

# FAQ about Concessions

#### What are concessions?

Concessions are private businesses operating under contract in state parks, state fish and wildlife areas, state recreation areas, state natural areas, state forests, state habitat areas or on Historic sites (or you could just state within property owned by Illinois Department of Natural Resources) to provide products and services designed to enhance or facilitate the park visitor's experience.

#### What type of concessions are in State Parks?

Concessions range from small-scale, seasonal services, to large-scale, year-round operations, such as marinas and lodging. <u>Concessions</u> include full-service restaurants, snack bars, bait shops, gift shops, camp stores, <u>lodges</u>, golf courses, watercraft rentals, equestrian tour rentals, theaters, bicycle rental, pedicab rental, and educational programs and demonstrations.

### How are concessions established?

Concessions are established by the Department after evaluating visitor needs, determining compatibility with the park's mission to determine the concession's compatibility with the park unit's classification and general plan.

#### How are concessions proposed?

Concessions can be proposed by: 1) a park's general plan process; 2) a park superintendent who sees a need for a concession; 3) a member of the public; 4) an entrepreneur or a corporation; or, 5) a legislative mandate.

#### How are concession rents determined?

There are generally two different types of rental payments received from concessions: 1) Annual or monthly seasonal Lump Sum Payment only; 2) Monthly Percentage Sum of the total adjusted gross receipts. Selecting which of the above listed methods is used is determined by the Concession and Lease Management Office prior to the solicitation of competitive bids and is based on the financial history of the involved concession. Rental payments are required on a time schedule that is contained in the concession lease agreement. It may differ based on the type of concession operation and/or the operating season.



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## How many state park concession opportunities are offered to the public each year?

The figure varies but there are approximately 20-25 new or replacement concession contracts offered to the public annually.

## Which concession types pay the most rent to the State?

Rental payments from Lodging/Restaurant operations make up the bulk of the revenue the State receives from concessionaires. Other concessions that contribute significantly include retail sales, and marina operations.

#### How are concessionaires selected?

Concessionaires are normally selected through an RFP or public bid process. When a concession is offered for RFP or public bid, the Department evaluates proposals based on criteria established for the project.

## How long are the terms for concession contracts?

Generally, concession contract terms are five to ten years. However, capital improvement requirements may warrant a longer term up to 30 years for marina operations and 50 years for lodging as provided for in statute. Any other contract terms over 20 years require special legislation.

## How can a person find out about concession opportunities?

Concession opportunities are listed in the <u>Illinois Procurement BidBuy System</u>. BidBuy is designed to streamline service, increase efficiency, reduce cycle times and transaction costs, improve availability of information and modernize the tools and resources available to incorporate best practices in Illinois procurement. You can also contact concession and Lease Management if you have any other questions relative to the concession program (217-782-7940).

#### What restrictions/limitations exist on the types and locations of concessions?

Concession capital improvements, programs, products, and services must be compatible with the park unit's classification and general plan.



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What type of equipment is needed to operate a concession? The Concessionaire can use any existing IDNR owned equipment in the concession which, in many instances, includes kitchen equipment, boats, tables/chairs and shelving. use of this equipment is subject to maintenance requirements. The Concessionaire is required to provide all other necessary equipment needed for the operation of the concession.

#### What is a seasonal concession?

Seasonal concessions operate only during certain months of the year. The location of a concession and the number of visitors at any given time determine whether a concession operates seasonally or year-round.

### In what type of state park are concessions generally placed?

The decision to place a concession in a state park is guided by the classification and general long term plan for the park. Concessions generally are placed in State Recreation Areas; State Beaches; State Parks; and State Historic Parks. The Illinois Department of Natural Resources invites you to visit one of our <a href="262 areas">262 areas</a> where you may enjoy the facilities and services provided by the IDNR or by one of approximately <a href="70">70</a> concessions that are operated by a concessionaire through an agreement with the IDNR.

Concessions from park to park will differ in the type of equipment or services provided and their hours of operation. Many concessions operate primarily from Memorial Day weekend through Labor Day. Please take a look at the <u>Illinois State Park Magazine</u> or order a free hardcopy <u>Here.</u>

What rights do concessionaires have within the Park? A concessionaire does not have exclusive rights to all concession operations within a state park, but rather, only to the specific operation at the specific location as described in the Concession Lease Agreement.