

APPROVED
JAN 20 2010

REPORT OF GENERAL MANAGER

NO. 10-019

DATE January 20, 2010

BOARD OF RECREATION
and PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: JIM GILLIAM RECREATION CENTER - GIFT AGREEMENT WITH NIKE USA, INC., THE LA84 FOUNDATION, AND WESTCOAST SPORTS ASSOCIATES, INC., FOR THE RESURFACING OF TWO EXISTING OUTDOOR BASKETBALL COURTS

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	*M. Shull	<i>for</i>

[Signature]

 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve a proposed Gift Agreement (Agreement), substantially in the form on file in the Board Office, with NIKE USA, Inc. (Nike), the LA84 Foundation (Foundation), and Westcoast Sports Associates, Inc., for a donation consisting of the resurfacing of two (2) existing outdoor basketball courts, subject to the approval of the Mayor and the City Attorney as to form;
2. Direct the Board Secretary to transmit the proposed Agreement to the Mayor in accordance with Executive Directive No. 3, and concurrently to the City Attorney for review and approval as to form; and,
3. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals.

SUMMARY:

As a gift to the City of Los Angeles (City), Nike, the LA84 Foundation, and Westcoast Sports Associates, Inc. (collectively referred to as Donors), have offered to resurface two (2) existing outdoor basketball courts (Courts) at Jim Gilliam Recreation Center, located at 4000 South La Brea Avenue (Project). The Court shall be resurfaced by Donors through Nike's "Let Me Play" program.

REPORT OF GENERAL MANAGER

PG. 2 NO. 10-019

The Let Me Play program provides grants to community groups and government entities to support the promotion of sport in an effort to get youth active and to promote positive social change. The Project shall be completed at no cost to the City. Donors shall contract with Ace Surfaces North America, Inc. (Contractor), for the resurfacing of the Court with synthetic, "Nike Grind" materials at a total project value of \$51,000.

Nike Grind is a component of Nike's Corporate Responsibility initiative, which strives to reduce the environmental footprint created from the production of athletic footwear. Worn-out athletic shoes of any brand are collected through Nike's Reuse-A-Shoe program, along with manufacturing scrap, and processed into three products collectively known as Nike Grind; including Nike Grind rubber, foam, and upper fabric. To date, nearly 25 million pairs of athletic shoes have been recycled through this first-of-its-kind program.

Nike has partnered with market-leading sports surface providers such as Ace Surfaces, N.A., Inc., which utilize these materials to create sustainable, high-quality, high-performance sports surfaces. Not only are these products better for the environment and one's body, but they are also more cost effective. The Contractor has several product lines of synthetic surfaces. The surface products proposed to be installed at Jim Gilliam Recreation Center are the Rebound Ace Synpave products.

Under the proposed Agreement, Donors shall be responsible for the timely completion of the Project, including all payments to the Contractor for all Project related costs, and ensuring that the work is done and completed pursuant to the terms and conditions of a right-of-entry permit issued to Donors by the Department. The plans and specifications for the proposed Project have been reviewed and approved by staff from the Department's Planning and Development Division. Department staff shall assist the Contractor, Ace Surfaces, in obtaining necessary permits as applicable. Nike, the LA 84 Foundation and their affiliated vendors have worked successfully with City staff in the past on similar projects, such as the installations of synthetic soccer fields at Glassell, Algin Sutton, and Lafayette Recreation Centers, as well as with the installation of synthetic basketball court surfaces at Green Meadows Recreation Center and 6th and Gladys Park. Successful projects with Nike and LA 84 also include five (5) sites with the installation of field and court improvements funded by Donors: Hubert Humphrey Recreation Center synthetic athletic field, and indoor basketball court refurbishments at Lincoln Park, Harbor City, Ramona Gardens, and Central Recreation Centers. Most recently, Nike and LA 84 donated a skate plaza at the Department's Imperial Courts Recreation Center, and a skate plaza and multi-sport court at William Nickerson Gardens Recreation Center.

REPORT OF GENERAL MANAGER

PG. 3 NO. 10-019

In exchange for this generous gift and with the understanding that the term of the proposed agreement is three (3) years from the date of its execution, the Department will agree to terms and conditions including, but not limited to, the following:

1. Maintaining the Courts in a safe and attractive manner consistent with the Donors' image and reputation, the terms and conditions of the product warranty, and appropriate industry and community standards;
2. Acknowledging Nike, LA84 Foundation, and Westcoast Sports Associates, Inc. as Donors on applicable Department written materials, news releases, and related marketing or publicity materials;
3. Allowing Donors the right to publicize, show photographs, and use the name of the Courts and otherwise promote the Donors' contribution;
4. Allowing Donors the right to use the Court from time to time for sports and special events, upon reasonable notice and subject to the approval of the Department;
5. Allowing Donors to incorporate their logo(s) and/or trademark(s) as part of the Court(s) design, subject to the Department's prior review and approval.
6. Allowing Donors the right (but not the obligation) to place and remove, on or around the Courts, their logo(s), trademark(s), and other signage, marks and/or insignia as related to events held at the Courts, subject to the approval of the Department; and,
7. Allow Donors to operate a booth or similar area for strictly promotional purposes at Donor events held at the Courts.

The performance of the above requirements shall not interfere with Department programming and prescheduled events at the Courts. Donors will coordinate with the Department prior to committing the Courts to any events not operated by the Department.

Staff has determined that this project will be realized through the provisions of an agreement between the Department and the partnership of Nike USA, Inc., LA84 Foundation, and Westcoast Sports Associates, Inc., which will consist of the resurfacing of two (2) existing outdoor basketball courts, referred to as "Courts" at Jim Gilliam Recreation Center. The Courts are an accessory to the existing park facilities and their resurfacing will constitute minor remodeling and construction that will result in negligible or no expansion of use. Therefore, the Project has been determined to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (1) of the City CEQA Guidelines.

REPORT OF GENERAL MANAGER

PG. 4 NO. 10-019

The Assistant General Manager of Operations West and the Superintendent of the West Region, support the recommendations contained in this report.

FISCAL IMPACT STATEMENT:

This project should not have any impact on the Department's General Fund, as the costs of resurfacing the Courts will be funded and contracted entirely by Donors at their sole expense.

This report was prepared by Joel Alvarez, Senior Management Analyst from the Department's Real Estate and Asset Management Section.