



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT

R-23

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

September 14, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Exclusive Negotiation Agreement With Big League Dreams U.S.A. LLC to Negotiate for the Operation, Maintenance and Licensing of the Sports Park (District 7)

DISCUSSION

On January 18, 2002, the Department of Community Development, on behalf of the Department of Parks, Recreation, and Marine, solicited proposals for planning and design consulting services related to the operation of the proposed Sports Park. The solicitation also conveyed the City's desire to contract the operation and management of the facility to an experienced operator, once the Sports Park is constructed. From the respondents, two operators were selected for interviews. Big League Dreams U.S.A. LLC (BLD) was found to be the most qualified to provide planning and design consulting services and to operate the Sports Park.

BLD has been successful with a formula that involves creating replica stadiums of well-known major league stadiums. This approach, when added to a sports-themed concession building, a multi-sport covered pavilion, batting cages, children's playgrounds, etc., has proven to be a regional benefit and an asset to the local communities. As a result, BLD has been operating successfully in Cathedral City, Riverside, and Chino Hills over the past seven years. Their fourth park in Redding opened this summer. Additionally, construction by BLD is underway in six other locations including West Covina, Colton, and Redlands.

On June 3, 2003, City Council authorized the City Manager to enter into an exclusive negotiation agreement (ENA) with BLD which expired July 31, 2004. The parties now desire to enter into another ENA to allow for the preparation of an Operations and Maintenance Agreement, a Consultant Agreement and a Licensing Agreement containing the following general terms and conditions:

- The term of the ENA will be six months.
- During the term of the agreement, the City will not negotiate with another party for the operation of the proposed Sports Park.
- During the term of the agreement, BLD will not negotiate for the operation or the design of a sports park within a ten-mile radius of the Long Beach city limits.

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- Should the Draft Environmental Impact Report (DEIR) indicate that environmental impacts associated with development of the proposed Sports Park cannot be reasonably mitigated, or the project is found to be financially infeasible, the City may terminate the ENA.
- The focus of the negotiations shall be on the preparation of a Maintenance and Operations Agreement, Consultant Agreement and Licensing Agreement. The completed documents would then be submitted to the City Council for its review and approval.

This letter was reviewed by Deputy City Attorney Richard Anthony on September 1, 2004 and Budget Management Officer David Wodynski on September 3, 2004.

TIMING CONSIDERATIONS

Council action is requested on September 14, 2004 to allow negotiations to proceed promptly.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager to execute an exclusive negotiation agreement with Big League Dreams U.S.A. LLC to allow mutually exclusive negotiations between the parties for the operation, maintenance and licensing of the Sports Park.

Respectfully submitted,



MELANIE S. FALLON
DIRECTOR OF COMMUNITY DEVELOPMENT



PHIL T. HESTER
DIRECTOR, OF PARKS, RECREATION AND MARINE

MSF:PTH:MC:lej

APPROVED:



GERALD R. MILLER
CITY MANAGER