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**City of New York
Parks & Recreation**

The Arsenal
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New York, NY 10065
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MEMORANDUM

TO: All Prospective Proposers

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

SUBJECT: Notice of Intent to Enter into Negotiations for the operation and maintenance of a high quality food stand and outdoor cafe at Madison Square Park

DATE: February 27, 2025

In accordance with Section 1-14 of the Concession Rules of the City of New York (“Concession Rules”), the New York City Department of Parks and Recreation (“Parks”) intends to enter into a negotiated concession for a license agreement for the operation and maintenance of a high quality food stand and outdoor cafe at Madison Square Park.

The concession will have a term not to exceed one (1) year with up to two (2) one (1)-year renewal options. With the current license agreement scheduled to expire on November 27, 2025, this new term is anticipated to begin immediately thereafter. The concession will be operated pursuant to a license issued by Parks; no leasehold or other proprietary right will be offered.

With regard to license fees resulting from this agreement, pursuant to an agreement between the Madison Square Park Conservancy (MSPC) and Parks dated May 6, 2013, which provides for payment to MSPC of 100% of the annual concession fees otherwise due to the City in order to provide support to Madison Square Park and Worth Square, the selected licensee shall make the license fee payments set forth in the agreement directly to MSPC. Pursuant to the agreement between MSPC and Parks, MSPC receives no operating funds from the City and is fully responsible for raising the park’s operating budget and maintaining and programming the park without City staff or financial support, other than the annual concession fees referenced above.

At this time, it is neither practicable nor advantageous to award this concession by competitive sealed proposals or competitive sealed bids due to ongoing conditions at Madison Square Park which would restrict the number of years that could presently be offered as a concession term.

MSPC is in the process of initiating a master plan for the southern end of Madison Square Park. This is necessitated by flooding conditions under the current concession structure and overall water conditions in this section of the park. While that plan is developed, it is yet to be determined if the master planning will impact any elements of the concession, including its current footprint. NYC Parks cannot issue a competitive solicitation for a concession term of significant length when questions surrounding the concession's footprint are not yet determined.

Until questions related to the master planning are answered that would inform the length of a term that can be offered, it is in the best interest of the City to seek a negotiated short-term concession. Without one, the current concession will expire and the facility will remain vacant since Parks does not have the capability or the resources to operate, maintain or secure the facility. Service to the public will be interrupted and significant revenue will be lost in concession fees.

This negotiated concession is meant to act as a short-term solution to bridge the gap until a new competitive RFP solicitation, evaluation, and award process have concluded and to allow time for the finalization of the scope of the master plan before the start of any longer term concession.

For all of these reasons, it is in the best interest of the City to pursue a negotiated concession for this facility.

Potential concessionaires that would like to express interest in the proposed concession and/or obtain additional information concerning the concession may contact Phil Abramson, Director of Concessions Communications for NYC Parks, at (212) 360-3426 or via e-mail at Phil.Abramson@parks.nyc.gov by March 13, 2025 at 3:00 p.m. Thereafter, there will be a process for submission of proposals. Parks will evaluate the proposals on the bases of proposed capital investments; operating experience and financial capability; planned operations; fee offer; and integrated sustainability. The award of this concession is anticipated to be conditioned upon the successful completion of PASSPort (the Procurement and Sourcing Solutions Portal) Questionnaires and review of that information by the Department of Investigation. In addition, any person or entity with at least a 10% ownership interest in the submitting vendor (including a parent company), may be required to complete PASSPort Questionnaires (Principal Questionnaire for any person and Vendor Questionnaire for any entity with at least a 10% ownership interest in the submitting vendor).

This concession has been determined not to be a major concession as defined by Chapter 7 of the Rules of the City Planning Commission.

Please note that the concession award is subject to applicable provisions of federal, State, and local laws and executive orders requiring affirmative action and equal employment opportunity.

The New York City Comptroller is charged with the audit of concession agreements in New York City. Any person or entity who believes that there has been unfairness, favoritism or impropriety in the proposal process should inform the Comptroller, Office of Contract Administration, 1 Centre Street, New York, New York 10007, telephone number (212) 669-2323.

Please address any questions and/or correspondence relating to the potential concession award to Phil Abramson, Director of Concessions Communications for NYC Parks, at (212) 360-3426 or via e-mail at Phil.Abramson@parks.nyc.gov (Office of the Concessions Division, City of New York Parks, The Arsenal-Central Park 830 Fifth Avenue- Room 407 New York, New York 10065).