



Success Story: Bolsa Chica Concession Agreement

December Leadership Meeting
Success Via Partnership - Bolsa Chica Concessions

BOLSA CHICA
STATE BEACH
LEFT LANE
PARKING



The bad, the worse, and the good that came of it.

1. Previous Concession Shortfalls
2. Identifying the Need
3. Facility Conditions
4. Process to Move Forward
5. Success through Local Support
6. Q&A

Previous Concession Shortfalls

Revenue summary:

2010 - \$23,567 2011 - \$24,257 2012 - \$24,796 2013 - \$24,435 2014 - \$26,114

Total rent paid for 5 years of operation - \$123,169



Keep In mind this is for 4 concessions buildings in one of the busiest park units in the system

Identifying the Need



Not hard with a track record of poor service to the public, poor financial performance, and ultimately vacant buildings.

Buildings are weathering rapidly with no use, last contract ended 02/2013

Park attendance is 1,753,103 with no services being offered

Facility Conditions







Our Process

- Was all about partnership!
- Initially we went out for bid and only received 3 responses, 2 of which were qualified, and none of which inspired confidence.
- We did not want to perpetuate a low performing business enterprise at Bolsa Chica, and we wanted our visitors to feel well taken care of, so we looked to the community for support.
- Kevin Pearsall (OCD staff member) has a history in marketing and business, and was interested in assisting. His logical first step was to engage the Chamber of Commerce. His goal was to stimulate local interest and support of business in the park.
- The Chamber of Commerce in any community is focused on finding, building, and developing strong business and positive connections.
- Within two weeks they had arranged a meeting with 25 promising entrepreneurs!

Success through Local Support

- Our connections through the Chamber ultimately resulted in acceptance of 15 proposals to negotiate!
- A careful analysis of all bidders was conducted, and ultimately we chose Sea Salt LLC as the successful bidder for all 4 locations.
- This result was a surprise to us, we thought that having 4 separate business partners would help drive public interest, but Sea Salt came in at such a high level with a plan based on partnership and a serious capital investment and marketing, we couldn't say no!
- From Day one owner Alicia Whitney couldn't stop talking about new opportunities, supporting Parks, enhanced special events, etc.
- We're finalizing contracts now, but we expect minimum rent to be \$140,000 or 10% of gross annually - that's over 5 times more than our last concessionaires best year! We believe it likely that 10% of gross could quickly outstrip the \$140K minimum.

Our new partner is investing \$200K into the facilities to address deferred maintenance and usability issues.

Contract will involve a very unique parking validation system

4 uniquely themed facilities will drive interest and satisfy different preferences

- Kanantik Pacific Kitchen, seafood cuisine and specialty coffee
- Beach Cities Provisions, burgers and brew
- Sea Salt grill, grilled food with specialty salts and gourmet shakes
- Sea Legs, Wine Bar and grill



SeaLegs Wine Bar
Bolsa Chica State Beach



SEA SALT
BURGER GRILL
Bolsa Chica State Beach



KANANTIK
PACIFIC KITCHEN
BOLSA CHICA STATE BEACH



BEACH CITY
Brewery
Bolsa Chica State Beach

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Chamber is issuing award to Sea Salt owner Alicia Whitney as HB entrepreneur of the year

Chamber is issuing award to Kevin Pearsall for HB Chamber of Commerce Proud Partner Award in Jan.

She wants to play with us, not against us, which is a great way to establish a business relationship and a much better model for provision of the best available services for our visiting public.

Q&A



Questions

If you have questions regarding the content in this presentation, please reach out to Todd Lewis at todd.lewis@parks.ca.gov.