

APPROVED  
01-20-2016

REPORT OF GENERAL MANAGER

BOARD OF RECREATION  
& PARK COMMISSIONERS

NO. 16-014

DATE January 20, 2016

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE - CANCELLATION OF THE 2015 REQUEST FOR PROPOSALS FOR THE OPERATION AND MAINTENANCE OF THE PERSHING SQUARE CAFÉ CONCESSION (CON-F15-004); REJECTION OF ALL PROPOSALS

R. Barajas  
H. Fujita  
\*V. Israel



K. Regan  
N. Williams

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\_\_\_\_\_  
General Manager

Approved

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Reject the proposal received from A.M. Best Food, Inc., on September 29, 2015 in response to the Pershing Square Café Concession (CON-F15-004);
2. Cancel and withdraw RFP (CON-F15-004) for; and,
3. Direct staff to return the proposal deposit to A.M. Best Food, Inc.

SUMMARY:

Pershing Square Park (Park), located at 532 South Olive Street in Downtown Los Angeles, is one of the City's oldest and most popular public venues, used daily by the public for recreational park purposes, filming and general public gatherings. The Park hosts a variety of recreational and cultural programs such as summer concert series, a winter season "Holiday on Ice" ice-skating rink, and special events.

On May 20, 2015, the Board approved Report No. 15-109 (as amended) the release of the Pershing Square Café Concession RFP (RFP) for operation and management of a full time café.

On July 22, 2015, the Department of Recreation and Parks (RAP) released the RFP and conducted outreach to potential proposers utilizing the Los Angeles Business Assistance Virtual Network (BAVN), the Los Angeles Daily Journal, and RAP's website. Thereafter, approximately eleven (11) food and beverage companies viewed the RFP on BAVN. Additionally, RAP emailed and mailed an RFP interest letter to approximately fifty (50) businesses selected from RAP's RFP notification list. The businesses were chosen based on their food and beverage categories or in

## REPORT OF GENERAL MANAGER

PG. 2

NO. 16-014

response to their request to be notified of future RFP opportunities.

On August 27, 2015, RAP held a mandatory pre-proposers conference and a site walk, which were attended by two (2) proposers.

On September 29, 2015, RAP received one (1) proposal response from A.M. Best Food, Inc. However, A.M. Best Food, Inc. was deemed non-responsive due to its failure to complete Level I requirements, including failure to complete the Business Inclusion Program Outreach (BIP) through BAVN and failure to include several mandatory contract compliance documents and information, such as the City Ethics Commission (CEC Form 55), First Source Hiring Ordinance, Federal Tax Identification Number and W-9 Form. Furthermore, A.M. Best Food, Inc. neglected to submit the required Proposed Operational Plan and failed to propose a minimum Revenue-Sharing Payment.

It was anticipated, that with the economic rebound and the resurgence of residential and commercial development surrounding Pershing Square and Downtown Los Angeles, the RFP would generate more interest among several potential proposers. However, RAP was left with no remaining proposers to consider for award of the RFP. Therefore, RAP is working in collaboration with Council District 14 and with Pershing Square Renew, the organization formed to facilitate new design, renovation and improvement efforts at Pershing Square Park. Currently, Pershing Square Renew is in the process of selecting a design consultant to help guide and shape future benefits for Park operations at Pershing Square Park. As such, it is in RAP's best interest to temporarily cease plans to release a future Pershing Square Café Concession RFP until the final design process is complete, at which time, RAP will research the best options for providing quality food and beverage services at Pershing Square.

### RECOMMENDATIONS:

Therefore, in accordance with the Los Angeles City Charter Section 371(c) and as stated in Section V. Page 9 of the Request for Proposals for the Operation of the 2015 Pershing Square Cafe Concession released on July 22, 2015 ("The City shall reserve the right to reject any and all bids or proposal and to waive any informality in the bid or proposal when to do so would be to the advantage of the City. The City may also reject the bid or proposal of any bidder or proposer who has previously failed to timely and satisfactorily perform any contract with the City."), RAP recommends that the Board reject the proposal from A.M. Best Food, Inc.; cancel and withdraw RFP No. CON-F15-004, and direct RAP to immediately return the proposal deposit.

### FISCAL IMPACT STATEMENT:

Cancellation of the RFP has no impact to the Department's General Fund.

This Report was prepared by Sonia Robinson, Management Analyst II, Partnership and Revenue Branch, Concessions Unit.