

Questions for Director of Community and Library Services

Finance Commission Meeting – November 2025

1 - Equestrian Center

1. What is the exact area covered by the equestrian center agreement? Please bring supporting documentation and maps. – 48 Minute Mark The following images below show the area outlined within the concession agreement and Google Earth images of the area that suggest there are many riding rings and build-out in areas outside the concession agreement boundary and within central park – see below
 - A. Image on next page in slide deck is page 421 of the lease agreement – see link below – Exhibit A – Note I do not believe the term lease is not correct in the image below since the agreement is not a lease, but rather a concession agreement

<https://records.huntingtonbeachca.gov/WebLink/DocView.aspx?id=5327889&searchid=6fa88e2e-ad4e-4d0c-ac43-63600add4120>

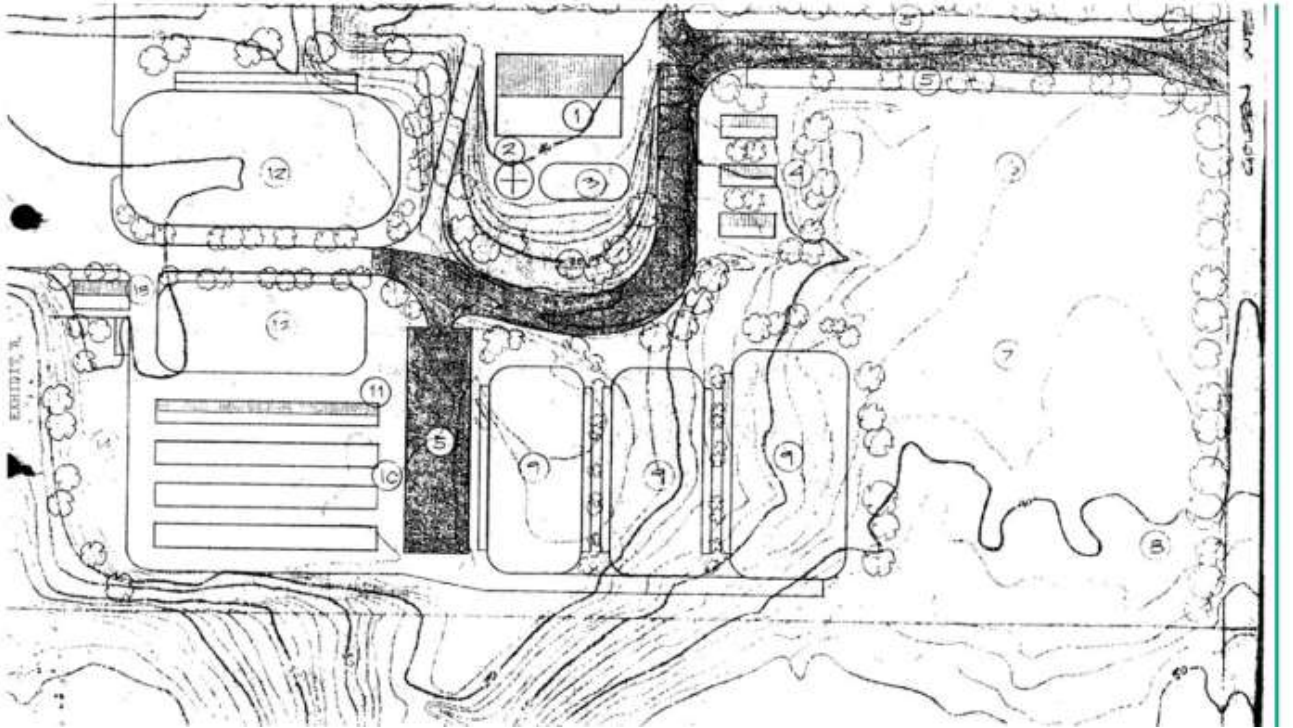
- B. Here is language from the current agreement as amended in 2002 – see page 13

O. Use of Areas

CONCESSIONAIRE shall not interfere with the public's enjoyment and use of the premises or surrounding public property for the purposes of which they were intended.

CONCESSIONAIRE shall not use the premises for any purpose which is not essential to the licensed operations, except it may permit weddings and private parties on the premises. However, any event which includes the service of alcohol must follow the procedures as set forth in Huntington Beach Municipal Code regulating specific events and any amendments thereto.

Outline Of Leased Area in Exhibit A of Lease







2. If the operator is using space outside the agreement:
 - Who authorized it?
 - Why is rent not being collected for that area? – 49 Minute mark
3. Has there been an amendment allowing use of space outside the original agreement? - 55 Minutes mark
4. Where are the vendor agreements for the equestrian center? What compensation does the city receive? – 57 Minute mark
5. Who owns the equipment on the property, including the red barn? What is the city's liability? 57:45 Minute mark
6. What is the revenue-sharing agreement? 1 hour 4 minutes

- What revenue is reported vs. what the city receives?
- 7. What other revenue is generated without a revenue split (e.g., feed, vendors, weddings)? 1 hour 4 minutes mark
 - Please provide monthly and annual figures.
- 8. The agreement requires overflow parking at the Sports Complex. Why is overflow parking occurring adjacent to the equestrian center within Central Park? - 53:45, 59:20 and 1 hour 4 minutes marks
 - A. See page 7 and 14 at this link
 - B.

<https://records.huntingtonbeachca.gov/WebLink/DocView.aspx?id=5327889&searchid=6fa88e2e-ad4e-4d0c-ac43-63600add4120>

REQUEST FOR COUNCIL ACTION

MEETING DATE: July 1, 2002

DEPARTMENT ID NUMBER: CS02-013

has prepared an amendment to the concession agreement that clarifies language from the original lease and addresses all of the above issues (Attachment 1).

