

PUBLIC MEETING: DISPOSITION SHEET

FRANCHISE AND CONCESSION REVIEW COMMITTEE

WEDNESDAY, FEBRUARY 9, 2011 @ 2:30 P.M.

NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION

No. 1: **IN THE MATTER** of the intent to seek Franchise and Concession Review Committee approval to utilize a different procedure, pursuant to Section 1-16 of the Concession Rules of the City of New York, to authorize the New York City Department of Parks and Recreation (Parks), to enter into a Sole Source License Agreement (Agreement) with Friends of the High Line, Inc. (FHL) to provide for the operation and management of food and beverage and/or merchandise concessions at various locations on and/or under the High Line, Manhattan. Parks anticipates that FHL will enter into sublicense agreements with third parties for the operation and maintenance of some or all of the concessions, which will be awarded pursuant to a process approved by Parks. Any sublicense agreements shall be subject to the written approval of Parks. The Agreement will provide a license term beginning upon FHL's receipt of a written Notice to Proceed (NTP) to the earlier of (1) ten (10) years from the NTP, or (2) termination of Maintenance and Operation Agreement between FHL and Parks, dated May 26, 2009 (the "M&O Agreement"). The Agreement may be renewed, at the discretion of the Commissioner of Parks, for one (1) subsequent ten-year term upon the same terms and conditions herein. Annual compensation to the City shall be as follows: FHL shall retain the first \$200,000 in Annual Revenues. After FHL has received \$200,000 in Annual Revenues, FHL shall pay to Parks 20% of subsequent Annual Revenues until total Annual Revenues reach \$1,000,000. For all Annual Revenues above \$1,000,000, FHL shall pay to Parks 50% of such Annual Revenues. After FHL has recouped their costs under the M&O Agreement, all Annual Revenues derived from the Licensed Premises shall be paid to the City's General Fund.

RESULT: Resolution Adopted (6-0) (On behalf of the Borough Presidents, vote cast by President, Borough of Manhattan)