pavilion.

Restaurant Concession Leases in the City of Santa Barbara

- The City operates many concession leases across many departments for food and beverage operations in City owned buildings for public/private partnerships.
- Almost all concession leases require the tenant to pay the City rent based upon a percentage of their actual revenue. This is consistent with Santa Barbara County as well as other local municipalities.
- A minimum rent is included in all Concession leases operated by the City.

What are the City's Goals for the Restaurant Concession?

- Maximize Concession Revenue for the City in support of the Parks and Recreation Department's mission, safeguarding and enhancing the very best services for current and future generations of Santa Barbara.
- Fully licensed Restaurant open 7 days a week, 365 days a year serving breakfast, lunch and dinner.
- Operating hours to support newly renovated recreation facility, beach goers, walkers and destination restaurant patrons.
- Provide affordable, and healthy options with walk up, take-out, catering and sit down service in a casual environment.

Prior Exclusive Negotiation with East Beach Grill (EBG)

- City's offer was consistent with other City and local leases and based upon financial projections provided by EBG.
- EBG proposed no fixed rent in the first three years of agreement.
- Recognizing the initial investment to build out a restaurant, and with the advice of it's restaurant consultant, City countered with minimum rent proposal beginning in year 1, growing over 5 years.
- The Minimum Rent proposal represented less than 10% of EBG projected revenue.
- EBG did not accept the City's proposal. City and EBG were unable to agree to minimum rent terms.
- The City Council reviewed EBG's response to City's offer and did not give the Parks and Recreation Director the authority to accept the proposal or pursue further exclusive negotiations with EBG.

What is an RFP? Where can I view/download the RFP?

- An RFP sets out the goals of the City for a concession lease, the qualifications required of the potential tenant, and submittal requirements to enable the City to conduct a fair and objective evaluation of potential restaurant leases. Potential tenants provide detail of the concept, menu and financial projections, and are competing for the contract award.
- The RFP is available at www.santabarbaraca.gov/gov/depts/parksrec/RFP3874.asp
- Proposals are due 4pm Wednesday, June 28, 2017.

For more information email:

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