

APPROVED

AUG 08 2018

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 18-156

DATE August 8, 2018

C.D. 4

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH PARK TRAIN RIDE CONCESSION – PROPOSED TICKET PRICE INCREASE AND 2018 CHRISTMAS TRAIN RIDE

AP Diaz _____ V. Israel _____
R. Barajas _____ S. Piña-Cortez _____
H. Fujita _____ *N. Williams W.D.V.



General Manager

Approved X Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Approve GP Rah Enterprises, LLC's proposed ticket price increase for the Griffith Park Train Ride to be effective September 1, 2018 as further detailed in this Report; and
2. Approve the proposal from GP Rah Enterprises, LLC, (Concessionaire) to operate the 2018 Christmas Train Ride in Griffith Park, every evening, beginning November 23, 2018 through December 30, 2018, from 5:00 p.m. to 8:00 p.m. Monday through Thursday, and 5:00 p.m. to 9:00 p.m. on Friday, Saturday and Sunday.

SUMMARY

GP Rah Enterprises, LLC (Concessionaire), the current operator of the Miniature Train Ride Concession in Griffith Park (Concession), has operated the Concession at the Los Feliz Boulevard entrance of Griffith Park and the Travel Town Museum Train Ride (Travel Town) since 2000, offering rides on miniature railroad cars that carry approximately 500,000 passengers per year. The Concessionaire has proposed a rate increase for the train rides as follows:

	<u>Current Price</u>	<u>Proposed Price</u>
Adult Single Ride Ticket	\$2.75	\$3.50
Child Single Ride Ticket	\$2.75	\$3.00
Group Tickets (20 or more)	\$2.25	\$2.75
Senior Tickets (Age 65)	\$2.25	\$2.75
Simulator Tickets	\$3.00	\$4.00
Holiday Lights Train Ride	\$4.00	\$5.00
Visit to Santa Feature	n/a	\$2.00

The last ticket price increase was approved by the Board of Recreation and Park

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Commissioners (Board) on April 17, 2013. The proposed ticket price increase will continue to ensure that the train rides are moderately priced for families and other park visitors, as well as allow the Concessionaire the ability to recoup increased expenditures due to inflation and make improvements to the Concession. Department of Recreation and Parks (RAP) staff researched current ticket prices of miniature train rides in the greater Southern California area and found that they are comparable to the proposed price increase:

Location	Ticket Price
Santa Barbara Zoo Train	\$5.50 - \$6.50 (plus Zoo Admission)
Irvine Park Railroad (City of Orange)	\$5.00
Zoofari Express (Santa Ana Zoo)	\$4.50 (plus Zoo Admission)
Balboa Park Railroad (San Diego Zoo)	\$3.00
Descanso Garden Miniature Train	\$3.00
Los Angeles Live Steamers	\$3.00 (open 4 hours per week)

Christmas Train Ride

From 1991 to 1999, the Concessionaire offered a Christmas Train Ride at Griffith Park. The holiday event ceased after the 1999 holiday season due to the effect of heavy traffic from the Los Angeles Department of Water and Power (LADWP) Holiday Light Show, which made it difficult for visitors to access the train ride facility. Beginning in 2003 and through the 2012 holiday season, the Christmas Train Ride operation was moved to the Travel Town location. However, due to the limited capacity at Travel Town, the Christmas Train Ride ceased operating after the 2012 season. Fortunately, in 2015, the Christmas Train Ride was re-opened at the original Griffith Park location and has grown in popularity with each passing holiday season. The Christmas Train Ride showcases a Christmas themed “Griffith Park and Southern Railroad” train ride over one mile of track, across a bridge, through a forest and the Old Western Town.

When the Christmas Train Ride returned in 2015, the ticket price was Four Dollars (\$4.00). For the 2018 season, the Concessionaire plans to offer an added feature of a “Visit to Santa”. The Concessionaire is proposing a Five Dollar (\$5.00) per person ticket price for the Christmas Train Ride. Patrons will have the option to purchase a separate ticket at Two Dollars (\$2.00) per person to visit Santa. The separate charge to visit Santa will reduce the long lines experienced in past years where some patrons waited up to two hours to visit with Santa.

The 2017 Christmas Train Ride event was very successful with over 40,000 riders and plenty of positive feedback. However, because of limited capacity, the wait time for rides was long, creating exhausting evenings for guests and staff, and affecting the quality of the experience. The increase in ticket price will allow for a reduction in maximum ticketing capacity and will also cover the cost of additional staffing to assist with crowd control.

A Christmas Train Ride, Visit to Santa and digital photo with Santa comparison follows below with pricing summary for the Christmas Train Ride:

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	2007 - 2012 Ticket price (Travel Town location)	2015 - 2017 Ticket price (Griffith Park and Southern Railroads location)	Proposed 2018 Ticket Price (Visit with Santa sold separately)
Christmas Train Ride Pricing	\$7.00 per person (included visit with Santa)	\$4.00 per person	\$5.00 per person
Visit with Santa	No cost. Included with Train Ride ticket	Not offered	\$2.00 per person
Digital Photo with Santa	\$5.00	Not offered	Cost will vary depending on photo package purchase

According to Section 8 (“Operating Responsibilities”) of the Concession Agreement, prices charged “...shall not exceed prevailing market prices for the same standard grade of service or merchandise at similar venues in the surrounding community.”

The only venue in Southern California with a similar attraction is the Irvine Park Railroad where the Train Ride to Santa costs \$15.00 per person and a photo with Santa costs \$10.00.

FISCAL IMPACT STATEMENT

Based on the 2017 ticket sales, the proposed increases will generate approximately Thirty-Three Thousand Dollars (\$33,000.00) in additional revenue to RAP. Ninety percent (90%) of revenue received is deposited into the General Fund and ten percent (10%) is deposited into the Concession Improvement Account.

This Report was prepared by LaTricia Jones, Management Analyst II, Concessions Unit.