



CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE



2760 N. Studebaker Road, Long Beach, CA 90815-1697
(562) 570-3100 • FAX (562) 570-3109
www.LBParks.org

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best in nation

May 6, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to accept a \$180,000 contribution from the Partners of Parks, a non-profit organization, for the Department of Parks, Recreation and Marine to support the acquisition cost of the new Blair Field scoreboard project. (District 3)

DISCUSSION

The City of Long Beach Department of Parks, Recreation and Marine has received an offer to accept a contribution from the Partners of Parks (Partners), a non-profit organization. The Department of Parks, Recreation and Marine is currently in the process of upgrading the scoreboard at Blair Field. The current scoreboard has become unreliable and cost prohibitive to maintain. This contribution would assist in offsetting the cost to acquire a new scoreboard. The estimated cost to purchase a new scoreboard is \$447,765.

For over 22 years, Partners has raised millions of dollars to expand recreational opportunities, increase program services, and assist in the development of new parks and the refurbishment of older parks throughout Long Beach. Partners has agreed to make a \$180,000 contribution toward the purchase of the new Blair Field scoreboard (see Attachment A).

The Parks and Recreation Commission of the City of Long Beach has entered into two Use Permit Agreements (see Attachments B and C) with the Trustees of the California State University, Long Beach and The Diamond Project, LLC, that references the scoreboard contribution plan with Partners and the City of Long Beach. Should either entity not be able to make its annual contribution per the Use Permit Agreements, the City of Long Beach will not be held liable for any unpaid balances.

HONORABLE MAYOR AND CITY COUNCIL

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This matter was reviewed by Deputy City Attorney Gary J. Anderson on April 10, 2008, and Budget Management Officer Victoria Bell on April 28, 2008.

TIMING CONSIDERATIONS

City Council action is requested on May 6, 2008, to accept the contribution and begin the scoreboard acquisition process for a projected delivery date of June 30, 2008, to unveil the new scoreboard during the Long Beach Armada season.

FISCAL IMPACT

There is no fiscal impact or obligation to the City associated with this contribution.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:ES:rb
Attachments

APPROVED:



PATRICK H. WEST
CITY MANAGER



CITY OF LONG BEACH

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MEMORANDUM OF UNDERSTANDING

March 3, 2008

Partners of Parks
Attn: Chris Kozaites, President
5001 Deukmejian Dr.
Long Beach, CA 90804

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN PARTNERS OF PARKS AND THE DEPARTMENT OF PARKS, RECREATION AND MARINE

In April of 2008 the Department of Parks Recreation and Marine (PRM) anticipates it will expend approximately \$425,000 for the retrofitting of the scoreboard at Blair Field Stadium. The malfunctioning scoreboard has been problematic to users and PRM has determined a retrofit of the scoreboard is necessary if it is to compete for future events such as the NCAA Baseball Regional and Super Regional Tournaments.

PRM has asked Partners of Parks (POP) for a contribution of \$180,000 to assist in the purchase of the retrofit, which POP approved at its board meeting on February 22, 2008. In recognition of this contribution, PRM has negotiated contributions from two of its Blair Field use permittees in an equal amount of \$180,000.

The Diamond Project, LLC dba Golden Baseball League and Cal State Long Beach have each pledged the following contributions:

Permittee	Donation Amount	Term
• The Diamond Project, LLC dba Golden Baseball League	\$100,000	(\$25,000 per year for four years)
• Cal State Long Beach	\$80,000	(\$20,000 per year for four years)

In addition to the above-mentioned donations and in further recognition of POP's support of this vital project, PRM has negotiated an additional annual contribution from the Diamond Project, LLC dba Golden Baseball League in an amount of \$5,000 per year for the next four years.

Approved,

PHIL T. HESTER
DIRECTOR

CHRIS KOZAITES
PRESIDENT

Attachment B

FIRST AMENDMENT TO USE PERMIT NO. 28843

28843

Pursuant to a minute order adopted by the Recreation Commission of the City of Long Beach at its meeting held on April 17, 2008, the PARKS AND RECREATION COMMISSION ("City"), authorized the Director of Department of Parks, Recreation and Marine for the City of Long Beach ("Director"), to execute an extension of Use Permit No. 28843 as follows:

1. Section 2 of Use Permit No. 28843 is hereby amended in its entirety to read as follows:

"2. The term of this Permit shall commence at 12:01 a.m. on September 1, 2003, and shall terminate on March 13, 2013, unless sooner terminated as provided in this Permit. Either party may terminate this Permit on thirty (30) days' notice to the other party. Upon termination of this Permit, Permittee shall quit and surrender possession of the permit areas and remove its personal property there from. Upon termination of the Permit by the Permittee, the Permittee shall continue its annual remittance of the \$80,000 (\$20,000 per permit years 2, 3, 4, and 5) scoreboard contribution as stated and amended in Section 3 of the Permit. Upon revocation of the Permit by the City, the Permittee shall be refunded the aggregate sum of the remitted portion of the \$100,000 scoreboard contribution, and shall not be required to make any further remittance as stated and amended in Section 3 of the Permit."

