

REPORT OF GENERAL MANAGER

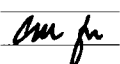
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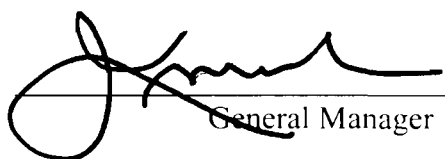
DATE October 9, 2009

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPOSITION PARK – FIRST AMENDMENT TO OPERATING AGREEMENT WITH STATE OF CALIFORNIA

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

  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Approve, substantially in the form on file in the Board Office, a proposed First Amendment (Amendment) to the Operating Agreement with the State of California, acting through the Sixth District Agricultural Association, also known as the California Science Center (hereinafter "Science Center") for the use of Science Center-owned property, commonly known as the Playfields, for sports related and EXPO Center related uses, subject to the approval of the Mayor, City Council, and the City Attorney as to form;
2. Direct the Board Secretary to transmit the Amendment to the Mayor in accordance with Executive Directive No. 3 for review and approval, and concurrently to the City Attorney for review and approval as to form; and,
3. Authorize the Board President and Secretary to execute the Amendment upon receipt of the necessary approvals.

SUMMARY:

In November 2008, the Board approved (Board Report No. 08-319) the Operating Agreement with Science Center for use of Science Center-owned property, located between Menlo Avenue and Vermont Avenue (Exhibit A) for sports related and EXPO Center related uses. The subject property is commonly known as the "Playfields". The sports related uses include, but are not limited to,

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soccer, football, baseball, t-ball, lawn bowling, volleyball, children's games and similar activities normally conducted on an athletic field. It shall also include practices and tournaments for same. It should be noted that, in addition to the use of the Playfields for athletic/sports uses, the site will also be used for event parking for both the Science Center and the Department.

In accordance with the agreement, the City is obligated to continually maintain the Playfields in a clean and safe condition. This shall include maintenance, clean-up, upkeep, and trash and litter removal and disposal after every regularly scheduled use and/or event, including Expo Park related events.

The Los Angeles City Council (Council) granted its approval of this Agreement in December 2008.

Subsequent to the approvals of both the Board and Council but prior to its execution in April 2009, City and Science Center staff had come to an agreement on certain terms that were not included in the Agreement or required further clarification. Some of these terms are as follows:

1. The initial payment of \$50,000 described in Paragraph 4 of the Operating Agreement is not intended to supersede, replace or include any credits toward the annual maintenance fee owed and invoiced for 2008/2009 fiscal year. The initial payment described and those due in subsequent years will constitute the City's future annual payments towards defrayal of park expenses.
2. City agrees not to charge for usage of the Playfields in excess of fees charged by the Department of Recreation and Parks for Youth Sports Groups as defined in the City's Rate and Fee Schedule that may be amended from time to time.
3. It is the Science Center's intent that the Playfields are to be used for event parking only after all other parking in the park is used first.
4. Pursuant to Paragraph 8.6 of the Operating Agreement, the City shall reimburse the Science Center for any lost parking revenue should it not be able to have the Playfields ready for parking during scheduled events. The amount of reimbursement will be in accordance with the formula described in the Amendment, which is based on the average annual usage of the Playfields by the Science Center for parking.
5. Should the Science Center utilize Lot 1 for any reason that would prevent its use for parking, Science Center shall use its best efforts to find replacement parking spaces as were available in Lot number 1 as close as possible to Expo Center.

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FISCAL IMPACT STATEMENT:

Staff does not anticipate any additional costs beyond those already considered in the execution of the Operating Agreement. However, the City may be obligated to provide reimbursement to the Science Center should the City fail to get the Playfields ready for scheduled events. Staff will identify potential sources of funds to pay this obligation should this occur.

This report was prepared by Cid Macaraeg, Sr. Management Analyst II, Real Estate and Asset Management Section, Planning and Development.

