



**Department:** Parks and Recreation  
**Cost Center:** 7001  
**For Agenda of:** 5/20/2025  
**Placement:** Consent  
**Estimated Time:** N/A

**FROM:** Greg Avakian, Parks & Recreation Director  
**Prepared By:** Devin Hyfield, Recreation Manager

**SUBJECT:** AUTHORIZE RELEASE OF RFP FOR MISSION PLAZA CAFÉ KIOSK

### RECOMMENDATION

1. Authorize the release of a Request for Proposal for a food and beverage vendor at the Mission Plaza; and
2. Authorize the City Manager to award the contract and execute a vendor lease agreement with the selected vendor in a form approved by the City Attorney.

### POLICY CONTEXT

With the adoption of the 2021-23 Financial Plan, Council established a Major City Goal of Economic Recovery, Resiliency, and Fiscal Sustainability. Within that Major City Goal is the strategic approach to Downtown Vitality with efforts to focus on supporting infrastructure investments. The Mission Plaza improvements are included in the infrastructure investments the City is pursuing to meet the Major City Goal by activating a public space, providing services to the public, and increasing safety of the plaza. The Café Kiosk is part of an approved capital improvement plan project in the adopted 2023-25 Financial Plan that continues to support the Major City Goal of Economic Resiliency, Cultural Vitality, and Fiscal Sustainability.

### DISCUSSION

#### Background

In 2017, the City Council reviewed and adopted the Mission Plaza Concept Plan. A major component of the Concept Plan is to replace the existing restroom and install a new café kiosk to provide concessionaire services and support more activation in the plaza. RRM Design Group was selected in 2018 to lead the entitlements process and prepare design documents for the improvements. After several advisory body meetings which included Parks and Recreation Commission and the Planning Commission, a Council Study Session was conducted in February 2020 to provide direction for the final scope of the Mission Plaza project. At that meeting, Council provided direction on conceptual designs for the project site and confirmed their support for continuing the project. The inclusion of the Café Kiosk was identified by Council as a significant component of the current Mission Plaza Improvement project, and permanent structure was preferred over mobile food operations. Furthermore, a café kiosk provided the opportunity to lease the space to

a food and beverage business and achieve a more permanent presence in the plaza, which was beneficial for activating the space.

## Project

The project includes the replacement of the existing restroom within the Mission Plaza with a new restroom, construction of a café kiosk, creation of an outdoor seating area (including tables and chairs), an informational art and events stand, and associated site improvements surrounding these buildings. The project also includes improving accessibility (ADA) and enhancing safety through site lighting and security cameras.

Staff is requesting authorization to advertise a Request for Proposal (RFP) for a food and beverage vendor to lease the Café Kiosk, which includes the outdoor dining space. Staff would like to secure a vendor for the space prior to completion of construction for the vendor to include functional operational improvements to the kiosk prior to opening and providing services.



### **Support Special Events and Potential for Alcohol Sales within Mission Plaza**

On an annual basis, the City approves between sixty (60) and ninety (90) special events within Mission Plaza and the “Dogleg” - section of Broad and Monterey streets adjacent to Mission Plaza. Most special events have vendors that pay a “vendor booth fee” to the event organizers or the event organizers sell food or beverages as a revenue generator. Staff conducted outreach with representatives of SLO Chamber and Downtown SLO to obtain input on key areas for consideration of an appropriate concessionaire vendor and methods to support the variety of events held within Mission Plaza. The potential of the permanent concessionaire of the Café Kiosk may create some unforeseen circumstances where both the kiosk vendor and the event organizer may sell similar items or products. Staff are including within the RFP the option for the vendor of the Café Kiosk to provide a business operation plan for consideration during scheduled events, such as hours of operation, allowance of alcohol sales, including the option to support the events or close operations during a scheduled event.

The City is allowing for the option for sale of alcohol within the concessionaire zone in adherence to all San Luis Obispo County Alcohol Beverage Control (ABC) licensing and regulation requirements. Contained in the RFP is a requirement for the applicant to include an operational plan for the sale of alcohol, including appropriate timeframes to allow the sale of alcohol, vendor oversight, and all regulatory requirements to adhere to the ABC regulations. The vendor will be solely responsible for all fees and permit requirements, including any modifications to the outdoor dining area to meet ABC regulations.

