


FOR INFORMATION ONLY

CITY OF LOS ANGELES
Department of Recreation and Parks

February 21, 2001

TO: BOARD OF RECREATION AND PARK COMMISSIONERS

FROM: ELLEN OPPENHEIM
General Manager 

SUBJECT: Interim Operator for Encino-Balboa
Golf Professional Services

At the meeting of the Board of Recreation and Park Commissioners on February 7, 2001, the Board directed Department staff to approach the designation of an interim emergency operator at Encino-Balboa in three steps: invite the Griffith Golf Professional, Tom Barber, to undertake the interim operation; if he declined, to offer the interim permit to Michael Bernback of Ready Golf, so long as he could demonstrate financial capability and compliance with City requirements by 5:00 p.m. on February 9, 2001; if Mr. Bernback was unable to so demonstrate, staff was to follow the original recommendation and issue the interim permit to Ron Weiner of Rancho Golf.

Mr. Barber declined to undertake the interim operation. Mr. Bernback submitted all completed compliance documents, including his Los Angeles Business Tax Registration Certificate Number application, and demonstrated cash on hand of over \$250,000.00 on Friday morning, February 9, 2001. In accordance with the Board's direction, Mr. Bernback was notified therefore that he would be the interim operator, with a start date to be fixed after action in the bankruptcy case expected on or before February 14, 2001.

On February 14, 2001, in United States Bankruptcy Court, Southern District of New York, the lease between Encino-Balboa Family Golf Centers, Inc., and the City of Los Angeles was deemed to be rejected effective February 16, 2001, at 11:59 p.m., thus giving allowance to Family Golf to complete a payroll and accounting period. The transition date and time for takeover by the interim operator, Ready Golf, was set for 12:00 a.m. February 17, 2001, and a Park Ranger was assigned to observe the handover of keys.

Ready Golf has purchased from Family Golf much of the equipment necessary for operation of the Encino-Balboa Golf Professional Concession and also purchased from bankruptcy liquidators pro

shop inventory. Staff will work with Mr. Bernback to insure compliance with the terms of the permit and delivery of quality services to golfers during the interim permit.

Also effective as of 12:00 a.m. February 17, 2001, the City is free to initiate the Request for Proposal process for a replacement long-term operator.

The matter of the City's retention of Family Golf's performance bond of \$168,500 against monies owed in pre-petition and post-petition expenses will be addressed by the Bankruptcy Court in a hearing on March 1, 2001.

Prepared by Linda Barth.

MATTERS PENDING

Matters Pending will be carried for a maximum of six months, after which time they will be deemed withdrawn and rescheduled whenever a new staff report is received.

03/15/00 00-102 Wilmington Recreation - Center Approval of Mural

08/09/00 00-281 Sepulveda Dam Recreation Area - Hjelte Restroom/Concession (#1806A) - Contract No. 2878 - Final Acceptance

10/18/00 00-389 Approval of Memorandum of Understanding with Los Angeles World Airports for the Operation of Westchester Golf Course

10/18/00 00-390 Approval of Memorandum of Understanding with Los Angeles World Airports for the Operation of the Van Nuys Golf Course

BIDS TO BE RECEIVED:

02/20/01 3:00 p.m. Barnsdall Park - Phase I Master Plan Implementation (#1026C)

02/20/01 3:00 p.m. El Sereno North Park - Outdoor Improvements (#1333A)

02/20/01 3:00 p.m. Griffith Park Travel Town - Train Exhibit Pavilion (1507C)

02/20/01 3:00 p.m. Elysian Park - Radio Hill Development (#1106B) - Approval of Final Plans and Call for Bids