



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: LOGAN SNYDER, MARINA GENERAL MANAGER
DIANE MCBRIDE, RECREATION DIRECTOR/ASSISTANT TOWN MANAGER
RE: UNCLE JOHN'S FARM CONCESSIONAIRE AND LICENSE AGREEMENT
DATE: DECEMBER 13, 2022

Summary and Background: This amendment is a result of a request from the owners (Chris and Suzanne Brower) of Uncle John's Farm to continue their fruit stand operations at Frisco Bay Marina Lot B-1.

In 2008, the owners of Uncle John's Farm approached the Town requesting permission to place their fruit stand on the Town-owned Lot B-1 parcel. After determining that Council had some interest in this idea, staff worked with the owners to assure compliance with the Town's code provisions and to develop a license agreement for one year. As part of the initial license agreement, the standards to qualify for "Outdoor Commercial Establishment" were to be reevaluated at the end of the initial agreement. As a result of that reevaluation, Uncle John's agreement was renewed on two-year terms from 2009 through 2022. For the duration of these agreements, rental fees remained unchanged.

Uncle John's Farm has been a good concessionaire, paying their fees on time and generating sales tax for the Town of Frisco. They work with Colorado vendors for their products and consistently receive positive reviews. Their produce most often is picked up later the same day it is picked and brought to market the following day, enabling it to be sold with a higher nutrient value, adding value to the community. They support local, small Colorado growers, contributing to keeping our food supply more diverse. They also compost, recycle, and take care of their own trash.

Staff reviewed the previous agreements and met with the owners to review their business and discussed changes to the contract, primarily to the fees and terms. Attached for Council review at this time is a new concessionaire agreement with updated terms and pricing changes.

Analysis:

As mentioned above, the rental fees for usage of the B-1 Lot have remained unchanged since the first agreement was signed in 2018. These fees were as follows:

- \$500/month rent during 5 months operating
- \$50/month electric during operations
- \$100/month storage during the 7 month off-season

These fees are low for 2022, but there are not a lot of comparisons for staff to review. One reference is parklets - a 10' x 10' parklet on Main Street is \$100 for the season. The length of the fruit stand area is ~131', and depth is ~41', with a square footage of ~5,371 ft². This could be used as a comparison, but the businesses are quite different.

Staff also looked at parking in the B1 Lot. Parking at the Frisco Bay Marina is at a premium and such parking for the public includes the B-1 Lot. During the 2022 summer season, paid parking was implemented at the four (4) parking lots at the Frisco Bay Marina, resulting in \$46,397 net revenue to the Town. Staff worked with the contracted parking management company, Interstate Parking, to further analyze the B1-Lot. There are over 100 unpaved parking spaces available in the B1-Lot, with each parking space having the ability to generate ~\$425/month at full capacity. The fruit stand area occupies approximately 14 parking spots and could be converted into paid parking but, that would result in the loss of the business and the B1 Lot is not at capacity on a regular basis.

Staff worked with the owners on what both parties believe to be a fair rental rate of \$1,200/month for the four (4) months of operation, and \$100/month for the eight (8) months of storage. The owners would keep within their established footprint, but would add a third building in the same style and look as the current two in the spot presently occupied by their covered wagon, thereby expanding their ability to pay for the increase in rent more easily.

Financial Impact:

Approval of the attached contract will increase the proposed revenue in the building rents line item (10-1115-3401) from \$3,450 to \$5,600 annually for five (5) years. Concessionaire shall pay the following fees each year.

- \$1,200/month rent during four (4) months operating (June, July, August, September)
- \$100/month storage during the eight (8) month off season (October – May)

Alignment with Strategic Plan: Approval of this amendment aligns with the Town's goals of supporting a Thriving Economy as the Fruit Stand is locally owned/operated and is visited by locals and visitor alike.

Environmental Sustainability: Uncle John's Farm supports local, small Colorado growers, contributing towards keeping our food supply more diverse. They also compost, recycle and take care of their own trash.

Staff Recommendation: Staff recommends that Council approve the Frisco Bay Marina Concessionaire and License Agreement between the Town of Frisco and Uncle John's Farm, LLC.

Approved By:

Tom Fisher, Town Manager
Leslie Edwards, Finance Director

Attachments:

Attachment 1 – Uncle John's Farm Concessionaire and License Agreement