

WRMC Food and Beverage Update

Presentation to
Fort Worth City Council
November 2nd, 2021

Agenda

- Background/Process
- RFQ/RFQ Process to Date
- Review Council Feedback
- Proposal Process Highlights, Proposed Improvements
- Recommended Team
- Next Steps in the Process
- Timeline

Trusted Advisor: Hunden's History in Fort Worth

- RFQ/RFP Process, Omni Hotel – 2004
- FWCC Expansion + Dickies Arena – 2013
- PFZ Study + Updates – 2013 to Present
- RFQ/RFP Process, Hotel Developer – 2014
- Stockyards Studies – 2016 and 2018
- FWCC Expansion & HQ Hotel Study – 2018
- FWCC & WRMC Governance Study - 2019
- Selection Process, WRMC F&B – 2021



Background – Current Situation

- WRMC Underperforming relative to Food & Beverage and comparable facilities:
 - \$1.86/attendee vs.
 - \$4.60/attendee minimum at similar venues
 - Bottom line to City is minimal: ~\$620,000/year
- Extremely limited Business Equity participation
 - Currently, 4% of catering revenue goes to B/E firms
- Financial contribution to City is very low
- Customer Experience can be improved

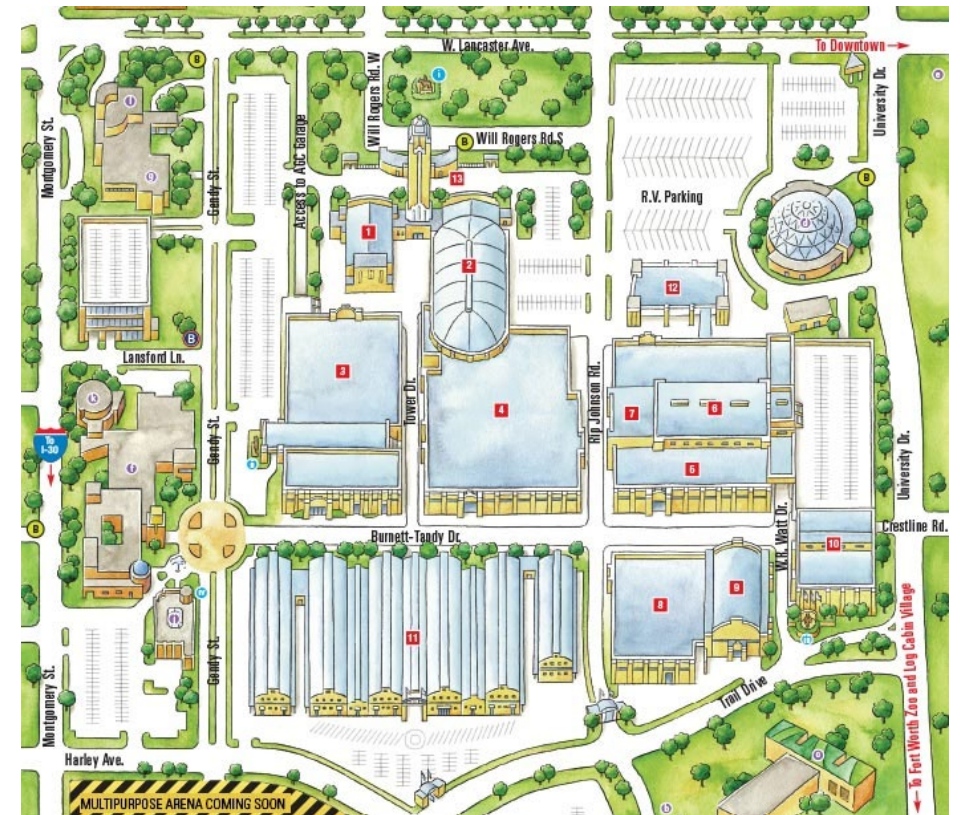


Goals of RFP Process

- Innovation to improve Customer Experience
- Convey “Fort Worth Flavor” in F&B offerings
- Provide Opportunity to local Business Equity firms
- Increase Revenues/Reduce WRMC Operating Deficits
- Invest in WRMC long-term repairs and improvements

