

DATE: 4-22-2015
MEETING OF: 4-28-2015
FROM: David Kegebein – Manager
RE: Outdoor Market Expansion

BACKGROUND:

When we contracted with El Mercado Popular for the Sunday outdoor market operations we planned to expand (reference RFP #2012-04 page 17) the operation by adding additional days when the economy improved and conditions and timing seemed right. Patricia Rodriguez recently approached management & expressed interest in expanding the days of market operation during the 2016 calendar year.

After careful review with Jerry Blair from the Attorney General's Office and Stephanie Strelow from Strelow Consulting who prepared the environmental review documents for the outdoor market operations we all agreed that amendments to the existing contract would be the best approach. The proposed amendments and original contract documents are attached.

The Sunday Markets will continue to operate the same as they have been, but the proposed expanded market days will operate differently in two major ways:

1. No amplified music or other entertainment will be conducted.
2. The markets will be operated in the "exterior" parking areas and will not occupy the interior paved parking area commonly called the "Carnival Lot".

This expansion will benefit both parties in several ways.

1. Current Sunday Markets need more restroom capacity than the buildings provide. This becomes real problematic when one or more of the buildings is occupied by other event tenants. Construction of additional restroom facilities in a market centralized location will improve customer service to all multi use fairgrounds patrons.
2. By rearranging the West Gate Entrance which is the entrance that approximately 70% of the fair patrons enter the grounds at fair time will be more centered in the main parking lot and provide opportunities to improve guest entry flow & service.
3. The fenced interior parking area (Carnival Lot) will be expanded to better accommodate parking for events in the buildings.
4. The expanded interior parking area will receive paving overlay improvement over the next couple of years.
5. Both parties should benefit from expanded & improved income over the life of the preexisting contract.

FISCAL IMPACT:

El Mercado Popular Inc. will improve the fairgrounds facilities & operations by funding approximately \$200,000 of facility improvements. The facility improvements include carnival lot perimeter fence realignment, a 24 stall restroom facility (duplicate of current Race Track Restrooms built in 2000), and asphalt paving overlay in the expanded carnival lot.

The 14th DAA will receive rental income from the expanded market days that steadily increases by graduating percentage over the life of the contract.

STAFF RECOMMENDATION:

- 1. Approve the proposed Amendment to the Negative Declaration**
- 2. Approve the Amendment to contract 2013-27**

ATTACHMENTS:

- RFP #2012-04**
- Original 2012 Negative Declaration & Initial Study issued 11-12-2012**
- Original Negative Declaration Responses**
- Original Negative Declaration Board Resolution**
- Contract #2013-27**
- Proposed Negative Declaration Amendment 4-25-2015**
- Proposed Amendment #1 to Contract #2013-27**