



MEMO

TO: Bert Lumbreras, City Manager
FROM: Drew Wells, Director of Parks and Recreation
DATE: March 3, 2021
RE: Parks and Recreation Board Recommendation Resolution 2021-01RR

SUMMARY:

The attached Recommendation Resolution was passed by the Parks and Recreation Board on February 25, 2021 supporting changes to the Lions Club Tube Rental and Vending Lease.

BACKGROUND:

In late 2019 the Parks and Recreation Board began evaluating cost recovery percentages for all Parks & Rec programs, services and rental facilities and eventually provided City Council with recommendation in January 2020 to increase certain fees and rental rates in an effort to close the cost recovery gap. This did not extend to facilities that were currently under long-term lease.

The Parks and Recreation Board has explored various ways of enhancing revenue to support management and maintenance operations of the Parks and Recreation Department. The Board discussed the Lions Club lease as a potential source to increase revenues for the City. The Board's discussions focused on the market value of a commercial riverfront rental property and vending exclusivity in the river parks.

The Parks and Recreation Board adopted the attached Recommendation Resolution 2021-01R unanimously of the members that were present (6-0). Three members were absent due to conflicts following the date change from February 18 to February 25 because of the winter storm event.

The Key Points within the Recommendation Resolution include:

- Limiting the number of days of operation
- Determinization of fair market value for lease, and the addition of a surcharge of \$2.00 per tube rental and shuttle service.
- At least 2 hours of cleanup to remove litter from the river channel per operating day
- Change the lease renewal from 5 years to 2 years

STAFF NEXT STEPS

Staff will present to City Council on March 16 during the Work Session meeting on the topic of the Lions Club Lease for Council discussion and direction.

END