RFQ/RFP Process - History

- RFQ Issued in April 2021
 - 6 responses
 - 5 firms short-listed
- RFP Issued in June 2021
 - 5 proposals received
 - Clarifying questions asked – August
 - Council briefing - November



Selection Criteria

Criteria	Score Weight
Financial Proposal	37%
Business Equity Participation	15%
Revenue Improvement Record	12%
Demonstrated Innovation	12%
Fort Worth Flavor	12%
Quality of Experience	12%

Council Feedback – August

- **Catering Exclusivity:** Involve local businesses
- **Product/Price/Service:** Deliver increased value
- **Fort Worth Flavor:** Focus on Fort Worth partnerships
- **Business Equity:** Seek a significant commitment, locally-focused

Since August Briefing

- Interviewed Five Short-listed Teams
- Asked Clarifying Questions
- Reduced Short List to Two Teams
- Requested Best and Final Offers
- Ranked Team of Choice and Second Team of Choice

Selection Criteria & Top-Ranked Firm

Criteria	Score Weight	Top-Ranked Team
Financial Proposal	37%	Highest Financial Return to City; Aligns Vendor with City Goals
Business Equity Participation	15%	33% Participation Commitment
Revenue Improvement Record	12%	Improved Revenue and Reputation at Existing Venues
Demonstrated Innovation	12%	Most Creative and Innovative Proposal Received
Fort Worth Flavor	12%	Most Localized Partners of Any Team
Quality of Experience	12%	Entrepreneurial Firm Born Out of Owner Frustrations with National Provider

Finalist Team – Craft Culinary Concepts

- Based in Phoenix, AZ
- Created by Phoenix Cardinals' ownership to improve experience/results at stadium (Bidwill Family)
 - Serves 8 Accounts in Phoenix area
 - Understand local flavor, entrepreneurial, non-national approach
- Reggie Davis, President, is a barrel-racing parent
 - Clear understanding of WRMC experience
 - Will relocate from Phoenix to Fort Worth to run WRMC account

Why Craft: Demonstrated Innovation – The Bodega

- Mobile general store selling F&B, sundries, and WRMC merchandise
- Will offer online ordering service allowing for WRMC attendees to order their deliveries in advance of arriving on-site
- Will offer mobile delivery of products to attendees on-site



Why Craft?

Demonstrated Innovation – Primetime Grill (PTG)

- 500lb capacity smoker, 24ft of grill space, 4 fryers, 4 convection ovens, onboard refrigeration/freezers, entertainment A/V system.
- Will be based at WRMC and rebranded to an identity that aligns with WRMC
- Will generate commissions for WRMC on-site *and off-site*



Why Craft: Local Partners



Why Craft:

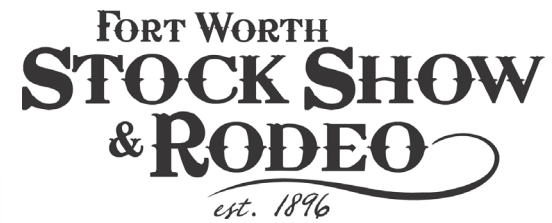
33% Business Equity Participation

COMPANY	CATEGORY	BUSINESS EQUITY	TYPE	CITY	COMMITTED(Y/N)
PADRINO FOODS	WHOLESALE	YES	MWBE	IRVING	YES
SWEETSIE BAKERY/CAFÉ	WHOLESALE	YES	MWBE	DESOTA	YES
BUZZ BALLZ	WHOLESALE	YES	WBE	CARROLLTON	YES
TAKE CHARGE STAFFING	TEMPS	YES	MBE	FT WORTH	YES
RAILHEAD SMOKEHOUSE	OPERATOR/CATERING	NO	N/A	FT WORTH	YES
TACO HEADS	OPERATOR	APPLIED	MWBE	FT WORTH	YES
PANTHER CITY BBQ	OPERATOR/CATERING	NO	MBE	FT WORTH	IN PROCESS
LE ROUGE CUISINE	CATERING	YES	MWBE	DALLAS	YES
ADVANTAGE SUPPLY	WHOLESALE/OFFICE	YES	WBE	FT WORTH	YES
BITE MY BISCUIT	OPERATOR/FOOD TRUCK	APPLIED	WBE	FT WORTH	YES
BEN'S PRETZELS	OPERATOR	APPLIED	MBE	FT WORTH	YES
MAMA GINA'S	CATERING	YES	MWBE	FT WORTH	YES

