

Request For Proposals

Salt Creek Beach Concession

September 2009



REQUEST FOR PROPOSALS

Salt Creek Beach Concession

The County of Orange is seeking proposals from qualified concessionaires to operate a food service and beach equipment rental concession at Salt Creek Beach.

BACKGROUND

Salt Creek Beach is a County beach park located in the City of Dana Point (see attached aerial photo). The property includes sandy beaches, rocky promontories, sheer cliffs and a bluff-top park; it is a popular surfing location. The beach receives over two million visitors annually.

Parking for beach visitors is located at Pacific Coast Highway and Niguel Road; a “pay and display” system is currently utilized to collect and monitor payment of parking fees. Pedestrian access to the beach is via a steep access/maintenance road. No public vehicle access is permitted on the road, except for vehicles with handicapped plates or tags.

The concession building is located adjacent to the beach. It was constructed in the 1970’s and renovated and expanded in 1989; it is approximately 1,000 square feet in size. A small patio area is located immediately in front of the concession building. County-maintained restroom facilities and showers are located adjacent to the concession building. The layout of the concession premises is shown in Exhibit A.

The current concessionaire has operated the business since 1989; gross revenues for last year was \$212,000 and for the previous year was \$197,000.

OBJECTIVE

We are seeking a beach concessionaire to continue to serve, principally as a seasonal operation, visitors to Salt Creek Beach, including families, surfers and guests of nearby hotels. We expect the existing building, both the exterior and the interior, to be extensively refurbished and the patio seating area to be attractively furnished.

Note: the current operation is “grandfathered” by the County’s Health Care Agency and the California Coastal Commission as a **beach concession only**. As a consequence, a “destination”, sit-down food establishment of any type cannot and will not be considered.

OPERATIONAL ELEMENTS

Food Service

In addition to typical beach food and beverages, we would like to see the inclusion of “healthy” items on the menu. The use of biodegradable service ware and utensils is required. The concessionaire must provide tables, with umbrellas, and seating on the

patio. However, the patio seating cannot be restricted to “concession-patrons-only”; it must be available to all beachgoers.

Mobile food service carts or other methods to provide service to patrons on the beach may be proposed.

Merchandise Sales and Equipment Rentals

Typical beach items, such as sun screen, sunglasses, hats and sand toys, may be sold. Equipment rentals should include beach chairs and umbrellas and water sport equipment. An additional storage area for rental equipment may be proposed.

Days and Hours of Operation

The concession may be open every day of the year; however, it must be open every day from Memorial Day weekend through Labor Day. While the beach is open between the hours of 5:00 a.m. and midnight year round, the concession may only be open between 7:00 a.m. and 9:00 p.m. and, during the required summer operating period, must be open between 10:00 a.m. and 4:00 p.m.

Parking Lot – Beach Shuttle

Because of the steepness of the beach access road, some visitors find the hike challenging. While not a requirement for operation of the concession, a vehicular shuttle between the parking lot and the beach may be included in the proposal. However, if you choose to do so, the anticipated expenses and revenues must be integrated into your financial pro forma for the overall concession business.

CONCESSION BUILDING REFURBISHMENT

Both the exterior and interior of the concession building are the responsibility of the concessionaire. As part of securing a new lease, the concessionaire must extensively refurbish the building.

The wood trim on the building exterior must be repainted. New signage must be installed. All exterior improvements must be approved in advance by the Director of OC Parks.

The existing interior improvements to be furnished to the concessionaire are as follows: Cooking area – stainless steel sink and hand sink, all counters affixed to the walls and a range hood; Elsewhere – mop sink; toilet and hand sink.

In the building interior, the concessionaire must repaint all walls and wood trim and must appropriately refurbish other surfaces, including floors. All trade fixtures, appliances and business equipment must be either in excellent working condition and appearance or brand new. Installation work must meet all Health Care Agency and Orange County Fire Authority requirements.

MINIMUM EXPERIENCE REQUIRED

The concessionaire must have a minimum of three years experience within the last seven years operating a similar food and beverage business.

LEASE TERMS

The Lease shall be for a term of 10 years.

