



# City of Sacramento City Council

915 I Street, Sacramento, CA, 95814  
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**Meeting Date:** 4/5/2011

**Report Type:** Consent

**Title:** Lease Termination: OPUS Fields at the Natomas Baseball Complex (L19180000)

**Report ID:** 2011-00302

**Location:** 3501 Fong Ranch Road, District 1

**Recommendation:** Adopt a Resolution 1) authorizing the City Manager, or City Manager's designee, to terminate the Lease Agreement (City Agreement No. 2007-0321) between the City of Sacramento and Natomas Youth Baseball for the OPUS Fields at the Natomas Baseball Complex; and 2) closing South Natomas Sports Complex Capital Improvement Program (CIP) (L19180000) and transferring the remaining fund balance of \$1,117,456.24 back to South Natomas Capital Improvement Fund (SNCIF) contingency.

**Contact:** Tim Hopper, Administrative Officer, (916) 808-8173; J.P. Tindell, Park Planning & Development Manager, (916) 808-1955, Department of Parks and Recreation

**Presenter:** None

**Department:** Parks & Recreation Department

**Division:** Park Planning & Development Ad

**Dept ID:** 19001111

## **Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Location Map
- 4-Resolution
- 5-Exhibit A (Termination Agreement)

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### **City Attorney Review**

Approved as to Form  
Sheryl N. Patterson  
3/24/2011 3:02:04 PM

### **City Treasurer Review**

Prior Council Financial Policy Approval or  
Outside City Treasurer Scope  
Russell Fehr  
3/18/2011 11:18:28 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Jim Combs - 3/24/2011 11:43:22 AM

Assistant City Manager: Cassandra Jennings - 3/24/2011 3:01:27 PM

Eileen Teichert, City Attorney

Shirley Concolino, City Clerk  
Gus Vina, Interim City Manager

Russell Fehr, City Treasurer

## Description/Analysis

**Issue:** On April 3, 2007, City Council adopted Resolution No. 2007-194 approving agreements for the development of OPUS Fields at the Natomas Baseball Complex. The agreements included a Memorandum of Understanding (“MOU”) between the City of Sacramento and Natomas Youth Baseball (NYB) (City Agreement No. 2007-0320) and a Lease Agreement (“Lease”) between the City of Sacramento and Natomas Youth Baseball (City Agreement No. 2007-0321) for the OPUS Fields at the Natomas Baseball Complex. The OPUS Fields at the Natomas Baseball Complex proposed improvements, including the construction and operation of a 20.03-acre baseball complex by NYB and a 3.8-acre neighborhood park by the City.

The terms and conditions of the 20-year Lease of the City property required the construction of a regional baseball facility improvements to be completed by NYB and accepted by the City by September 15, 2008, or the Lease shall be voidable. On September 9, 2008, City Council approved Resolution 2008-616, allowing a two year time extension to make the required improvements, by September 15, 2010.

The required improvements have not been undertaken and per the terms of the Lease, it is to be terminated. NYB is in agreement to terminate the Lease rather than to provide another time extension. The MOU already expired by its terms.

Therefore, staff is recommending that the City of Sacramento terminate the Lease. Staff is also recommending that the City Council close the South Natomas Sports Complex CIP (L19180000) and transfer the remaining fund balance of \$1,117,456.24 back to the South Natomas Capital Improvement Fund (SNCIF) contingency. These funds were for development of the adjacent City park.

**Policy Considerations:** Providing parks and recreation facilities is consistent with the City’s strategic plan to enhance livability in Sacramento’s neighborhoods by expanding park, recreation, and trail facilities throughout the City. Terminating the Lease will allow for funds to be appropriated to the South Natomas Capital Improvement Fund to allow for funding other community facilities.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** This report concerns administrative activities and does not constitute a "project" as defined by the CEQA Guidelines (Title 14 Cal. Code Reg. § 15000 et seq.) Sections 15061(b)(3) and 15378(b)(2).

**Sustainability:** Not applicable

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The development of the OPUS Fields at the Natomas Baseball Complex was not completed per the terms and conditions of the MOU and the Lease between the City of Sacramento and Natomas Youth Baseball. Both the MOU and the Lease expired on September 15, 2010. As such, staff is recommending formally terminating the Lease of the City’s property and returning the remaining funds to

contingency. Natomas Youth Baseball has signed the Lease Termination form, which is attached to the Resolution as Exhibit A.

