

Addendum #1

TO: All Prospective Proposers

FROM: Emily Krell, Vice President of Visitor Experience and Business Development

SUBJECT: Addendum to the Request for Proposals for the Recreational Programming Operator and Food & Beverage Operator at the Samuel J. and Ethel LeFrak Center in Prospect Park

DATE: December 24, 2024

This addendum is being issued to the above referenced Request for Proposals (RFP) released by the Prospect Park Alliance to include additional and clarifying information pertaining to the RFPs.

1. **Meeting recording:** The remote proposers meeting (held on Dec. 9, 2024) recording can be viewed [here](#).
2. **Site tour(s):** Prospect Park Alliance (PPA) will hold site tours at the Samuel J. and Ethel LeFrak Center in Prospect Park on the following dates/times. Please [RSVP](#).
 - Thursday, January 2, 2025 from 9:30 - 10:30am
 - Monday, January 6, 2025 from 9:30 - 10:30am
 - Monday, January 13, 2025 from 9:30 - 10:30am
3. **Q&A:** Questions and answers submitted during the remote proposers meeting or received directly have been answered and are attached to this addendum.
4. **Extension:** PPA is extending the proposal due date from Friday, January 17, 2025, at 3:00pm to **Wednesday, January 29, 2025, at 3:00pm**. All submission requirements remain unchanged.

All other terms and conditions of the RFPs are unchanged by this addendum and shall remain in full force and effect. An addendum from PPA is the only official form of communication regarding additional or clarifying information pertaining to the RFPs.

Please contact me with any questions you may have. I can be contacted via email at ekrell@prospectpark.org.

Thank you.

12/23/2024

Proposer Meeting Q&A Responses

Below is a list of questions received during the remote proposers meeting as well as additional questions sent to PPA via email. Some questions regarding the same topic have been consolidated or combined.

There were several questions related to the division of responsibilities. Here are a few important clarifying points:

- *Prospect Park Alliance will oversee the functioning of the splash pad and provide liability insurance for its use.*
- *PPA will be responsible for general building maintenance and cleaning (bathrooms, trash, etc). The Operators will each be responsible for day-to-day cleaning of their respective spaces.*
- *PPA will provide security outside of operating hours. The RPO would need to provide any additional security needed for large events.*
- *The Parks Department is responsible for cooling the slabs. The Recreational Programming Operator is responsible for making and maintaining the ice.*

Other Questions

1. Can you please tell us more about the existing food and beverage vendor you had mentioned earlier?
Currently there is a single operator at LeFrak running everything so there isn't a separate food and beverage vendor.
2. Can you clarify, is the deposit 25% of the license fee? Or historical revenue that you've outlined in the doc?
That's mentioned in the RFP - it requires 25% of the highest minimum fee that you propose (page 6). The operator will be required to submit a non-interest bearing security deposit of 25% of the highest year's guaranteed minimum fee.
3. Is event revenue included in the F&B revenue listed in the RFP? If so, can you provide a split of event vs. cafe revenue? It's hard to understand F&B revenues without knowing the split between cafe and events. Do you know how many parties did they do in 2023 and with what guest counts?
We did provide an exhibit to the RFP, Exhibit D, which provides historical gross revenues. We do not have the split between cafe and event revenue. We also do not have information regarding the number of parties or guest counts.
4. Would you be interested in one group taking over the whole thing?

We are open to that but are also open to having a separate Food & Beverage Operator. Potential operators can choose to propose for one RFP or both of them.

5. F&B - Can we change the name?

Yes. The name should be changed.

6. What is the earliest open and latest close permitted? Would PPA be open to expanding the public skating hours to go a bit later on the weekends?

Prospect Park is closed to everyone between 1:00 a.m. and 5:00 a.m. so certainly no middle of the night 24/7 skating or hockey allowed, but subject to that constraint we're open to suggestions. As noted in the RPO RFP, all outdoor amplified sound must end no later than 10:00pm.

7. F&B - Is it possible to see a P&L? That'll help with the pro-forma formulation.

We do not have this information for F&B only. Please see Exhibit D in the RPO RFP.

8. What are the current annual revenues?

Please see Exhibit D in the RPO RFP and the additional charts below.