Minimum Annual Rent shall be at least \$20,000 per year. Percentage Rent shall be at least as follows:

Food and beverage and merchandise sales	12% of the first \$150,000 gross receipts 15% of gross receipts over \$150,000
Equipment Rentals	20% of gross receipts
Shuttle Service	No percentage rent necessary

THE PROCESS

Pre-Proposal Meeting

An on-site meeting to view the facility and answer questions about this Request for Proposals will be held as follows:

Location: Salt Creek Beach Concession
33333 S. Pacific Coast Hwy.
Dana Point, CA 92629
(patio area in front of concession building)

Date: Wednesday, September 30, 2009

Time: 10:00 a.m.

You are strongly urged to attend the Pre-Proposal Meeting. There will be no private meetings or tours prior to the deadline for submittal of the proposals.

The Proposal

Proposers must submit a proposal containing the following.

- Business Entity – Identify your business by: name, address, type (sole proprietorship, partnership, corporation, limited liability corporation, etc.). Include a listing of all partners, principal stockholders, or managing members along with a true copy of any Partnership Statement, Articles of Incorporation, or Articles of Organization in your proposal.

- Background and Qualifications – Describe your experience in establishing and operating a similar food and beverage business and include at least three business references.
- Refurbishment/Upgrade Plan – Provide a detailed description of how you plan to refurbish the concession building and upgrade the patio seating area including – but not limited to – the following:
 - o Paint scheme and signage for building exterior
 - o Improvements to all interior surfaces
 - o Trade fixtures, appliances and business equipment to be installed, along with estimated costs
 - o Patio upgrades, including type of tables, umbrellas and seating.
- Operations Plan – Provide a detailed description of how you plan to operate the concession business, including – but not limited to – the following:
 - o Days and hours of operation
 - o Menu items, with prices
 - o Merchandise to be sold and equipment to be rented, with prices
 - o Methods to provide service to customers on the beach
 - o Number of employees and employee training procedures
 - o If proposed, type of shuttle vehicle and method of operation.
- Financial Plan – Provide a detailed description of how you plan to finance the refurbishment/upgrade plan and start-up costs for the concession; include a pro forma indicating your anticipated expenses and revenues for the 10 years of the lease; provide a financial statement reflecting your current financial condition, e.g., a profit and loss statement or balance sheet.
- Financial Terms – Indicate the annual and percentage rent terms you are proposing; they must be equal to or exceed the figures in the LEASE TERMS section above.

A refundable proposal submittal fee of \$1,000 in the form of a Cashiers Check or Money Order is required with your proposal. Fees shall be returned after the final selection of the successful proposer by the Board of Supervisors.

Proposal Deadline

Ten copies of your proposal must be submitted by **3:00 p.m. on Thursday, October 29, 2009** to:

Mark Denny, Director
 OC Parks
 13042 Old Myford Rd.
 Irvine, CA 92602

Evaluation/Selection of Proposals

A committee appointed by the Director, OC Parks will evaluate the proposals based upon the following criteria:

- o Experience and Qualifications
- o Refurbishment/Upgrade Plan
- o Operations Plan
- o Financial Capability
- o Financial Return to the County

If deemed necessary by the committee, interviews may be conducted. A recommendation will be made to the County Board of Supervisors for selection of a proposal and authorization to negotiate a lease.

Tentative Schedule

December 2009 – Board Selection of Proposal

February 2010 – Approval of Option/Lease

May 2010 – Re-opening of the Salt Creek Beach Concession

OTHER IMPORTANT INFORMATION

- The County reserves the right, as its interest may require, to accept or reject any or all proposals of the proposals received. The County shall not be liable for any cost incurred with the preparation and submittal of any proposal. All proposal documents shall become the property of the County.
- The County will not be bound by any representation that is not stated in the Request For Proposals, any minutes of the pre-proposal meeting should they be prepared, and the final agreement.
- The proposer is responsible for making all necessary investigations and examination of documents, operations, and premises affecting performance.
- Any reasonable inquiry to determine the responsibility of a proposer may be conducted. The submission of a proposal is permission by the proposer for the County to verify all information contained therein. If the County believes it necessary, additional information may be requested from the proposers. Failure to comply with such requests may disqualify a proposer from further consideration.

