REPORT OF GENERAL MANAGER

DATE May 20, 2009

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: WILLIAM NICKERSON GARDENS RECREATION CENTER - GIFT AGREEMENT WITH NIKE USA, INC., AND THE LA84 FOUNDATION FOR THE DESIGN AND CONSTRUCTION OF A STATE-OF-THE-ART STREET SKATE PLAZA AND MULTI-SPORT COURT

R. Adams J. Kolb
V. Israel F. Mok
H. Fujita K. Regan
S. Huntley *M. Shull

Approved _____ Disapproved _______ Withdrawn _______

RECOMMENDATIONS:

That the Board:

1. Approve the proposed Gift Agreement, substantially in the form on file in the Board Office, with Nike USA, Inc. and the LA84 Foundation for a gift consisting of the design and construction of a street skate plaza and multi-sport court at William Nickerson Gardens Recreation Center, subject to the approval of the Mayor and of 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 USA, Inc. (Nike) and the LA84 Foundation (Foundation) (collectively referred to as Donors) have offered to fund the design and construction of a state-of-the-art street skate plaza (Plaza) and multi-sport court (Court) at the William Nickerson Gardens Recreation Center (Nickerson Center), located on property owned by the Housing Authority
of the City of Los Angeles (HACLA); at 1501 East 41st Street, Los Angeles, CA 90011. Attached hereto as Exhibit A and Exhibit A-1 are illustrative renderings of the proposed Plaza and Court. Plaza and Court shall be referred to collectively in this report as “Gift”. The Department of Recreation and Parks (Department) is authorized to approve improvements to the existing lease-hold at Nickerson Center with concurrence from HACLA, through an Operating License Agreement between the Department and HACLA executed on July 13, 1992.

The total value of the Nickerson Center Gift is $250,000, including equipment, materials, and installation. HACLA has been involved in project planning discussions among the Department, Donors, Mayor’s Office, and Office of Councilmember Janice Hahn, and are in full support of the project. As a demonstration of their support, HACLA has committed to provide funding for the Nickerson Center project in the amount of $87,500 to supplement the $162,500 contribution provided by Donors; and HACLA has also committed to providing another $87,500 to combine with a $12,500 contribution by Donors for a separate skate plaza project at the Department’s Imperial Courts Recreation Center, which is also on HACLA property and operated and maintained by the Department through the same Operating License Agreement authorizing the Department to occupy the Nickerson Center. The HACLA funds will be provided to Donors through a funding agreement between Donors and HACLA. The Department shall not be a party to the funding agreement between HACLA and Donors. The Imperial Courts skate plaza project will be addressed through a separate gift agreement and approval process.

The Nickerson Center Gift is another addition to the list of generous gifts provided to the City by Nike and Foundation, consisting of field, court, and skate plaza improvements at various City of Los Angeles park sites. Donors and the Department wish to continue this valuable relationship so we may continue to provide the youth of Los Angeles with opportunities to play, train, and recreate on state-of-the-art athletic and recreational facilities. Any additional sites and projects identified and mutually agreed to by the Department and Donors in the future shall be considered separately from this Agreement.

Donors are providing this generous Gift through Nike’s “Let Me Play” program, which provides funding and gifts to community groups and government entities in support of the promotion of sport and recreation to get youth active and promote positive social change. Nike has partnered with various market-leading, design-build skate plaza and athletic field companies which adhere to Nike requirements related to materials and design, to create sustainable, high-quality, high-performance sports and recreation facilities. Pursuant to Donor requirements and the terms and conditions of the proposed Agreement, Donors shall contract with California Skate Parks, Inc., and Kompan, Inc., (collectively referred to as “Contractors”) for the construction and/or installation of the Plaza and Court, respectively. The amount of each contract shall be in the amounts of $150,000 and $100,000, respectively. Donors shall fund the entire project at their sole expense, with supplemental support from HACLA, at no cost to City.
The plans for the proposed project have been reviewed and approved by staff from the Department's Planning and Construction Division and HACLA. A rendering of the proposed design of the Plaza and Court have been attached here as Exhibit A and Exhibit A-1. Department staff, within their capacity, shall assist Contractors in obtaining necessary permits, authorizations and consents, as well as right of entry to the project location to perform necessary work, and will oversee the construction process.

Nike and its affiliated vendors have funded and worked successfully with City staff in the past on several similar projects, such as the installations of synthetic soccer fields at Glassell, Algin Sutton, and Lafayette Recreation Centers, the resurfacing of outdoor basketball courts with synthetic materials at Green Meadows Recreation Center and 6th and Gladys Park, the development of a multi-sport court at Hubert Humphrey Recreation Center, construction of a skate plaza at Ritchie Valens Recreation Center, and indoor gymnasium basketball court refurbishments at four (4) separate park sites: Lincoln Park, Harbor City Recreation Center, Ramona Gardens Recreation Center, and Central Recreation Center.

In exchange for the proposed 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 Plaza and Court in a safe and attractive manner consistent with the image and reputation of Donors, and the terms and conditions of the product warranty;

2. Acknowledging Nike and Foundation as Donors on applicable Department written materials, news releases, and related marketing or publicity including, but not limited to, a “kick-off” press conference and/or dedication event;

3. Assisting and cooperating in mutually acceptable dedication events at the Center;

4. Allowing Donors the right to publicize, show photographs, and use the name of the Center and otherwise promote the Donors’ contribution;

5. Allowing Donors the right to use the Plaza and Court from time to time for special events, upon reasonable notice and subject to the approval of the Department;

6. Allowing Donors to incorporate their logo(s) and/or trademark(s) as part of the Plaza and Court designs, subject to the Department’s prior review and approval;

7. Allowing Donors the right (but not the obligation) to place and remove on or around the Plaza and Court, their logo(s), trademark(s), and other signage, marks and/or
insignia as related to events held at the Plaza and Court, subject to the approval of
the Department; and,

8. Allowing Nike and/or LA84 Foundation to operate a booth or similar area for strictly
promotional purposes at Plaza-Court related special events held at the Center.

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

Staff has determined that this project will consist of an Agreement between the Department and
Donors for the design and installation of a street-skate plaza and multi-sport court at William
Nickerson Gardens Recreation Center, to complement the existing recreational amenities offered at
the Center. The Plaza and Court will be accessory facilities to the existing recreational uses at the
park. Therefore, the project is exempt from the provisions of the California Environmental Quality
Act (CEQA) pursuant to Article III, Section 1a, Class 1, Category 14; Section 1(d), Class 4,
Category 1 and 6; and Section 1k, Class 11, Category 3 of the City CEQA Guidelines.

The Assistant General Manager of Operations East, Superintendent of the Pacific Region, the Office
of Mayor Antonio Villaraigosa, and Councilmember Janice Hahn all 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 the
Plaza’s design and construction will be funded entirely by the Donors.

This report was prepared by Joel Alvarez, Senior Management Analyst from the Department’s
Real Estate and Asset Management Section.
EXHIBIT A
Skate Plaza Rendering

Legend
A - Lighting w/ tranny base
B - Skate Slide
C - Arched base benches
D - Rollo Jump
E - Slide Tunnel/Quarter Pipe
F - Pump Bump Manual Pad
G - Circular Tranny Planters
H - Balance Beam/Flat Bar
EXHIBIT A-1
Multi-Sport Court Rendering