LeFrak Center site-wide (incl. F&B)		Food & beverage only	
Gross receipts net of sales tax		Gross receipts net of sales tax	
from 1/1/24 - 10/31/24		from 1/1/24 - 10/31/24	
January 2024	\$678,051	January 2024	\$77,455
February 2023	\$593,686	February 2023	\$69,644
March 2024	\$276,241	March 2024	\$36,104
April 2024 (partial - ice)	\$20,347	April 2024 (partial - ice)	\$4,226
April 2024 (partial - roller)	\$110,602	April 2024 (partial - roller)	\$8,630
May 2024	\$191,289	May 2024	\$26,635
June 2024	\$286,576	June 2024	\$105,374
July 2024	\$209,618	July 2024	\$61,745
August 2024	\$286,993	August 2024	\$48,160
September 2024	\$116,523	September 2024	\$23,742
October 2024	\$142,910	October 2024	\$30,258
Total	\$2,912,836	Total	\$491,973

9. Of the 4.2 million that was done in rink revenue in 2023, can you provide the breakdown of ice vs. roller?

Please see the chart below.

LeFrak Center - Gross receipts net of sales tax	
Yearly totals	2023
Ice Skating (Admissions, skate rental, ice/rink rental, skating instruction, skate sharpening/repairs, general group reservations, group buying deals, helmet/pad rental)	\$2.9 M
Roller Skating (Admissions, rink rental, skating instruction, general group reservations, group buying deals, helmet/pad rental)	\$0.7 M
Events (Party room packages and rentals, special events & engagements)	\$0.5 M
Other (Biking, boating, bumper cars, locker rental, bag check, film/photo shoot, merchandise sales)	\$0.3 M
F&B (Cafe)	\$0.7 M

10. Do you feel there were opportunities for bigger events that the current F&B operator did not necessarily have the capability to cater?

We believe there could be the opportunity to do more with both the F&B, recreational programming, and, potentially, with events that are park-appropriate and work within the constraints to the footprint of the facility.

11. F&B - Does the space come with equipment and furniture? Would we be given access to existing equipment or would we be required to equip our own stand?

In the kitchen there is a walk-in refrigerator and freezer as well as cooking equipment that comes with the facility, and the picnic tables outdoors. The F&B Operator will be able to use the currently installed, fixed-in-place kitchen equipment.

12. Is there a current liquor license in the space?

The current operator has a liquor license for the facility.

13. F&B - Is preference given to those who want to take on both?

No. We'll be reviewing all of the proposals with the criteria listed in the RFPs.

14. Is the recreational programming operator responsible for paying electric/any utilities?

The Recreational Programming Operator will not have to meet any utility costs. The Food and Beverage Operator will have to pay for utilities related to the cafe.

15. Is the current vendor planning to bid?

We don't know.

16. Is there preference for food service operators to serve alcohol?

There is not necessarily a preference.

17. Are the ice-resurfacing machines owned by the vendor or PPA?

There are two 2013 electric Olympia IceBear Resurfacers that are owned by Prospect Park Alliance. They will be provided for the Recreational Programming Operator to use and maintain.

18. What are the capacities of the event space?

This is complicated because of the many ways the spaces can be divided. Please raise during the tour.

19. F&B - What is the biggest pain point the Alliance has with the current vendor that they are looking to have the new vendor solve?

We're looking to divide responsibilities in a different way to make the facility and customer experience even better. This will result in the Alliance having a daily presence at the facility to take care of the maintenance and cleaning and to work more closely with the operator(s). A summary of the responsibilities of PPA and the new Recreational Programming Operator are outlined in Exhibit C of the RPO RFP.

20. Do you have metrics for how many visitors come divided by summer and winter?

Prospect Park is busy year round these days, but in the summertime, visitation peaks. We have a user study underway so we will have data on that in the coming months. For this facility, ice skating is very popular and there are peak moments when capacity is reached. The summertime is a big opportunity to leverage all the visitors that come to the park and have them engage in this space with programming with great food and beverage.

21. What is the current condition of equipment for the ice rink? Expectation for a new vendor for maintenance after this current season going into next year? (dasher boards, skate rental, etc.)

The equipment that refrigerates the slab is provided and maintained by the New York City Parks Department and has been well maintained. We expect the Recreational Programming Operator to build the ice, put the paint down, and maintain the ice itself during the season. The Recreational Programming Operator will provide skates and other rental equipment. The dasher boards are provided by Prospect Park Alliance.

