

Equestrian Center – Current CLS Staff have managed lease since 2021 (Covid 2021- 2023)

1. What is the exact area covered by the Equestrian Center agreement?	<i>See attachments</i>
A) Maps	<i>See attachments</i>
2. If the operator is using space outside the agreement:	
A) Who authorized it?	<i>Approved by Director per CC approved Amendment 7/1/2002. Section 9.U</i>
B) Why is rent not being collected?	<i>Monthly Rent Includes:</i> • <i>4% Gross receipts from boarding and rentals</i> • <i>10% Gross receipts from all private party and horse show income</i> • <i>2% Gross receipts from retail income</i> • <i>Concessionaire shall pay City a minimum of 75% of the previous year's actual percentage rent in the event above payments total less than said minimum.</i>
3. Has there been an amendment allowing use of space outside the original agreement?	<i>Yes, CC approved Amendment 7/1/2002. Section 9.U</i>
4. Where are the vendor agreements for the equestrian center? What compensation does the City receive?	<i>Monthly Rent Includes:</i> • <i>4% Gross receipts from boarding and rentals</i> • <i>10% Gross receipts from all private party and horse show income</i> • <i>2% Gross receipts from retail income</i> • <i>Concessionaire shall pay City a minimum of 75% of the previous year's actual percentage rent in the event above payments total less than said minimum.</i>
5. Who owns the equipment on the property, including the Red Barn? What is the City's liability?	<i>The equestrian center operator owns their own equipment. The City collects insurance from the operator.</i>
6. What is the revenue-sharing agreement?	<i>Monthly Rent Includes:</i> • <i>4% Gross receipts from boarding and rentals</i>

What revenue is reported vs. What the City receives?	• 10% Gross receipts from all private party and horse show income • 2% Gross receipts from retail income • Concessionaire shall pay City a minimum of 75% of the previous year's actual percentage rent in the event above payments total less than said minimum.
7. What other revenue is generated without a revenue split (e.g. feed, vendors, weddings) Provide monthly and annual figures	City is receiving revenues as required by the lease agreement.
8. The agreement requires overflow parking at the Sports Complex. Why is overflow parking occurring adjacent to the equestrian center within Central Park?	Per CC Amendment approval 7/1/2002 Section 9.U
9. Who operates the Red Barn? What payments/revenue share percentage does the City receive from weddings/events? Does the City own the barn? Who authorized construction, and when? How is alcohol permitted for weddings and events since all of the property is within an OS-PR zoned area. What permits are being used to serve alcohol at weddings and events?	Equestrian Center 10% Gross receipts. City owns infrastructure 2001 – Planning processed an Entitlement Plan Amendment dated 7/1/2002: (O) Use of Areas – Any event including alcohol must follow the HBMC 13.08.100
10. Has the City audited or reviewed revenue and rent payments for compliance with concession terms? Share any 3rd party audits or reviews.	Yes See attachments
11. Does the City inspect the equestrian center?	Yes

Provide inspection records from the past 10 years.	
12. Who receives revenue from overflow parking outside the equestrian center?	<i>The City would retain the revenue, at the Council approved rates.</i>
13. Is the public allowed to ride horses into the arena atop the hill and around the Urban Forest?	Yes

Urban Forest

What is the current status of the Urban Forest MOU?	<i>Staff are working with the Tree Society Board to develop a MOU. The last meeting was on Tuesday, October 7, and a tentative meeting is scheduled for Thursday, November 20.</i>
Is a Measure C vote required to designate part of Central Park?	<i>Defer to City Attorney's Office</i>
When did a vote occur?	
If no vote was required, what legal basis allows a group to occupy a large portion of Central Park – especially one with limited public parking and private trail access?	<i>There are no private trails and the Urban Forest is open to the public during regular park hours.</i>
Who is responsible for maintaining the area outside of the equestrian center.	<i>Urban Forest volunteers provide day to day upkeep. The equestrian center maintains the area between the sidewalk and fence along Goldenwest Street between the equestrian center driveway and Ellis</i>

Yacht Club – Current CLS Staff have been managing lease since 2021 (Covid 2021 – 2023)

1. Please review any gross receipts statements sent by the yacht club to the City from the yacht club for the last 5 years. Note, the agreement requires the yacht club provide revenue statements every 3 months.	<i>There are no documents on file</i>
2. Please provide a review of all rent payments received for the last 5 years – by month. See summary in original document.	

