

**CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS
SUMMARY OF RESPONSIBILITIES FOR CONCESSION OPERATIONS**

A concession is a revenue-generating activity or service operated on park property for the benefit, enjoyment, education, amusement, or convenience of the public.

All concession contracts for the Department of Recreation and Parks (RAP) go through a competitive bid process, which ensures that the person(s) chosen to operate the concession is selected in a fair, transparent and impartial manner and is found as a responsible and capable operator. The following are examples of important concession operator responsibilities:

- Rent to the City will be paid on a monthly basis and will be based on a percentage of gross receipts produced by the concession operation; late fees apply (\$50 per month late and 18% per annum);
- Occupancy Tax at the rate of \$1.48 per \$1,000 or fraction thereof, of rent paid to the City will be paid on a quarterly basis;
- Possessory Tax will be paid to the Los Angeles County Assessor for operating a private business on public land;
- A valid Business Tax Registration Certificate must be maintained during the term of the concession agreement;
- Continuous insurance coverage (general liability, workers's compensation, automobile, and property) at levels determined by the City Risk Manager must be maintained during the term of the concession agreement;
- A performance deposit in an amount to be determined by the City Risk Manager must be maintained during the term of the concession agreement;
- Maintenance of the premises and surrounding area is the responsibility of the operator;
- Compliance with all applicable City ordinances, including but not limited to the Equal Benefits Ordinance, Affirmative Action, Slavery Disclosure Affidavit, Living Wage Ordinance, and Service Contract Worker Retention Ordinance;
- Compliance with all other applicable rules, regulations, laws, ordinances, etc., whether Federal, State, or Municipal;
- All accounting documents and financial records must be made available on request for review by RAP for audit purposes.

Other contractual obligations will apply and will be determined by the nature of the concession, and other factors as deemed appropriate by the Office of the Mayor, City Council, the Office of the City Attorney, the Office of the Chief Administrative Officer, and the Department of Recreation and Parks.