



The Corporation of the Town of Tecumseh

Parks & Recreation Services

To: Mayor and Members of Council

From: Paul Anthony, Director Parks & Recreation Services

Date to Council: June 23, 2020

Report Number: PRS-2020-02

Subject: Lakewood Park Food and Beverage Concession Operation

Recommendations

It is recommended:

That the Town of Tecumseh invite submissions through an RFP to operate a concession operation at Lakewood Park;

And that a report be presented for Council's consideration and approval on the recommended Lakewood Park concessionaire.

Background

At the January 17, 2015 Regular Meeting of Council, the members considered the Lakewood Park Concession Request for Proposals in P&R Report #04/15 and passed Motion (RCM-27/15) which reads as follows:

That the Town of Tecumseh invite submissions through an RFP to operate a Spring/Summer/Fall Concession Operation at Lakewood Park;

And that a report is to be presented for Council's consideration and approval on the Recommended Lakewood park concessionaire;

As recommended by the Director Parks and Recreation under Report No. 04/15, dated January 15, 2015.

At the May 15, 2015 Regular Meeting of Council, the members considered the Lakewood Park Concession RFP Award in P&R Report #17/15 and passed Motion (RCM-183/15) which reads as follows:

That the RFP submissions from Christopher Divito be accepted for the provision of Lakewood Park Food Concession Operation; and that

The Mayor and the Clerk be authorized to sign an agreement between the Town of Tecumseh and Christopher Divito, satisfactory in form to the Town's solicitor.

Comments

Christopher Divito operated the concession in Lakewood Park under the name of Lakewood Café commencing June 1, 2015 and ending May 30, 2020, a (5) five-year term.

In accordance with the lease agreement, the concessionaire had the option to negotiate renewal terms for an additional five (5) year term, upon providing 120 days' notice in writing to the Corporation. The lease further stated "if the parties are unable to agree to terms of renewal by January 1, 2020, then the lease agreement will terminate on May 31, 2020."

The concessionaire did not provide the Corporation with notice in writing to negotiate a renewal agreement by January 1, 2020, and therefore the Corporation served 90 days' notice that the agreement would end on May 31, 2020.

The former Pro Shop (location where Lakewood Café operated) provides a unique location for an entrepreneur to operate a concession operation that would cater to the users of Lakewood Park and the surrounding residents.

The RFP developed in 2015 only allocated the space that was occupied by the former golf course concessions area and not the portion of the building that the former pro shop occupied. It is recommended that the proposed 2020 RFP allow interested concessionaires the option to include the former pro shop and the concession area in their proposal or just the concession area.

The original RFP did not allow interested concessionaires the opportunity to include the former pro shop in their proposals as that area was set aside for office space for community special events. As special events have changed over the years, the need for this space has lessened and the space is not utilized more than 2 to 3 days a year. As such, it would be an area that could be better used as an additional business opportunity for a concessionaire.

It is recommended that an RFP be developed and put out to seek proposals from individuals or local business operators for a concession operation at the former Lakewood Pro Shop Building. The RFP submission, in addition to a concession operation, could include other commercial offerings that would fit within the envelope of the building and cater to the users of the park. It must be noted that any leasehold improvements that would be proposed by the successful concessionaire would be negotiated as part of the lease agreement.

The time lines would be to put the RFP out in July with a closing date of August. Currently with the COVID – 19 restrictions it would not be expected the successful applicant would be operational until sometime late 2020 or 2021.

Consultations

Financial Services

Financial Implications

Lease revenue will be determined by the RFP process and will be credited to the Parks operating budget. Leasehold improvement costs would be negotiated as part of the lease agreement with the successful concessionaire.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☐

Website ☒ Social Media ☒ News Release ☒ Local Newspaper ☒

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Paul Anthony, RRFA
Director Parks & Recreation Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

**Attachment
Number**

None

**Attachment
Name**

None