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**DEPARTMENT OF PARKS  
AND COMMUNITY SERVICES**

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September 18, 1990

Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

SUBJECT: HAGGIN OAKS GOLF RESTAURANT SERVICES LEASE

SUMMARY

This report provides information relating to the provision of restaurant services at Haggin Oaks Golf Course. Further, this report requests authorization to call for proposals for Restaurant Services at Haggin Oaks Golf Course.

BACKGROUND INFORMATION

Haggin Oaks Golf Course, located in the City's largest and oldest regional park, has been serving Sacramento's golfing public since 1932. In addition to the original 18 hole course, two nine hole courses have been added at Haggin Oaks. Consistently named by Golf Digest as one of the premier municipal courses in the country and frequent host of prestigious tournaments, Haggin Oaks Golf Course is very popular and highly utilized by residents of Sacramento and visitors to the City. Presently play at the Haggin Oaks Golf Course is close to reaching maximum capacity serving in excess of 1,500 persons on peak days.

Restaurant services at City golf courses are provided by private entities under contractual agreements with the City. The current contract for Restaurant Services at Haggin Oaks Golf Course with Canteen Services will expire in February 1991. Under the Restaurant Services agreement, the lessee has full responsibility for the provision of food services to Haggin Oaks Golf Course patrons requiring them to operate the restaurant, which is a coffee shop type facility, and the two tee shacks which provide limited snack services. In addition, the lessee is the exclusive provider of catering services for tournaments at Haggin Oaks Golf Course. Under the

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95814-2977

916-449-5200  
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DIVISIONS:  
GOLF  
CROCKER ART MUSEUM  
HISTORY AND SCIENCE  
METROPOLITAN ARTS  
SACRAMENTO ZOO  
PARKS AND RECREATION

- NORTH
- SOUTH
- CITY-WIDE

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current agreement, a percentage of gross receipts from these activities is provided to the City as rent. Under the proposed new contract, in addition to the provision of food services, the restaurateur will be required to renovate the dining, food preparation and storage areas as these areas are currently considered less than optimum. In addition, the catering potential is largely unrealized and as such the lessee will be required to develop a proactive catering service to better serve the golfing public. The minimum term of this contract shall be five years with a longer term considered depending on the proposed level of investment.

In an effort to secure a high quality restaurant services provider and to maximize the revenue to the City, a Request for Proposal for Restaurant Services at Haggin Oaks Golf Course was developed. Copies of the proposed specifications are on file in the City Clerk's office. To discourage overbidding at the detriment of service to the public, other criteria besides return to the City has been developed by staff with the assistance of a food services consultant familiar with both the facility and the market. The selection shall be based on the quality of proposed services and equipment; the applicant's past experience; level of capital investment and consistency of proposal with city objectives, in addition to the proposed financial return to the City. The successful proposer shall be required to provide all equipment and supplies necessary for the operation of the contract; to carry full insurance with the City named as additional insured; and to pay a specified percentage of gross receipts with a minimum annual guarantee to the City. After issuance of the Request for Proposal and after receipt of proposals, staff will return to Council with recommended successful proposers and ask for authorization to negotiate an agreement.

FINANCIAL DATA

The amount of revenue generate under the existing Haggin Oaks Restaurant Services contract is as follows:

Contract Year:	1986-87	1987-88	1988-89	1989-90
	\$143,717	\$138,849	\$155,608	\$188,046

Revenue is deposited in the Golf Enterprise Fund to offset golf operating costs.

The amount of revenue to the City from the proposed agreement for Restaurant Services at Haggin Oaks Golf Course is dependent on the term of the new lease. Terms of the proposed lease will include both a percentage rent and a minimum annual guarantee to be negotiated.

POLICY CONSIDERATIONS

Issuance of a Request for Proposals for a Restaurant Services lease at Haggin Oaks Golf Course is in accordance with Section 12.31 of the Sacramento City Code.

MBE/WBE EFFORTS

Efforts will be made to support the City's MBE/WBE goals by broadly advertising for proposals including advertisements in representative minority publications.

RECOMMENDATION

It is recommended that the Budget and Finance Committee approve this report and refer it to the full City Council for action. Further, it is recommended that the Council, by resolution:

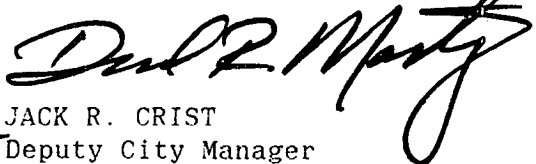
1. Approve the Request for Proposals for Restaurant Services lease at Haggin Oaks Golf Course; and
2. Authorize the City Clerk to advertise for lease proposals for Restaurant Services at Haggin Oaks Golf Course pursuant to the provisions of Chapter 12.31, Article II, of the Sacramento City Code.

Respectfully submitted,



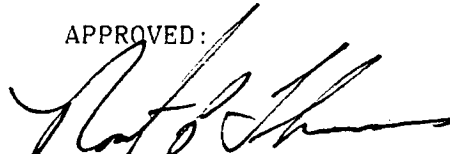
Dale Achondo  
Golf Manager

RECOMMENDATION APPROVED:



JACK R. CRIST  
Deputy City Manager

APPROVED:



ROBERT P. THOMAS, DIRECTOR  
Parks and Community Services

Contact Person: Patti Gonzales, Administrative Services Officer - 449-5375

September 18, 1990  
District 2

DA/RPT:ja

A:honestcc.doc

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

RESOLUTION CALLING FOR SEALED OFFERS  
OF PROPOSALS RELATING TO THE RESTAURANT  
SERVICES LEASE AT HAGGIN OAKS GOLF COURSE

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The Sacramento City Council hereby invites and calls for sealed offers or proposals for the Restaurant Services lease at Haggin Oaks Golf Course in accordance with the specifications entitled "Request for Proposals to Provide Restaurant Services at Haggin Oaks Golf Course". Copies of the specifications are available at the Department of Parks and Community Services, 1231 I Street, Suite 400, Sacramento, California, 95814. Sealed offers or proposals shall be submitted to the Department of Parks and Community Services no later than 5:00 p.m. October 15, 1990.
2. The City Clerk shall publish this resolution in the official newspaper of the City once a week for two consecutive weeks.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_