22. Does the LeFrak venue also host wedding receptions?

There have been a few weddings at the LeFrak Center in the past, but there are public hours to be worked around so the opportunities may be limited.

23. Are there expectations from Parks or PPA in regard to timing available for private events vs. public access?

We are looking for operators to understand that this is a public facility. There are a lot of sensitivities around closing the entire facility for private events. That is possible, but only in certain specific circumstances. There are definitely private rentals that happen outside of public hours, and we're looking for an appropriate blend. It can't become private space predominantly. It's a public facility. We added the current public skating hours as an exhibit to the RFP, so that's a good place to base assumptions on.

24. Will you try to resolve issues by having a more local operator who is more connected with the local community?

We will be evaluating responses based on the criteria we've put forth the criteria in the RFPs.

25. Will you share the list of people who signed up for the info session? In case there are opportunities for us to collaborate. Thank you!

We will not be sharing the attendee list.

26. Does the current operator subcontract the boat & bike rentals at The Samuel J. and Ethel LeFrak Center ? If so, who is the subcontractor(s) for those amenities ?

The current operator runs bikes and boats themselves.

27. Does the current operator subcontract the F&B? If so, who is the subcontractor for F&B?

Currently there is a single operator at LeFrak running everything.

28. What percentage of gross revenues is the current operator paying for 2024? And what is the guaranteed minimum fee they are paying for 2024? For the last full year, which amount paid to PPA was higher (the percentage or the guaranteed minimum)?

Under the old model, the current operator is responsible for the entire site including skating (and other recreational programming), food & beverage, plus a large scope of maintenance and repair work for the entire site. They never achieved thresholds for the percentage of revenue and instead have paid minimums to date which currently is \$500,000/year. Please note, however, now that the Alliance is taking on much of that maintenance and repair scope of work, we are expecting substantially more as a minimum.

29. Pro Shop sales were listed as an option for generating revenue. What were the Pro Shop sales for 2023?

There is no pro shop at this time.

30. As described on Page 5 of the RFP (under Administration and Deliverables), can PPA provide current samples of those reports utilized by the current operator ?

PPA will work with the Operator to develop format and content for monthly reports that will be required during the course of the term.

31. What POS system is currently being used?
We do not have this information.
32. Are they cashless and if not how are monies getting deposited?
They accept cash but we are not aware of their procedure for making deposits.
33. Can we get a list of contract users for the ice rink and roller rink?
We may be able to provide this at a later stage in the process.
34. What type of learn to skate program is being utilized there if any? USA figuring skating?
*We do not have all of these details, but there is some information on the Lakeside website here:
<https://lakesidebrooklyn.wixsite.com/lakeside>*
35. How many associates are currently employed by Upsilon at Prospect Park?
We do not have this information.
36. From 2022 to 2023 we see significant decrease in revenues in all categories, can you describe what attributed the decrease in sales?
We do not have this information.
37. Please clarify if you will only be providing security outside of operating hours or if you will always be providing security and we provide additional security for large events.
PPA will provide security outside of operating hours. The RPO would need to provide any additional security needed for large events.
38. Please clarify whether the RPO is responsible for splash pad equipment maintenance.
PPA is responsible for splash pad equipment maintenance. The RPO is responsible for removing the ice rink dasher boards from around the oval rink and for other tasks to transition from ice to splash pad season and the reverse.
39. Is May 2025 the operational start date or the date to begin setup?
This is an estimated timeframe for when the new operator would have access to the site and our expectation is that some programming, including roller skating, would be operational starting in June 2025.
40. Can the LeFrak Center receive food and beverage deliveries from vendors?
Yes. There is a loading dock and permitted vendors can approach that area from the park drive.
41. What is the current system for collecting and removing waste?
Currently the NYC Parks Department removes trash.

42. Are appliances allowed to be gas, electric, or both? Are open flames allowed in the kitchen?

PPA expects the F&B Operator to comply with current codes and regulations.

43. Who holds responsibility for building maintenance and cleaning?

PPA will be responsible for general building maintenance and cleaning (bathrooms, trash, etc).

The Operators will each be responsible for day-to-day cleaning of their respective spaces.