**Financial Considerations:** The South Natomas Sports Complex CIP (L19180000) was established in the amount of \$1,225,260.00 from SNCIF (\$1,125,260) and Park Development Impact Fund (\$100,000) for the future development of the park adjacent to the proposed Natomas Baseball Complex. The OPUS Fields at Natomas Baseball Complex project did not include financial support from the City. Opus West was to donate \$1 million to NYB for this complex development, but that contribution was never paid. Staff is recommending that the South Natomas Sports Complex CIP (L19180000) be closed and the unobligated amount of \$1,117,456.24 be returned to the South Natomas Capital Improvement Fund contingency.

**Emerging Small Business Development (ESBD):** No goods or services are being purchased as a result of this report.

## Background

OPUS Fields at the Natomas Baseball Complex was to be constructed on a 20.03-acre site owned by the City. The baseball complex site is bordered by Interstate 80 east bound on-ramps located on two sides of the site. On the east side of the site was to be the future 3.8 acre neighborhood park off of Fong Ranch Road, to the south is Natomas High School. The neighborhood park land was a Quimby Act parkland dedication requirement of the adjacent proposed Parkebridge subdivision.

Natomas Youth Baseball has been providing after-school youth programs for nearly 700 boys and girls annually for over 48 years.

The OPUS Fields at the Natomas Baseball Complex Master Plan included eight baseball fields designed for youth baseball and two additional baseball fields that could accommodate youth or adult baseball. The four baseball fields on the southwest portion of the project site would be lighted. In addition, the baseball complex was to include an entry plaza, a headquarters building with snack bar and restroom, four batting cages, two snack bars with restrooms, a maintenance building, bleacher seating, and walkways.

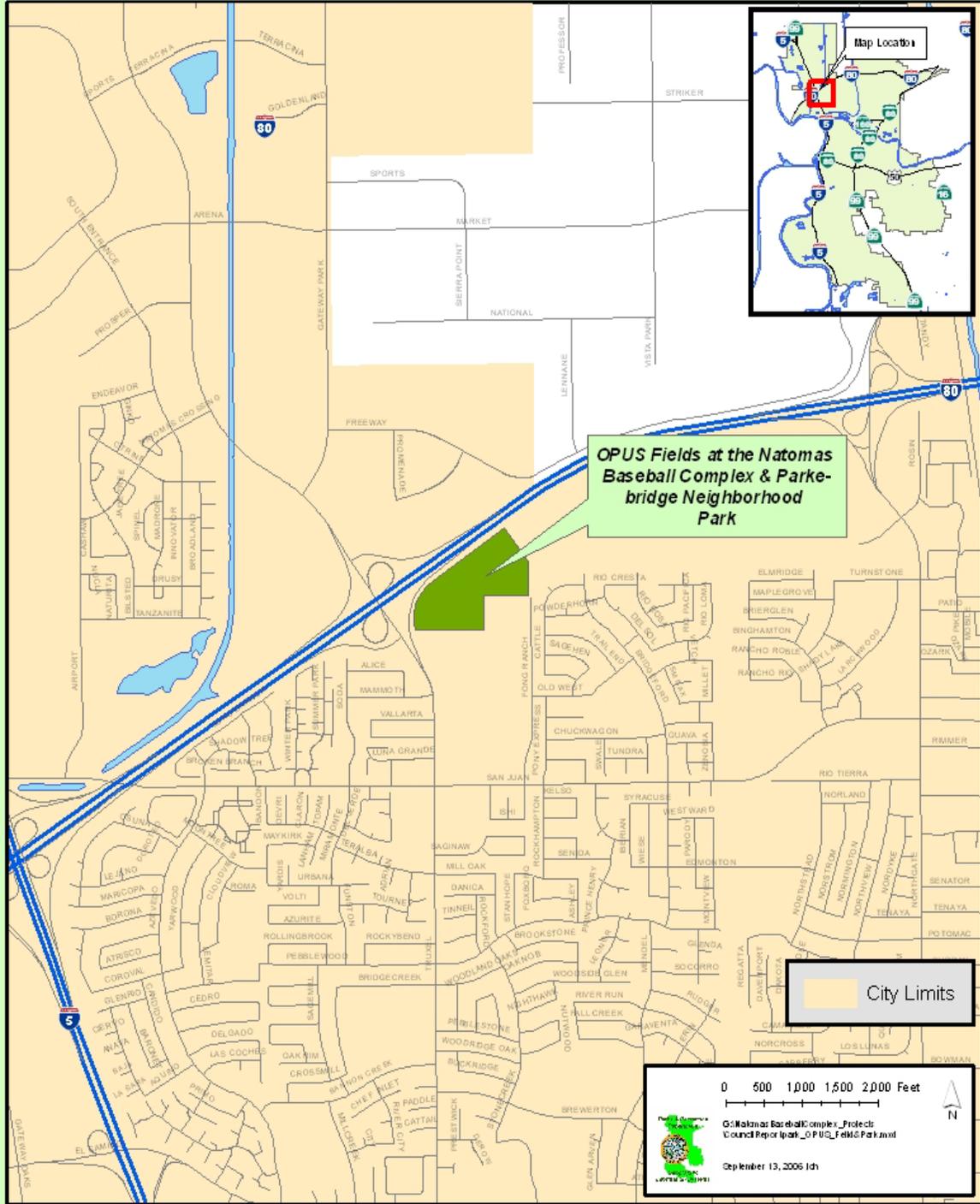
The naming of “OPUS Fields at the Natomas Youth Baseball Complex” and the Master Plan, the adoption of the Addendum to the Environmental Impact Report and the Mitigation Monitoring Plan, authorization of the Lease Agreement (City Agreement No. 2007-0321), and the MOU (City Agreement No. 2007-0320) were approved by City Council on April 3, 2007. Amendment No.1 to the Lease was approved on October 3, 2007, City Agreement No. 2007-0321-1. The Lease Amendment No. 1 adjusted the boundaries of the Natomas Youth Baseball project and the City’s neighborhood park. Lease Amendment No. 2 extended the term for completing the improvements to September 15, 2010, and was approved by City Council on September 9, 2008.

