



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE:

July 15, 2020

DEPARTMENT:

City Administration

DIVISION:

Administration

- ☒ Motion
- ☐ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

TITLE:

Second Amended and Restated Operation of the Patio Restaurant Concession Agreement

SUMMARY RECOMMENDATION:

Amend and Restate the Concession Agreement for operation of the restaurant at Desert Hills Golf Course. (City Attorney) (Richard Files)

REPORT:

In 2014, through a Request for Proposal (RFP) process, the City of Yuma privatized the operation of the restaurant at the Desert Hills Golf Course. The concession was originally awarded to Frank's Family Dining of Yuma #2, LLC (Frank's) and operated as The Hills Restaurant Patio & Bar (The Hills). Frank's operated The Hills for approximately one year, then assigned its contractual interest to operate the concession to Chef Alex Group, LLC (Chef Alex) in October 2015. Chef Alex has operated The Hills as "The Patio" since the assignment.

The original agreement was amended and restated in October 2018 and the attached proposed agreement amends and restates the agreement for a second time. This proposed second amendment and restatement changes the term from a five-year renewal to a one-year renewal (up to five such one year renewals), increases the interest on any late payments from 2% to 10% per annum, and includes a provision where either party can give 90-days notice of cancellation rather than wait for the renewal period. Additionally, due to the impact of COVID-19 and the City's interest in continuing restaurant operations at the golf course, the proposed second amendment maintains the same flat rate of 6% of gross revenues to be paid to the City as rent. The City also agrees to provide cleaning and sanitization of the restrooms each day until 5:00 pm. After 5:00 pm, the Concessionaire must clean and sanitize the restrooms on a daily basis. The City will remain responsible for major repairs and electrical and water utilities, as the City continues to share the facility as part of golf course operations.

Approval of this motion authorizes the City Administrator, on behalf of the City of Yuma, to execute the proposed Second Amended and Restated Operation of the Patio Restaurant Concession Agreement.

FISCAL REQUIREMENTS	CITY FUNDS:	\$0.00	BUDGETED:	\$0.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00 \$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP: \$0.00	
	TOTAL:	\$0.00		
	FISCAL IMPACT STATEMENT:			
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5.			
	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? <input checked="" type="radio"/> Department <input type="radio"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	Philip A. Rodriguez		7/9/2020	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files		7/8/2020	
RECOMMENDED BY (DEPT/DIV HEAD):		DATE:		
WRITTEN/SUBMITTED BY:		DATE:		