



## **Resolution 2022-307**

### **RESOLUTION TO APPROVE A FIVE-YEAR LEASE AGREEMENT WITH GDWG LLC DBA THE PAINTED TURTLE TO OPERATE THE CONCESSION FACILITY AT THE LAKE NOKOMIS, BEGINNING ON JANUARY 1, 2023**

Whereas, The Minneapolis Park & Recreation Board (MPRB) is the steward of the Minneapolis park system;

Whereas, The MPRB is authorized to contract with public and private entities in the conduct of its functions;

Whereas, The MPRB has determined that contracting with private food and beverage concessionaires within regional park concession facilities has broad public benefit that, among other things activates the park, provides park revenue, enhances park security, and sustains park assets;

Whereas, On June 10, 2022, the MPRB solicited proposals for a food and beverage concessionaire for the forthcoming opportunity to operate the Lake Nokomis Refectory Building;

Whereas, Eleven proposals were submitted in response to the MPRB's request;

Whereas, A review committee was formed to review the proposals and make a recommendation for a vendor to operate the Lake Nokomis Concession based on the proposed finances, products, and services;

Whereas, The review committee reviewed the eleven submitted proposals and chose to interview five vendors with the majority recommending that GDWG LLC dba The Painted Turtle be selected as the vendor at Lake Nokomis Concession;

Whereas, A five-year lease term has been negotiated by MPRB staff and GDWG LLC dba The Painted Turtle representatives; and

Whereas, This resolution is supported by Parks for All, the MPRB Comprehensive Plan 2021-2036, goals 9 "Operate a financially sustainable enterprise;"

**RESOLVED**, That the Board of Commissioners approve a five-year lease agreement with GDWG LLC dba The Painted Turtle to operate the concession facility at the Lake Nokomis, beginning on January 1, 2023; and

**RESOLVED**, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.



TO: Administration & Finance Committee

FROM: Jennifer Ringold, Deputy Superintendent

DATE: November 2, 2022

SUBJECT: RESOLUTION TO APPROVE A FIVE-YEAR LEASE AGREEMENT WITH GDWG LLC  
DBA THE PAINTED TURTLE TO OPERATE THE CONCESSION FACILITY AT THE LAKE  
NOKOMIS, BEGINNING ON JANUARY 1, 2023

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## **BACKGROUND**

This action considers entering into a five-year lease agreement with GDWG LLC dba The Painted Turtle to operate the concession facility at the Lake Nokomis, beginning on January 1, 2023. The operation of food and beverage service at this location contributes to a richly dynamic park experience, for which Minneapolis is known.

The MPRB began working with outside vendors for food and beverage services within concession facilities in 2002. Since then, the MPRB has entered into multiple agreements with ten different vendors for services provided at five concession venues within the Minneapolis parks. Two agreements were a result of a public process which included appointed Citizen Advisory Committees (CACs). These two CACs were assembled because in both cases, one at Lake Harriet and one at Lake Nokomis, the primary objective of the process was to change the physical structure and footprint of the concession facilities. In these two instances, the vendor selection was contingent on proposed physical changes tied to service delivery. All other vendor selection and resulting agreements were a result of a committee's review and recommendation of vendors.

The concession at Lake Nokomis, located within Nokomis-Hiawatha Regional Park, was operated by the Minneapolis Park and Recreation Board (MPRB) until 2001. The facility was operated for by Big Bell Ice Cream for two years before being vacated due to health code violations. The most recent concessionaire in this facility, which was selected through a CAC, has been GFP, LLC, operating as Sandcastle since 2012. The MPRB received a letter dated January 24, 2022 from GFP, LLC informing the MPRB that they were exiting their contract on December 31, 2022.

To adequately prepare for the 2023 operating season and prevent disruption in service, staff drafted a Request for Proposals (RFP) to operate the food and beverage concession at Lake that would take effect upon completion of the current contract. As part of the drafting process of the RFP, staff applied a Racial Equity Toolkit to develop the parameters of the RFP and to assure an equitable approach in soliciting vendor proposals. Additionally, staff worked with internal and external stakeholders to review and provide recommended edits to the RFP, prior to release.



The MPRB released the RFP to operate the food and beverage concession at Lake Nokomis on June 10, 2022 to over 2000 licensed food and beverage vendors, in addition to standard MPRB procedural announcements via web and news release. Proposals were due by July 8, 2022. Eleven proposals were received.

Per standard MPRB RFP processes, a review committee was formed to review all proposals and graded them based on metrics outlined within the RFP. The committee was comprised of staff and neighborhood representatives. Proposals were emailed to the committee on August 5, 2022 and on August 15, 2022 the committee virtually met to review and grade the proposals. Based on the results of the grading, the committee arrived upon five proposals for further considerations. These five groups were invited to an in-person presentation with the committee on August 31, 2022, and September 1, 2022 to clarify their proposals and address questions. All groups were instructed to not bring samples of their food to the presentation. Since the proposals were highly ranked based off the RFP, a food sample was deemed unnecessary. Of the five proposals invited, one proposer declined the invitation and backed out of the process. After the last group interviewed on September 1, 2022 the Committee unanimously picked the Thirsty Dog proposal with the understanding they needed to change their name. Staff worked with the representatives of the Thirsty Dog and they agreed to change it to The Painted Turtle. The committee approved the change via email.

MPRB staff and representatives from GDWG LLC dba. The Painted Turtle worked together to negotiate terms of lease and operating agreement. A summary of the negotiated contract are as follows:

**Lease Term:** The lease term will be five (5) years for a period commencing January 1, 2023, through December 31, 2027, with one, five (5) year renewal option mutually agreed upon and with MPRB Board approval.

**Consideration – Percentage of Revenue – Sales:** Contractor shall pay twelve percent (12%) gross revenues, less sales tax, of sales to MPRB on the first 2 million dollars of annual Gross Revenue. Contractor shall pay fifteen percent (15%) gross revenues, less sales tax, of sales to MPRB on annual Gross Revenue exceeding 2 million dollars.

## **RECOMMENDATION**

Staff recommends that the Board of Commissioners approve a five-year lease agreement with GDWG LLC dba The Painted Turtle to operate the concession facility at the Lake Nokomis, beginning on January 1, 2023.

This action is supported by the following goals and strategies in Parks for All, the MPRB Comprehensive Plan 2021-2036.



**Goal:**

09. Operate a financially sustainable enterprise

**Strategy:**

06. Diversify funding streams to leverage existing funding with grants, site-specific revenue generations, sponsorship, and public/private partnerships through an equity lens.

**Attachments:**

1. Attachment A: Lake Nokomis Concession Agreement 2022 - Painted Turtle

*Jbr 11.2.2022.*