

REPORT OF THE GENERAL MANAGER

NO. 03-91

DATE: March 20, 2003

C.D. 8

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPOSITION PARK - APPROVAL OF LEASE WITH 'KIDS IN SPORTS' FOR OFFICE SPACE WITHIN THE EPICC SWIM STADIUM

J. Combs \_\_\_\_\_  
A. Corrales \_\_\_\_\_  
J. Duggan \_\_\_\_\_

H. Fujita \_\_\_\_\_  
J. Kolb \_\_\_\_\_  
B. Lukehart BSC

  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

**RECOMMENDATION:**

It is recommended that the Board:

1. Approve the proposed Lease Agreement, substantially in the form on file in the Board Office, between the Department and Kids In Sports for use of office space within the EPICC Swim Stadium;
2. Direct the Board Secretary to transmit the proposed Lease Agreement to the Mayor in accordance with Executive Directive No. 16 for review and recommendation, and concurrently to the City Attorney for review as to form, and upon obtaining their approvals, request that the Lease Agreement be forwarded to the City Council for approval; and
3. Upon obtaining all required approvals, authorize the Board President and Secretary to execute the Lease Agreement.

**SUMMARY:**

On November 20, 2002, the Board approved Report No. 02-398 which authorized staff to negotiate and prepare a lease agreement between the Department and Kids In Sports, a non-profit youth sports organization, for use of office space within the Swim Stadium building at Exposition Park.

Kids In Sports, a registered non-profit (501 (c) (3)) organization, was initially established as a youth sports program under the direction of the Amateur Athletic Foundation (AAF). This program was headquartered within office space at the Exposition Park Club House beginning in January 1994 until the commencement of the Exposition Park Intergenerational Community Center (EPICC) construction project.

## REPORT OF GENERAL MANAGER

PG. 2 NO. 03-91

The proposed lease agreement will provide for the continuation of the youth sports programs operated by Kids In Sports. This lease specifies office space of approximately 2,000 square feet within the new Swim Stadium building as premises for use by Kids In Sports, as tenant, to administer its various youth sports programs. As consideration for the use of the premises, any programs administered by Kids In Sports from its offices at the EPICC Swim Stadium building shall be available to the public and operated on a non-profit basis to serve the community. The lease term shall be fifteen (15) years.

As specified in the lease, Kids In Sports shall be responsible for the costs and expense of any leasehold improvements for the premises, as well as the costs associated with the maintenance and repair of the premises. Since the Swim Stadium building does not contain separate electrical meters, the proposed lease exempts Kids In Sports from paying for electricity usage associated with its tenancy. This exemption is also supported by certain findings made in accordance with Department policy, which are as follows: Kids In Sports, registered as a non-profit (501 (c) (3)), will lease park property controlled by the Department and provide services which conform to the mission of the Department and are needed by the community; Kids In Sports will provide staffing, operations, and maintenance at the same or improved level as would the Department, and absent the activity provided by Kids In Sports, the Department would undertake responsibility for maintaining, staffing, or operating the subject premises; Kids In Sports will occupy the premises during hours of normal operations utilizing electricity of comparable usage to similar Department operations.

The EPICC project has received over \$16,000,000 in contributions from various non-profit foundations for improvements to public facilities at Exposition Park, including a \$2,000,000 grant from AAF. In addition, AAF has also committed an additional \$2,000,000 toward the EPICC project/program funding. The proposed lease agreement will provide the office space needed by Kids In Sports to administer its youth sports programs which offer valuable recreational opportunities for the surrounding community and patrons of Exposition Park.

Staff has determined that the subject project will consist of issuance of a lease to use space within an existing structure or facility involving negligible or no expansion of use, and therefore, is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1 (14) of the City CEQA Guidelines.

The Pacific Region Superintendent and the EPICC Executive Director concur with the recommendations set forth in this report. The Council Office of the Eighth District supports a lease agreement between the Department and Kids In Sports for tenancy of office space at the EPICC Swim Stadium.

Report prepared by Drew Tolliffe of the Real Estate and Asset Management Division.