



CITY OF BEVERLY HILLS STAFF REPORT

Meeting Date: August 16, 2011
To: Honorable Mayor & City Council
From: Brad Meyerowitz, Recreation Services Manager *BM*
Subject: Greystone Mansion Pre-Approved Caterer List

INTRODUCTION

With the completion of the new Greystone Mansion catering kitchen, staff, working closely with Arthur M. Manask and Associates, a Burbank based firm which specializes in providing consulting services to the food services and cultural institution industries, commenced an extensive RFP process in late 2010. The goal was to establish a list of approved caterers who would provide a food service component for the facility's rental groups who desired such a service.

DISCUSSION

At the August 3, 2010 Study Session, Council approved a recommendation by staff to establish a pre-approved list of caterers as opposed to offering one exclusive caterer for Greystone Mansion. This arrangement allows for more diverse food selection and price options and more broadly appeals to the rental community for these reasons, thereby translating into a higher number of expected rentals.

The RFP process began on January 11, 2011 with an onsite mandatory attendance pre-proposal meeting. The deadline for submitting an RFP was February 10, 2011. After reviewing the nine RFP's that were submitted, eight vendors were selected to participate in interviews, which included a presentation and tasting of their proposed services. The interviews were conducted on May 4 & 5 at Greystone. A panel of four individuals scored each of the eight presenting companies using consistent criteria that rated a broad spectrum of services and issues. The panel consisted of two representatives from Manask and Associates, as well as Recreation and Parks Commission Chair Alan Block and Laurence Whiting, a former Director of Catering at Patina.

The eight vendors who participated in the interview and presentation process were:

1. Specialty Restaurant Corporation (SRC Event Group)
2. Thank Goodness It's Sofia
3. As You Like It Catering
4. Contemporary Catering
5. Jackson Catering

6. Premiere Events
7. Truly Yours Catering
8. Wolfgang Puck Catering

After review of the rating sheets, Specialty Restaurant Corporation, Jackson Catering, and Wolfgang Puck Catering received exceptionally high scores. Panelists were unanimous in their recommendation of these three vendors. Over the past several weeks, staff contacted references for these three caterers and the feedback received was consistently and overwhelmingly positive. Here are brief overviews of the three recommended vendors for the Greystone Pre-Approved Caterer list (in no particular order):

- Jackson Catering: Owners of Lemonade restaurants; exclusive caterer for the Museum of Contemporary Art and the Los Angeles Tennis Open/Farmers Classic; on pre-approved list of caterers for the Directors Guild of America; Clients include LACMA, Paley Center for Media and the Screen Actors Guild.
- Wolfgang Puck Catering: Exclusive caterer for the Hammer Museum, Griffith Park Observatory, Hollywood & Highland Entertainment Center, Pacific Design Center and Sony Pictures Studios; approved caterer for the City of Santa Monica's Annenberg Community Beach House. Clients include L.A. Live, La Jolla Playhouse, El Rey Theater, and Kidspace Children's Museum.
- Specialty Restaurant Corporation: Owners and operators of themed and destination restaurants in six states, including several local restaurants, such as Shanghai Red's, The Odyssey, the Proud Bird and the Castaway Restaurant. Past venues include the Park Plaza Hotel, 9900 Wilshire Blvd. (Robinsons-May Bldg.), Oviatt Penthouse, and the California Mart. Clients include Los Angeles World Airports, Hoag Hospital, Los Angeles Magazine and 20th Century Fox Television.

As requested in the RFP, each of the pre-approved caterers will be responsible for scheduling an annual on-site marketing event to promote the venue to their current and prospective clients. The three recommended vendors have stated that they will be marketing the venue to a diverse group of clients, including corporate and non-profit clientele.

Please note that it was a priority for staff to insure that the pre-approved list would include caterers that could meet the expectations and budgets of all prospective clients. With the three recommended caterers, staff feels that virtually any budget could be accommodated from entry level to very high end. Each caterer is able to provide an event that will be creative, professional and of the highest quality, regardless of a client's budget.

As negotiations begin with the recommended caterers, the potential expansion of Greystone's hours of operation will be discussed. Current policy calls for events to conclude and the premises cleared by 8pm; all of the caterers that participated in the RFP process felt that this was too restrictive to assure long-term success and inquired whether or not the policy could be revised to appeal to a broader spectrum of viable

uses. On occasion, staff has allowed events to go until 10pm or after and, due to the controls imposed during such times, have realized very few complaints from the surrounding residents. Staff will consider events to be allowed to occur until at least

10pm on a case-by-case basis, especially small scale events that would be held inside the mansion. Over the next couple of months, staff will do outreach efforts with surrounding homeowners and assure, as best we reasonably can, that operations would not impose hardships or adverse conditions on their use and enjoyment of their properties. These extended hours could be limited to weekends only.

FISCAL IMPACT

There will be no costs incurred by the City in facilitating the pre-approved caterers at Greystone Mansion. Based on information requested in the RFP, it is anticipated that additional annual income from catering operations should range from \$100,000 to \$115,000 beginning with the second year of operation. This amount is separate from room rental and other non food service fees that will also be generated. The approved caterers will pay the City a minimum annual dollar commission starting in contract year two (2) allowing for all caterers and the City to get established the first year of operation. It is anticipated that the annual minimum commission will increase by a minimum of ten percent (10%) in contract year three (3) and the same each year thereafter to reflect the caterers' sales, marketing and advertising efforts. Vendors understand that there is no guaranteed or minimum assurance of business being provided them by entering into an agreement with the City and that their financial gain and benefit will be largely conditioned on their bringing business to themselves and the City.

Last fiscal year, Greystone receipted over \$132,000 in special event income, the vast majority of which was derived from weekend wedding rentals. Staff feels that additional funds will be collected from these types of historical uses as a portion of them will utilize the catering services now made available to them and whom they are required to use if they are providing a food service component. Historically we have not captured any additional income from a caterer that had been brought onto the site.

Staff is particularly interested in supplementing historical income with more weekday corporate and private functions and incorporating a lunch, dinner or other food service element. In discussion with both our consultant and the interviewed caterers, everyone feels there is a large, uncaptured potential for that to occur.

Lastly, all City functions and events are entitled to an agreed upon discount on all published food service prices and vary from 12 to 20 percent based on each caterer's proposal.

RECOMMENDATION

Staff is recommending the approval of a pre-approved caterer list for Greystone Mansion. Caterers to be included on the list are Specialty Restaurant Corporation, Jackson Catering, and Wolfgang Puck Catering. The Recreation and Parks Commission unanimously endorsed staff's recommendation at their July 26, 2011 meeting.

If approved, staff will begin working with the City Attorney's office in drafting Agreements. The Agreements will be placed on a future Consent Calendar for Council approval.

Steven Zoet
Approved By