2. Section 3 of Use Permit No. 28843 is hereby amended in its entirety to read as follows:

"3. Permit Fee. A. Permittee shall pay to the City the sum of \$294 per game and shall reimburse the City for its direct costs for staff time, lighting, cleaning and field preparation, monthly, in arrears. For practices, Permittee shall pay monthly, in arrears, only the direct costs for staff time,

1 lighting, cleaning and field preparation. Permittee shall pay to the City the
2 sum of \$234 per month for the office space, monthly, in arrears. On January
3 31 of each permit year, the monthly office rent shall be adjusted to reflect
4 the Consumer Price Index – All Urban Consumers for Los Angeles County
5 (November to November). Permittee may prepay the game fees and office
6 rent in each Permit year, if it so chooses.

7 B. In exchange for the right to sell the title sponsorship on the Blair
8 Field scoreboard, Permittee shall remit Twenty Thousand Dollars (\$20,000)
9 to the Department of Parks, Recreation and Marine upon execution of the
10 First Amendment, and Permittee shall remit Eighty Thousand Dollars
11 (\$80,000) at (\$20,000 per Permit years 2, 3, 4 and 5) to Partners of Parks,
12 at Partners of Parks, c/o Diane Wiley, 5001 Deukmejian Drive, Long Beach,
13 California 90804, and so do so by June 15 of permit years 2, 3, 4 and 5.
14 The remittance of Partners of Parks shall be considered irrevocable and
15 shall continue in the event this Permit is revoked or terminated.

16 C. Permittee shall pay to the City an annual minimum of \$15,000 per
17 Permit year, or 12.5% of Apportioned Annual Advertising Revenue from \$0
18 to \$200,000 and 25% of the Apportioned Annual Advertising Revenue from
19 \$200,001 and greater, whichever is greater. Permittee shall remit either the
20 annual minimum or Apportioned Annual Advertising Revenue percentage no
21 later than June 15 of each permit year. The Permittee may prepay the
22 annual minimum if it so chooses, however should the percentage of
23 Apportioned Annual Advertising Revenue due to the City be greater than the
24 minimum of \$15,000, then the prepaid annual minimum shall be applied as
25 credit toward the apportioned advertising revenue. Permittee shall remit the
26 balance due no later than June 15 of each permit year.

27 D. Apportioned Annual Advertising Revenue shall be calculated
28 using the formula in Exhibit A.”

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333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 The City's acceptance of all or part of a payment related to any component
2 of the Permit fee after a default of any kind by Permittee shall not be deemed a waiver of
3 the right to revoke this Permit on account of that or any subsequent default.

4 If this Permit is revoked or terminated, Permittee shall assign its rights and
5 delegate its duties under any permits or agreements for advertising space in the permit
6 areas to the City and the City shall accept such assignment and delegation. On and after
7 the effective date of revocation, all revenues relating to such advertising permits and
8 agreements shall belong to and be paid to the City.

9 3. Except as expressly amended herein, all of the terms and conditions
10 of Use Permit No. 28843 are ratified and confirmed and shall remain in full force and
11 effect.

12 ACCEPTED this 17th day of April, 2008.

13
14 TRUSTEES OF THE CALIFORNIA STATE
UNIVERSITY - LONG BEACH,

15 By 

16 Title CHARLES W. HUGHES, DIRECTOR
Procurement & Support Svcs.

17 By 

18 Title Purchasing Manager

19 "Permittee"

20 THE PARKS AND RECREATION COMMISSION
21 OF THE CITY OF LONG BEACH

22 By 

23 Director, Parks, Recreation and Marine

24 "City"

25 This Use Permit is approved as to form on April 17, 2008.

26 ROBERT E. SHANNON, City Attorney

27 By 

28 Deputy

USE PERMIT FOR BLAIR FIELD

THIS PERMIT is issued pursuant to Section 16.16.060 of the Long Beach Municipal Code. On the terms and conditions contained herein, the PARKS AND RECREATION COMMISSION OF THE CITY OF LONG BEACH, CALIFORNIA ("City"), through the Director of the Department of Parks, Recreation and Marine of the City of Long Beach ("Director"), hereby grants permission to THE DIAMOND PROJECT, LLC, a California limited liability company ("Permittee"), whose address is 7080 Donlon Way, Suite 109, Dublin, CA 94568, as follows:

1. PERMISSION.

A. Permittee may use the permit areas and improvements thereon (the "Permit Areas" or "Blair Field") as shown on the drawing attached hereto as Exhibit "A-1" and incorporated herein by this reference. Permittee may use Blair Field to conduct professional baseball practices and games, may use approximately 424 square feet of interior building space for game day operations as shown on Exhibit "A-2", operate a souvenir store, use the field scoreboard, and sell advertising as expressly described in this Permit, and for no other uses or purposes.

