



# City of Austin

## Recommendation for Action

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**File #:** 25-1519, **Agenda Item #:** 34.

8/28/2025

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### **Posting Language**

Authorize a contract for Zilker Café concession management and operation for the Parks and Recreation Department with Legacy Hospitality and Entertainment Group LLC for an initial term of 5 years with up to two 5-year extension options for a total estimated revenue of \$1,500,000 for Fiscal Year 2025 to Fiscal Year 2041 for the Operating Budget of the Parks and Recreation Department.

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

Parks and Recreation Department.

### **Fiscal Note**

This item is projected to result in revenue of approximately \$1,500,000 for Fiscal Year 2026 to Fiscal Year 2041 for the Operating Budget of the Parks and Recreation Department.

### **Purchasing Language:**

The Financial Services Department issued a Request for Proposals solicitation RFP 8600 PAT3011 for these services. The solicitation was issued on February 24, 2025, and closed on April 3, 2025. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a log of the offer received, is available for viewing on the City's website. This information can currently be found at [https://financeonline.austintexas.gov/afo/account\\_services/solicitation/solicitation\\_details.cfm?sid=142115](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=142115).

### **MBE/WBE:**

Revenue contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

### **Council Committee, Boards and Commission Action:**

June 23, 2025 - Approved by Parks and Recreation Department Board on a 6-1 vote.

### **Additional Backup Information:**

The contract is for the management and operation of a food and beverage concession, the Zilker Café, within Zilker Park at Barton Springs Pool. The Zilker Café was originally built during the 1960's and contributes to the historic character of Zilker Park, which is listed as a National Register historic district.

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In the spring of 2015, the City conducted a public survey to better understand and develop clear project goals for the solicitation. The survey results garnered priorities for the concession such as healthy menu options and affordable pricing that were integrated into the requirements of the solicitation. The previous contract for these services expired in January 2016. Additionally, an inspection in 2016 of the then newly vacated building uncovered needed renovations to make the building code compliant prior to another contractor occupying the space.

The contractor shall furnish, operate, and manage the newly renovated café, staff, equipe, and provide maintenance for the facility. They will serve a healthy and locally sourced menu that is affordable, including breakfast items, fresh fruits, smoothies, gluten-free, and vegetarian meal options. They will provide compost, recycling, and waste bins for patrons, to encourage sustainable waste disposal. The new contract revenue estimates are based off the proposed revenue structure and estimated sales.

An evaluation team with expertise in this area evaluated the offer and scored Legacy Hospitality and Entertainment Group LLC as the best to provide these services based on a proposed operating plan, management plan, financial (revenue) plan, and demonstrated qualifications and experience.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

A delay in contract approval could extend the current closure of the Zilker Café and the City's ability to find a vendor to operate it.

This project is located within zip code 78746 (District 8).

**Contract Details:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Revenue Estimates</b>
Initial Term	5 years	\$500,000
Optional Extension 1	5 years	\$500,000
Optional Extension 2	5 years	\$500,000
<b>Total</b>	<b>15 years</b>	<b>\$1,500,000</b>

**Note:** Revenue Estimate amounts are based on the City's estimated annual usage.