3. What does the yacht club pay rent on?	• <i>Council approved February 2007.</i> • <i>Thirty year lease with one- 30 year renewal</i> • <i>Triple Net – Lessee covers all utilities, insurances, taxes and maintenance</i> • <i>Initial Base Rent: \$22,680/\$1890 per month</i> ○ <i>Years 2 – 5:10% increase per year to \$33,204 in year 5</i> ○ <i>Year 6 and beyond:</i> ▪ <i>CPI not to exceed 5%</i> ▪ <i>Base rent or monthly rental, whichever is greater:</i> • <i>10% gross: facility rental and boat dock rental AND</i> • <i>6% gross food, beverage, catering including liquor.</i> • <i>In addition to base rent, 20% of gross receipts from sailing or other boating lessons booked or processed by City</i>
4. Does the City own the yacht club building and land?	<i>Yes. Zoned Commercial General.</i>
5. What programs are open to city residents that are run out of the yacht club?	• <i>Breakfast by the Bay (Sundays 10am – 1pm)</i> • <i>Open House Event</i>
6. The yacht club has a sign outside the building claiming the club is private – how is it possible a private club is run out of a publicly owned facility that the public can only access by paying for brunch on the weekends. Has the legal team of the city reviewed this and offered an opinion for a private club that operates out of a publicly owned building and land that is operated solely for the benefit of the private club members?	<i>Section 2 of Lease: Permitted use is for the primary purpose of operating a Yacht Club, including ancillary uses. Lessee may rent the facility, or portions thereof, to Yacht Club members and non-members....for such functions and events as banquets, classes, seminars, weddings, receptions, shows, charity and recreational events.</i>
7. Has any rent credit been given for capital improvements?	<i>1) October 2009: \$49,300 (rent credit not to exceed 40% of rent due, per lease) for front deck improvements.</i>

	2) February 2011: Up to \$25,000 (rent credit not to exceed 40% of rent due, per lease) for roof repairs. 3) March 2014: \$2450 (\$450 monthly) for expenses incurred relating to Warner Ave Gravity Sewer and Lift Station (WAGS) project. 4) July 2017: \$29,063 (\$1,000 monthly credit to base rent, until exhausted) for renovation and floor improvements. 5) 2007 – 2019: Annual \$1,000 rent credit for Philharmonic use of boat dock for boat parade, per lease
8. The yacht club closed the public parking lot and public docks on July 4, 2025 – why was this allowed to happen?	<i>No permissions or permits were issued or granted</i>

Sports Complex

1. Share completed inspection forms by City staff in past two years.	<i>No forms on file.</i> <i>Frequent meetings and communication between both parties, in addition to work orders being submitted.</i>
2. Has an audit or review of reported revenue been conducted by an outside company such as Davis Farr?	<i>No</i>
3. Explain how a lease for the concession at the sports complex was allowed since Section 612 of the Charter requires a vote of the people to approve any leases of our assets in OS-PR zones.	<i>Defer to City Attorney's Office.</i>
4. Provide maintenance logs for city-owned equipment used by HBSC partners	<i>HBSC purchased equipment as part of original agreement.</i>

5. Who on city staff is responsible for ensuring proper maintenance of this equipment.	<i>There is no remaining City-owned equipment at the Sports Complex.</i>
6. Are there any inspection reports available from City staff	<i>There are no inspection reports for City-owned equipment purchased by HBSC.</i>
7. The lease requires HBSC to clean the bathrooms. Why is the City currently covering these cleaning costs?	<i>HBSC is responsible for ensuring restrooms are clean during operating hours. The City's overnight porter service is responsible for one daily (morning) cleaning.</i>

Service Contracts

1. Provide a copy of the RFP for ball field maintenance in the parks, along with responses submitted to the City.	<i>One response received.</i>
2. Relevant section of City Charter/Code that permits entering service contracts without public review or Council approval	<i>Annually, City Council approves a budget for various services. This approval authorizes the execution of service contracts up to that budgeted amount.</i>

Agreement Extensions

Many agreements for City assets include long extension periods if both parties agree. When are these discussed publicly?	<i>City Council approves the original contract with the option for extensions, extensions are not required to come back to Council if the terms of the original agreement do not change.</i>
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Resident Discounts

The Director mentioned typical discounts for local residents. Provide examples of resident discounts for:	
A) Yacht Club	No known discounts
B) Meadowlark	There is a membership program
C) Equestrian Center	No known discounts

D) Sports Complex	Field rentals for local organizations under 45 days are the lowest rate available.
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