



CITY OF KIRKLAND

Department of Parks & Community Services

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MEMORANDUM

To: Dave Ramsay, City Manager
Marilynne Beard, Assistant City Manager

From: Mike Metteer, Business Services Manager
Carrie Hite, Deputy Director

Date: September 12, 2006

Subject: Business Services Division Update

Background

The Business Services division of Parks and Community Services began in January, 2006. The purpose of this division is to advance the City's opportunities in developing partnerships, philanthropy opportunities, endowments and other markets for new revenue. This position provides the opportunity to dedicate existing resources to:

- centralize the administration of all concessions and rentals;
- develop and implement a marketing partnership policy to obtain new sponsorships opportunities;
- centralize the management of all the revenue functions at Marina to one work unit, down from three divisions;
- develop and lead service teams to maximize the expertise that are within the department in the delivery of special events, sponsorships, concessions and rentals.

The first six months

- Park Concessions: RFP's were written and contracts awarded for seasonal food and beverage concessions at Houghton Beach, Marina Park, Waverly Beach, Peter Kirk Pool and Juanita Beach.
- Parasailing: Pacific Parasail renewed their contract for 2006 to operate out of Marina Park. The season kicked off on May 11.
- Boating: Business Services is exploring creative ways of maximizing opportunities on the Marina dock. A position of "Dock Master" was implemented to handle daily moorage collections and enforcement. Additionally, Business Services is working on a slip reservation policy which will allow transient boaters to call in to reserve a slip. Only a limited number of slips will be available for this service. Reservation fees and premium moorage fees will apply.
- The Plaza Lift Station The Slip Restaurant renewed its lease for the summer of 2006. This is the second year of this partnership.

- A partnership continues with the Kirkland Downtown Association (KDA) for 2006. Late Night Market Block Parties were held on the 3rd Wednesday of June, July and August.
- Public-Private Partnership Policy draft is nearly completed. The policy is being written as a Parks policy with room to grow into a City-wide policy. An interdepartmental team is working together on this policy and will allow the City of Kirkland to be more proactive when presented with partnership opportunities. It also sets a level playing field for all potential partners, so they can know and understand in advance the parameters and selection criteria for a proposed partnership.
- Special Events Policy team is working on formulating policies for holding public events in parks by establishing guidelines, fee structures and approval processes.
- Second Avenue South Dock. The existing Kirkland Yacht Club Marina (KYCM) dock was approved in 1973. In 1974 a street-end use permit was approved by the City Council that allowed the main pier and portion of the marina to locate within the Second Avenue South right-of-way. And since 1974 the applicant has owned the main pier and has had a street use permit allowing the private improvements. The key terms of the permit were:
 - 15 year term(s)
 - Public access on the main pier and public moorage use of the south side of the pier
 - Payment in the amount of 7% of the gross receipts for moorage slips in the right-of-way

Pursuing the dock unveiled some unresolved issues, including back payment in the amount of \$20,022.04 from moorage in the right-of-way. This resulted from 10 years of non-payment. Payment has been made in full.

Current projects

- Business plan for Marina Park will encompass everything from Heritage Hall, Marina Park and Second Avenue South Street dock.
 - Moorage fees
 - Extended stay and reservations for moorage
 - Park Events
 - Rentals
 - Weddings
 - Concessions
 - Tour Boats
 - Water taxis
- Facility Rental Policies and streamlining reservation process
 - Marketing Parks facilities for maximum use
- Business planning for Juanita Beach and McAuliffe Park
- Business partnerships
 - Promoting programs and parks available for business partnerships
- Researching Northwest Parks Foundation vs. Kirkland Parks Foundation
 - Endowments
 - Public Involvement
 - Donations

As of August, revenues in the selected areas below have increased considerably when compared to revenues generated in 2005. Business Services is actively working on business strategies which will give the public a better product, while gaining a greater return in the future.

	2006	2005	Net increase
2nd Ave South Dock	\$20,022.04	\$0.00	\$20,022.04
Plaza Lift Station Rental	\$3,150.00	\$2,130.00	\$1,020.00
Moorage	\$44,818.00	\$31,474.00	\$13,344.00
Parasail	\$1,854.00	\$1,200.00	\$654.00
Brochure ad sales	\$4,165.00	\$2,250.00	\$1,915.00
Concessions	\$4,905.88	\$200.00	\$4,705.88
	\$78,914.92	\$37,254.00	\$41,660.92