B. Permittee acknowledges that it has had all opportunity it desired to fully inspect, investigate and evaluate the Permit Areas and every aspect of the Permit Areas with which it has concern or may develop concern. The City provides no warranties whatsoever and shall be under no disclosure obligations regarding: (1) the physical condition or any aspect of the Permit Areas or adjacent properties (including lighting); (2) the presence or absence of hazardous materials; (3) the Permit Areas' fitness for Permittee's intended use or any particular use; (4) tax, legal or other matters related to the Permit Areas; (5) the availability or timing of approval from regulating agencies or costs which may be imposed relating to applicable laws and regulations; (6) or any other matters

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1 10. SCOREBOARD CONTRIBUTION.

2 Permittee shall contribute Twenty-Five Thousand Dollars (\$25,000) to the
3 Department of Parks, Recreation and Marine upon execution of the Permit, and One
4 Hundred Thousand Dollars (\$100,000) (\$25,000 per Permit years 2, 3, 4 and 5) to
5 Partners of Parks, to be allocated for the retrofitting of the Blair Field scoreboard.
6 Permittee shall remit contribution payments directly to Partners of Parks at, Partners of
7 Parks at c/o Diane Wiley, 5001 Deukmajian Drive, Long Beach, CA 90804, and shall do
8 so by June 1st of permit years 2, 3, 4 and 5. Permittee shall submit a letter of credit upon
9 execution of the Permit, as collateral for their contribution. Permittee agrees that should
10 the purchase of scoreboard retrofit not take place, then the Permittee's scoreboard
11 contribution of \$125,000 (\$25,000 per Permit year) shall be re-allocated for capital
12 improvement projects at Blair Field, as proposed by the Permittee and pre-approved by
13 the Director of Parks, Recreation and Marine.

14 11. LATE CHARGES.

15 The Permittee acknowledges that the late payment by the Permittee of any
16 fees due under this Permit, including Revenue Sharing fees and Sponsorship and/or
17 Advertising fees, will cause the City to incur certain costs not contemplated under this
18 Permit, the exact amount of which will be extremely difficult or impractical to ascertain.
19 These include administrative and collection costs and processing and accounting
20 expenses. Accordingly, if any fee payable under this Permit is not received by the City
21 from the Permittee on or before the seventh business day after said fee becomes due,
22 the Permittee shall immediately pay to the City, without prior notice or demand, a late
23 charge equal to ten percent (10%) of the amount then delinquent. The City and the
24 Permittee agree that this late charge represents a reasonable estimate of these costs
25 and is fair compensation to the City for losses sustained by reason of the Permittee's
26 failure to make timely payment.

27 12. DONATIONS.

28 As consideration for the displacement of Recreation programming from

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1 the parties and supersedes all other agreements, oral or written, with respect to the
2 subject matter herein. Revocation or expiration of this Permit shall not affect rights or
3 liabilities that accrued hereunder prior to such revocation or expiration. This Permit shall
4 not be construed or interpreted against either the City or the Permittee as the drafter.


5 This Permit is not intended or entered for the purpose of creating any
6 benefit or right for any person or entity that is not a signatory to this Permit.

7 PARKS AND RECREATION COMMISSION OF
8 THE CITY OF LONG BEACH, CALIFORNIA


9 _____, 2008 By: _____
10 Director, Department of Parks,
11 Recreation and Marine
"Director"

12 Permittee hereby accepts and agrees to abide by the above terms and conditions.

13 THE DIAMOND PROJECT, LLC, a California
14 limited liability company

14 4/1 _____, 2008 By: 
15 DAVID A. KAVAL
16 (Type or Print Name)
17 LEO
Officer's Title

18 THE DIAMOND PROJECT, LLC, a California
19 limited liability company

20 4/1 _____, 2008 By: 
21 Amit B. Patel
22 (Type or Print Name)
23 President
Officer's Title
"Permittee"

24 This Permit is approved as to form on _____, 2008.

25 ROBERT E. SHANNON, City Attorney

26 By: _____
27 Deputy City Attorney
28