Council action is required to terminate the Lease. The MOU expired on its own terms and does not require further action by Council.

The property is owned by the City of Sacramento and is vacant and will continue to be managed by the Department of Utilities.



**City of Sacramento**  
**Department of Parks and Recreation**  
**OPUS Fields at the Natomas Baseball Complex & Parkebridge Neighborhood Park**





## **RESOLUTION NO. 2011-**

Adopted by the Sacramento City Council

### **TERMINATION OF THE LEASE BETWEEN THE CITY OF SACRAMENTO AND NATOMAS YOUTH BASEBALL, INC. (CITY AGREEMENT NO. 2007-0321) FOR OPUS FIELDS AT THE NATOMAS BASEBALL COMPLEX (L19180000)**

#### **BACKGROUND:**

- A. On April 3, 2007, City Council adopted Resolution No. 2007-194 approving agreements for the OPUS Fields at the Natomas Baseball Complex, including approval of the facility name, certifying the EIR Addendum, approving the Master Plan, and approving the Memorandum of Understanding and Lease Agreement between the City of Sacramento and Natomas Youth Baseball.
- B. On October 26, 2007, the 1<sup>st</sup> Amendment to the Lease Agreement was approved as City Agreement No. 2007-0321-1, and on September 9, 2008, the 2<sup>nd</sup> Amendment to the Lease Agreement was approved in City Resolution No. 2008-616.
- C. The improvements at the OPUS Fields at the Natomas Baseball Complex were to include development of a 20.03-acre regional baseball complex adjacent to a 3.8-acre neighborhood park located in South Natomas.
- D. The Lease Agreement and subsequent amendments required the improvements to be completed and accepted by September 15, 2010; however, the required improvements were not developed due to funding limitations. Natomas Youth Baseball is willing to terminate the Lease.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager, or City Manager's designee, is authorized to terminate the Lease Agreement (City Agreement No. 2007-0321) between the City of Sacramento and Natomas Youth Baseball for the OPUS Fields at the Natomas Baseball Complex.
- Section 2. The South Natomas Sports Complex CIP (L19180000) is hereby closed and the remaining fund balance of \$1,117,456.24 is to be transferred back to the South Natomas Capital Improvement Fund (SNCIF) contingency.

**Table of Contents:**

Exhibit A: Lease Termination Form



**MUTUAL TERMINATION OF THE LEASE BETWEEN THE CITY OF SACRAMENTO AND NATOMAS YOUTH BASEBALL, INC. (City Agreement No. 2007-0321)**

The City of Sacramento, a municipal corporation ("City"), and Natomas Youth Baseball, Inc., a California nonprofit corporation ("NYB"), are the parties to a lease of real property designated as City Agreement No. 2007-0321 (City Agreement No. 2007-0321 and all its amendments are collectively referred to as the "Lease"). The City and NYB agree that the Lease is hereby terminated.

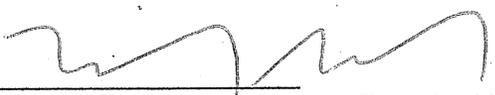
**CITY OF SACRAMENTO,**  
a municipal corporation

By: \_\_\_\_\_  
Gus Vina, Interim City Manager

Attest:

\_\_\_\_\_  
CITY CLERK

Approved As To Form:

  
\_\_\_\_\_  
Michael T. Sparks, Senior Deputy City Attorney

**NATOMAS YOUTH BASEBALL,**  
a California nonprofit corporation

By:   
\_\_\_\_\_  
Signature  
  
\_\_\_\_\_  
Title

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Title