RANCHO SIMI RECREATION AND PARK DISTRICT

RANCHO SIMI RECREATION AND PARK DISTRICT ACTIVITY CENTER
ADMINISTRATION CONFERENCE ROOM
4201 GUARDIAN STREET, SIMI VALLEY CA 93063

NOTICE OF SPECIAL MEETING

Notice is hereby given, pursuant to Section 54956 of the California Government Code, that the Board of Directors of the Rancho Simi Recreation and Park District, by call of the Chair of the Board of Directors, has ordered that it will hold a Special Meeting on Thursday, February 7, 2019, at 6:30 p.m., in Activity Room 3 in the Rancho Simi Recreation and Park District Activity Center located at 4201 Guardian Street, Simi Valley, California. The purpose of the Special Meeting is to conduct the business listed on the attached Agenda.

[Signature]
Dan Paranick
District Clerk

Dated: February 7, 2019
RANCHO SIMI RECREATION AND PARK DISTRICT

SPECIAL MEETING
BOARD OF DIRECTORS

RANCHO SIMI RECREATION AND PARK DISTRICT ACTIVITY CENTER
ACTIVITY ROOM 3
4201 GUARDIAN STREET, SIMI VALLEY, CALIFORNIA

Thursday, February 7, 2019; 6:30 p.m.

AGENDA

I. CALL TO ORDER

II. PUBLIC STATEMENTS

III. CONSIDERATION OF AN EXTENDED SHORT-TERM LEASE AGREEMENT WITH CURRENT SIMI HILLS GOLF COURSE CONCESSIONAIRE CHEF IT UP

IV. ADJOURNMENT

Dan Paranick
District Clerk

If any individual has a disability that may require accommodation to participate in this meeting, please contact Human Resources at 805/584-4400. Upon advance notification of the need for accommodation, reasonable arrangements will be made to provide accessibility to the meeting.
RANCHO SIMI RECREATION AND PARK DISTRICT
INTEROFFICE MEMORANDUM

DATE: February 7, 2019
TO: District Manager
FROM: Golf Course Manager
SUBJECT: Consideration of an extended short-term lease agreement with current Simi Hills Golf Course concessionaire Chef it Up

SUMMARY

On January 3rd, 2019, the Board of Directors authorized staff to issue an RFP for the Food and Beverage Concession Agreement at Simi Hills Golf Course and authorized the District Manager to waive rent for the current concessionaire as negotiated to extend his contract as required.

Chef It Up exercised its 60-day early termination option on December 10th, which set its contract end date at February 10th. In initial negotiations with staff, Chef It Up indicated that waiving rent for February would be sufficient consideration to extend their contract until the end of February to allow staff time to get a new concession agreement in place. In subsequent negotiations, Chef It Up indicated that waiving rent for February was not enough incentive and indicated they would stick to the February 10th end date unless the District was able to make additional assurances and/or adjustments to rent. Specifically, Chef It Up asked for assurances on 1) the transfer value of inventory 2) the transfer value of small wares, and 3) waiving of rent for the month of January in addition to February.

Staff has negotiated a contract with a new concessionaire and has secured in that agreement a commitment to transfer inventory and small wares at fair market value. Staff has secured agreement this week with both incoming and outgoing concessionaires on the definition and parameters for valuing inventory.

In addition to the previous request for waiving the rent for February, staff has negotiated Chef It Up’s additional reduced rent request for January to 50% of the January rent amount. Rent due from Chef It Up for the month of January is $3,001.80, So reducing it by 50% represents a cost to the District of $1,500.90 for January. Staff does not feel waiving additional rent for January is optimal, but recognizes and appreciates the significance of Chef It Up staying beyond their contract end date for the District’s benefit. Without the consideration, the Simi Hills Golf Course concessions would be significantly impacted until March 1, 2019 when the new concessionaire is scheduled to begin operations. As a result, staff recommends that the Board authorize the District Manager to provide 50% reduced rent for January and a 100% waiver of rent for February in exchange for Chef It Up extending its current termination date from February 10, 2019 to February 28, 2019.
RECOMMENDATION

Staff recommends the Board of Directors approve and authorize the District Manager to reduce rent for the current concessionaire by 50% of the January rent amount and 100% of the February rent amount.

[Signature]
Brian Reed
Golf Course Manager