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CITY OF SACRAMENTO

DEPARTMENT OF COMMUNITY SERVICES
3520 FIFTH AVENUE SACRAMENTO, CALIFORNIA 95817
TELEPHONE (916) 449-5200

CITY MANAGER'S OFFICE
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JAN 30 1984

CROCKER ART MUSEUM DIVISION
GOLF DIVISION
METROPOLITAN ARTS DIVISION
MUSEUM AND HISTORY DIVISION
RECREATION DIVISION
PARKS DIVISION
ZOO DIVISION

ROBERT P. THOMAS
DIRECTOR

G. ERLING LINGGI
ASSISTANT DIRECTOR

January 17, 1984

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Ordinance Amending Section 12.65 of the Sacramento City Code, Relating to Concessions on City Property

SUMMARY

This item is presented at this time for approval of publication of title pursuant to City Charter, Section 38.

BACKGROUND INFORMATION

Section 12.65 of the Sacramento City Code exempts all non-profit groups from competitive bidding requirements for concessions at special events benefitting the City. The proposed amendment would eliminate the current 60-day limit for only those non-profit groups whose primary purpose is supporting a City program or facility.

RECOMMENDATION

It is recommended that this item be passed for publication of title and continued to February 14, 1984.

Respectfully submitted,

ROBERT P. THOMAS, Director
Parks and Community Services

Recommendation Approved:

WALTER J. SLIPE
City Manager

RPT:js

February 7, 1984
All Districts



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RECREATION DIVISION
PARKS DIVISION
ZOO DIVISION

January 17, 1984

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Amendment to Sacramento City Code, Section 12.65 Provision Relating to Concession Contracts and Bidding Procedures

SUMMARY

This report recommends amending Section 12.65 of the Sacramento City Code which currently exempts all non-profit groups from competitive bidding requirements for concessions at special events benefitting the City. The proposed amendment would eliminate the current 60-day limit for only those non-profit groups whose primary purpose is supporting a City program or facility, thereby permitting such group to operate on-going concessions on City property with City Council approval.

BACKGROUND INFORMATION

Currently, all of the Department's food and service concessions are operated by for profit individuals or businesses. In spring of 1983, Department staff, together with representatives from the Sacramento Zoological Society and the Fairytale Town Board, formed a committee to investigate the feasibility of operating both the Zoo and Fairytale Town food and merchandise concessions through a joint venture arrangement between the Society and the Board. The Committee found that the operation of government facilities by non-profit corporations organized in support of such facilities is a growing trend. For example, a national survey of Zoo concessions by the Columbus Zoo in February 1983 revealed that 71% of Zoo concessions were operated by the Zoo itself or its society, 5% were run by other city departments, and 24% were leased to outside concessionaires. In California, the Zoo concessions at Los Angeles, San Diego, Oakland, San Francisco, and Santa Barbara are all operated by the Society.

The primary advantage of this type of arrangement is that all proceeds benefit the City either directly or indirectly through percentage returns and facility improvements by the non-profit organization. Currently, the City realizes only a percentage of the proceeds. Secondly, the City may have more direct control of concession operations and policies.

Initial review of the Zoo and Fairytale Town concession operations indicate the concessions could be operated by a joint venture arrangement between the Zoological Society and the Fairytale Town Board. In accordance with City Council direction, such an arrangement would assist the facilities in becoming increasingly self-sufficient. These current concession contracts expire on April 30, 1984.

The attached ordinance amendment is requested in order to exempt only non-profit groups, organized primarily to support a City program or facility, from the competitive bidding requirements for on-going concession operations on City property. The current ordinance provides language which exempts all non-profit groups whose proceeds will benefit the City from the competitive bidding requirements for short term (less than 60 days) concessions. Upon passage of this ordinance amendment, staff will provide a report recommending that the Zoo and Fairytale Town concessions be operated by a joint venture between the Society and Board upon expiration of the current concession contract.

FINANCIAL DATA

The ordinance amendment itself will have no financial impact. Each change in concession arrangement should be reviewed individually to ensure no financial loss to the City.

The forthcoming report regarding the Zoo and Fairytale Town concessions indicates no financial loss to the General Fund or Fairytale Town Trust Fund. A similar percentage of gross receipts would be deposited in the respective City funds. In addition, all other proceeds are committed by the two groups to the betterment of the two City facilities.

RECOMMENDATION


It is recommended that the City Council enact the attached ordinance amending Section 12.65 of the Sacramento City Code.

Respectfully submitted,



ROBERT F. THOMAS, Director
Parks and Community Services

Recommendation Approved:



WALTER J. SLIRE
City Manager

RPT:js

Attachment

February 14, 1984
All Districts

8

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING SECTION 12.65 OF THE SACRAMENTO CITY CODE, RELATING TO CONCESSIONS ON CITY PROPERTY

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 12.65 of the Sacramento City Code is hereby amended to read as follows:

Sec. 12.65. Exemption for special events in support of city facilities and programs

This article shall not apply to the use of City-owned property for the sale of food, beverages, services or merchandise ~~in connection with a special event conducted~~ by a non-profit organization if the proceeds are used which is held to support a City program or facility. This exemption shall only apply be limited to special events of less than 60 days duration upon approval in advance by the Director of Parks and Community Services, except that, with approval of the City Council, a non-profit organization which is organized for the primary purpose of supporting a City program or facility shall not be limited to special events of less than 60 days duration. "Non-profit organization" means any group of persons associated for religious, scientific, literary, educational, recreational, benevolent or other purposes not of pecuniary profit.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

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MAYOR

ATTEST:

CITY CLERK