



NYC Parks

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**City of New York  
Parks & Recreation**

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TO: Franchise & Concession Review Committee

FROM: Phil Abramson, Director of Revenue Communications *PA*

DATE: May 12, 2022

SUBJECT: Notice of Ratification by the Department of Parks & Recreation (“Parks”) for Minor Rules Violations pursuant to §1-11(a)(ii) of Title 12 of the Rules of the City of New York (“Concession Rules”) for Solicitation No. B68-IT, Request for Proposals for the Operation, Maintenance and Management of a Year-Round Tennis Facility at the Parade Ground at Prospect Park, Brooklyn (the “RFP”).

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On May 10, 2022, pursuant to Section 1-11(a)(ii) of the rules found at Title 12 of the Rules of the City of New York (“Concession Rules”), the City Chief Procurement Officer (“CCPO”) ratified a minor Concession Rules violation request made on January 7, 2022 by the New York City Department of Parks and Recreation (“Parks”) for Solicitation No. B68-IT, Request for Proposals for the Operation, Maintenance and Management of a Year-Round Tennis Facility at the Parade Ground at Prospect Park, Brooklyn (the “Concession”). Parks and the CCPO have determined that the minor violations, which occurred with regard to Parks’ procedural errors in complying with Section 1-13(o)(6)(iv)(B)(c) of the Concession Rules, resulted in no adverse impact on the quality or level of competition in the City for the relevant time period, and that ratification of the subject concession minor rule violation will not violate any law applicable to the concession process.

Parks intends to award the Concession to Prospect Park Alliance Inc. (“PPA”) for a term of fifteen (15) years, with three (3) one-year renewal options. Compensation to the City will be as follows: for each operating year of the license, PPA shall pay the City a fee consisting of the higher of a guaranteed minimum annual fee versus 10% of Gross Receipts. When Gross Receipts exceed \$3.3 million for any given year PPA will pay 15% of Gross Receipts. The Minimum Annual Fee for each operating year are as follows: Year 1: \$270,000; Year 2: \$275,400; Year 3: \$280,908; Year 4: \$286,526; Year 5: \$292,257; Year 6: 298,102; Year 7: \$304,064; Year 8: \$310, 145; Year 9: \$316,348; Year 10: \$322,675; Year 11: \$329,128; Year 12: \$335,711; Year 13: \$342,425; Year 14: \$349,274; Year 15: \$356,259; Year 16 (Renewal Option 1): \$363,384; Year 17 (Renewal Option 2): \$370,652; Year 18 (Renewal Option 3): \$378,065.