Why Craft: Catering Partnership

- Define genres of “Fort Worth Flavor”
- Local firms can apply to serve as partner in a given genre
- A locally appointed blue-ribbon panel will select the providers
 - Business equity considerations will be included in the panel’s charge
- Partner firms will be presented as catering options on the same level as Craft Culinary services
- Application & selection process will be revisited every 2-3 years
- Similar Program: Kansas City Convention Center

Catering Partnership Panel



FORT WORTH
HISPANIC CHAMBER
OF COMMERCE



Why Craft: Innovation & Investment

- Investment:
 - \$750k in new investment
 - \$1.3 MM in in-kind investment
 - \$2.05 MM in total investments
- New equipment:
 - Four 20' food trailers
 - \$175k in concession stand renovations
 - \$75k in new catering equipment
- 1.5% of total annual revenues devoted to a Replacement Fund for F&B equipment upkeep
- Flash order products:
 - self-service kiosks
 - web app ordering
 - iOS app clips
 - QR codes for digital menus and collecting data and analytics
- Marketing Effort:
 - Up to \$15k/year for two Showcase Events – opportunity to showcase WRMC culinary talent and provide local meeting planners, event planners, and existing catering clients to taste test potential new menu additions

Financial Proposal: Mgmt. Fee + 90/10 Profit Split Option = \$1+ million to City/ year plus CapEx funding of \$65k/year

WILL ROGERS MEMORIAL CENTER FULL MANAGEMENT FEE + 90/10 PROFIT SPLIT						
	YEAR 1		YEAR 2		YEAR 3	
	SALES		SALES		SALES	
FOOD	\$ 1,555,500		\$ 1,648,830		\$ 1,747,760	
NA BEVERAGE	\$ 450,000		\$ 477,000		\$ 505,620	
ALCOHOLIC BEVERAGES	\$ 450,000		\$ 477,000		\$ 505,620	
CATERING	\$ 850,000		\$ 901,000		\$ 955,060	
PTG(ONSITE)	\$ 175,000		\$ 200,000		\$ 250,000	
PTG(OFFSITE)	\$ 100,000		\$ 106,000		\$ 112,360	
BODEGA	\$ 150,000		\$ 159,000		\$ 168,540	
SUBCONTRACTOR*	\$ 75,000		\$ 79,500		\$ 84,270	
TOTALS	\$ 3,805,500		\$ 4,048,330		\$ 4,329,230	
CRAFT 2.75% MANAGEMENT FEE	\$ 104,651		\$ 111,329		\$ 119,054	
OPERATING MARGIN 29% LESS CRAFT FEE	\$ 998,944		\$ 1,062,687		\$ 1,136,423	
CRAFT SHARE PROFIT SPLIT 10%	\$ 99,894		\$ 106,269		\$ 113,642	
WRMC SHARE PROFIT SPLIT 90%	\$ 899,049	24%	\$ 956,418	24%	\$ 1,022,781	24%

RFP/RFQ Process – Next Steps

- Begin contract negotiations with Craft – November
- Mayor and Council to approve agreement – January
- New provider on-site – January
 - Operations begin in February after FWSSR
- Select Catering Partners – Spring 2022

- Catering agreements with banquet events at WRMC already under contract will be honored through the end of 2022

New Agreement: Craft is Committed

- **Innovation:** Elevated WRMC F&B product and service
- **Fort Worth Flavor:** Locally focused partnerships
- **Business Equity:** 33% Participation
- **Delivering Value:** Proven track record
- **Increased Revenues:** Projected 50% Increase
- **Increased Investments** at WRMC

Thank you!

Questions / Discussion