### **Previous Council or Advisory Body Action**

On September 5, 2017, the Mission Plaza Concept Plan was adopted by City Council and staff proceeded with the Mission Plaza Restroom and Kiosk project design. The project designs were presented to key advisory bodies and then presented to City Council for a study session on February 18, 2020. The conceptual design was presented to the Cultural Heritage Committee on April 25, 2022. The project was reviewed by the Community Development Director through the Architectural Review application and the conceptual project plans were approved on June 1, 2022, based on findings and subject to project conditions that have been incorporated into the final construction documents. On June 20, 2023, the City Council authorized inviting bids for the Mission Plaza Enhancements, Specification Number 91439-01, which broke ground in January 2025.

### **Public Engagement**

This project received public input throughout the process through the variety of advisory body meetings, Council Study Sessions, and project bid award listed above. The project has received funding in each financial plan since the 2015-17 Financial plan. The City engages the public during each financial plan process. Additionally, Staff have provided opportunity for input and concurrence by members of the SLO Chamber of Commerce and Downtown SLO specific to the vendor operations of a café kiosk.

## **RFP PROCESS**

Upon authorization to advertise the RFP for a food and beverage business and lease of the Mission Plaza Café Kiosk, staff will advertise for the standard 5-week time frame. An opportunity for applicant questions with staff from both Public Works and Parks and Recreation Department is included within the advertising timeframe. Applications will be reviewed for qualifications and identified for an interview and selection meeting. This meeting will be comprised of appropriate City Staff and key City partners such as SLO Chamber of Commerce and Downtown SLO. Lease negotiations will involve staff from Parks and Recreation, City Attorney's Office, and the Finance Department. The award of the successful vendor and approved lease agreement will be authorized by City Manager and City Attorney. Upon successful award, the selected vendor will submit final interior and operational construction documents to Public Works. The vendor is responsible for obtaining associated permits and construction costs for completion of the interior and provide anticipated timeline for opening operations.

## **CONCURRENCE**

There is concurrence from the Community Development Department through the architecture review process and during review and approval of the project for building permit issuance. This project and the opportunity to lease the Café Kiosk to food and beverage vendor also has concurrence from the Administration and IT Department as they have reviewed the project throughout the design process, Economic Development team, and from the Finance Department through the review of the concessionaire RFP process and facility leasing. Concurrence by community partners from the Downtown SLO and the SLO Chamber of Commerce has been obtained through staff involvement and identified inclusion of both agencies for the review and evaluation of the submitted vendors during the RFP selection process.

## **ENVIRONMENTAL REVIEW**

Environmental review for construction of the kiosk was considered by the Council during the June 20, 2023 City Council meeting. The recommended action to release an RFP and execute a contract and lease with the selected vendor is not subject to the provisions of the California Environmental Quality Act (CEQA) because it is not a "project" as defined in CEQA Guidelines 15378.

## **FISCAL IMPACT**

Budgeted: No  
Funding Identified: No

Budget Year: 2025-26

**Fiscal Analysis:**

<b>Funding Sources</b>	<b>Total Budget Available</b>	<b>Current Funding Request</b>	<b>Remaining Balance</b>	<b>Annual Ongoing Cost</b>
General Fund	\$	\$	\$	\$
State				
Federal				
Fees				
Other:				
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

The City is currently constructing the café kiosk as part of the Mission Plaza Enhancement Project, Specification 91439-01. The cafe kiosk interior will include coiling windows, steel frame walls, concrete sub floor, sinks, connections for water, gas, electricity, and data. It will be the responsibility of the selected vendor to fund and provide interior walls, flooring, counters, appliances, interior paint, and any other tenant improvement to create the operation space at their expense. The initial café kiosk lease rate is proposed to be at \$2.50/sf per month for the 138-sf kiosk space and a flat fee of \$500 per month for the 885-sf outdoor dining zone. The City will provide the outdoor tables and chairs, any additions will be the responsibility of the vendor. The lease amount is comparable to local rates based on a survey conducted by Economic Development in April 2025 which provided square foot ranges between \$2.50 - \$3.90 for similar rents/leases.

**ALTERNATIVES**

- 1. Council could decide not to approve the Request For Proposal to lease the Cafe Kiosk to a food and beverage service vendor.** Should Council peruse this option, Staff request direction for alternate activation of the kiosk.
- 2. Council could direct modifications to the proposed vendor agreement.** Council could modify lease term and/or other components of the RFP or proposed contract, such as not allow sales of alcohol.

**ATTACHMENTS**

A - DRAFT Request of Proposal for Food and Beverage Vendor of the Mission Café Kiosk