CONTACTS

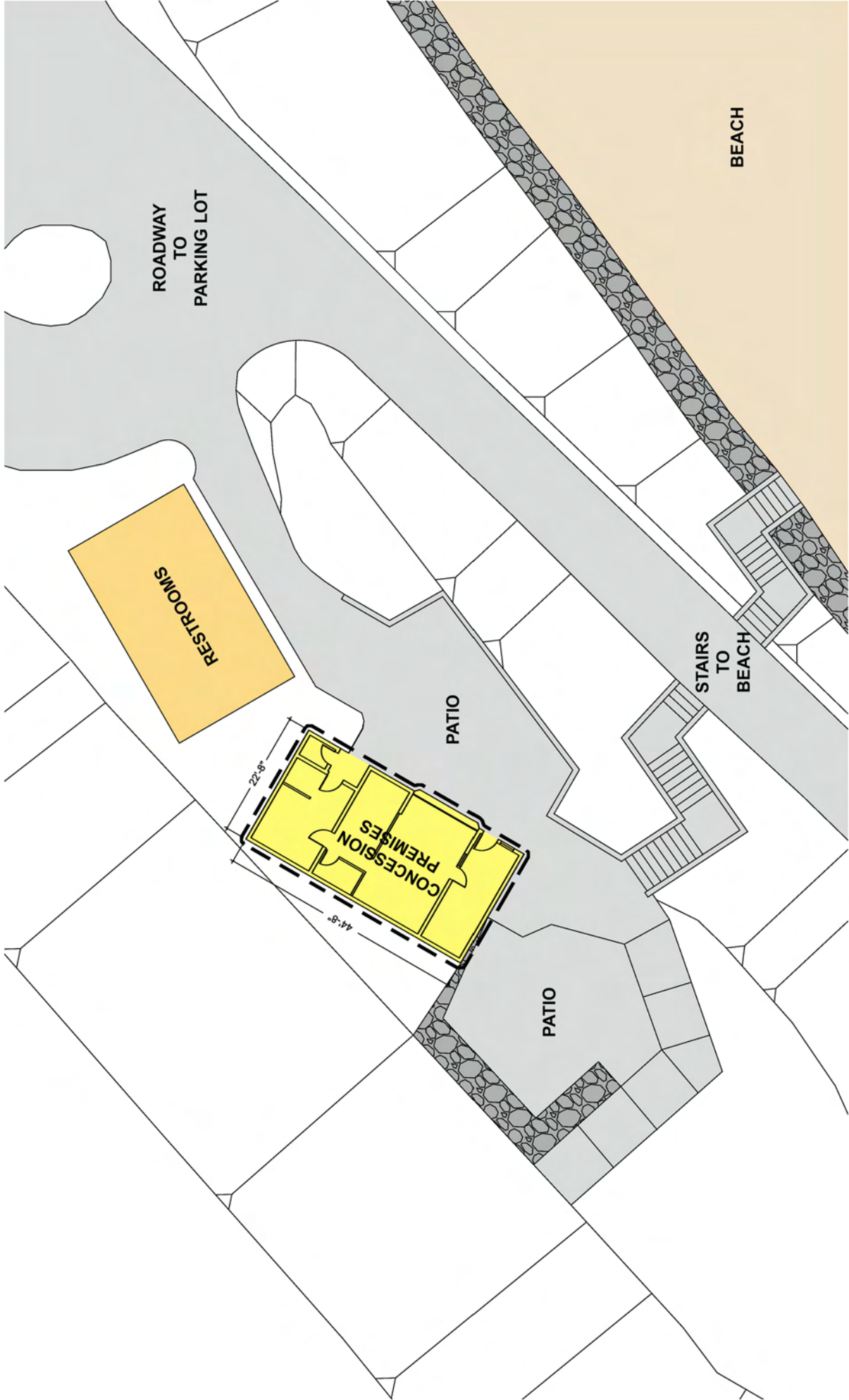
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Concession Building

Salt Creek Beach



**SALT CREEK BEACH
CONCESSION PREMISES**

Exhibit A