Following is a summary of the changes to the concession agreement that the amendment will implement:

1. Overflow parking for horse shows and events at the equestrian center will now take place at the new HCP Sports Complex parking lot as approved by the Director of Community Services, rather than at the former Marion property at the corner of Ellis and Goldenwest. The former Marion property, if available, may still be used for temporary stalls until it is developed for park purposes or added to the equestrian leasehold by amendment.

U. Use of Huntington Central Park Sports Complex

CONCESSIONAIRE may have non-exclusive use of the 850-space parking lot located at the Huntington Central Park Sports Complex as approved by the Director of Community Services in writing.

9. Who operates the Little Red Barn? - 57:45 minute mark

- What payment/revenue share percentage does the city receive from weddings/events?
- Does the city own the barn?
- Who authorized its construction and when? – Extra Question
- Explain how alcohol is permitted for weddings since all of the property is within an OS-PR zoned area. See the section below the current agreement - from page 13 in the link above. Explain what permits are being used to serve alcohol at weddings and events at the Red Barn. Extra Question

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CONCESSIONAIRE shall not use the premises for any purpose which is not essential to the licensed operations, except it may permit weddings and private parties on the premises. However, any event which includes the service of alcohol must follow the procedures as set forth in Huntington Beach Municipal Code regulating specific events and any amendments thereto.

10. Has the city audited or reviewed revenue and rent payments for compliance with concession terms?

- Please share any third-party audits or reviews.

11. Does the city inspect the equestrian center?

- If so, please provide inspection records from the past 10 years.

Urban Forest

What is the current status of the Urban Forest MOU? - 1 hour 6 minute mark

- Would this require a Measure C vote to designate part of Central Park?
- If so, when did that vote occur?

2 - Yacht Club – Mission Statement, Revenue Statements, and Operational Questions

Link to the staff report that lists mission statement

<https://records.huntingtonbeachca.gov/WebLink/DocView.aspx?id=5327399&searchid=69db92de-bfda-4844-9e4b-78870df262db&dbid=0>

The HHYC's mission is to create a welcoming environment where boating enthusiasts gather for friendship, community service and the furtherance of boating enjoyment within Huntington Harbour and throughout Southern California's coastal waters. The HHYC plans to actively market the use of the premises as a facility for community activities, with an emphasis on water-related educational and recreational activities and opportunities.

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
2. Please provide a review of all rent payments received for the last 5 years – by month – see my summary below
3. Please review the terms of the rent – meaning what does the yacht club pay rent on
4. I believe the city owns the yacht club building and the land – is this correct?
5. What programs are open to city residents that are run out of the yacht club?
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?
7. Has any rent credit been given for capital improvements? See below.
8. The yacht club closed the public parking lot and public docks on July 4, 2025 – why was this allowed to happen? See the images below.

Rent Dues and Gross Receipt Reporting in the Lease Rent Provisions

5. At the beginning of each lease year, commencing in August (the "Comparison Month") of year six, the base rent will be adjusted by the percentage change per the Consumer Price Index, All Urban Consumers (CPI-U), for the Los Angeles-Riverside-Orange County area (1982-84=100) as published by the United States Bureau of Labor Statistics, or if that index is discontinued, a comparable successor index covering the Orange County area, for the period from August through July of the preceding twelve (12) months. Notwithstanding the foregoing, the annual base rent increase shall not exceed five percent (5%), nor shall the base rent be less than the monthly base rent in effect for the lease year just ended.

- a) Beginning in year six, LESSEE shall pay to the CITY either the above noted base rent or the following monthly rental, whichever is greater, as consideration for the rights and privileges contained in the agreement:
 - i. 10% of Gross Receipts from facility rental and boat dock rental and;
 - ii. 6% of Gross Receipts from food, beverage and catering sales including liquor
-  b) Beginning in year six, LESSEE shall deliver to CITY on a quarterly basis within 15 days following the end of each quarter, LESSEE's "Statement of Gross Receipts", in a format acceptable to CITY showing gross receipts from: facility rental and food, beverage and catering sales, including liquor. If the total amount of Percentage Rent calculated at the rate of 10% of gross receipts from facility rental, and 6% of gross receipts from food, beverage and catering sales, including liquor, exceeds the base rent in effect for that calendar quarter, within 30 days following receipt by CITY of such Statement of Gross Receipts, CITY shall invoice LESSEE for the amount by which such Percentage Rent for the quarter exceeds base rent for the quarter.
- c) Upon execution of this Lease, in addition to base rent, LESSEE shall pay to CITY twenty percent (20%) of the gross receipts resulting from sailing or other boating lessons booked or processed by CITY through its marketing or publicity pursuant to a marketing or advertising plan mutually approved by CITY and LESSEE.

Rent Provisions – Capital Improvements

- Modifications and Improvements may be credited against the rent
 - Appendix B is included at the end of this PowerPoint

3. Lessee may make modifications, alterations, or expansions, including capital improvements, to the Premises with the written consent of Lessor, which consent shall not be unreasonably withheld. A failure by Lessor to respond in writing within thirty (30) calendar days to a written request by Lessee for approval of any such proposed modification, alteration, expansion or other capital improvement shall be deemed approval of such request. Lessor shall give Lessee a credit against the rent provided for herein for the cost of improvement(s) made to the Premises by Lessee, including any non-routine maintenance items set forth on Exhibit B to the Lease, whether or not performed and completed prior to the execution of the Lease, that are approved in writing by Lessor for rent credit following written request for such approval by Lessee. The total amount approved by Lessor for credit against Lessee's rent shall be credited against Lessee's rent obligations next following such approval, as they come due, but shall not exceed forty percent (40%) of each such rent obligation until the total amount of such rent credit has been credited in full.





⚾ 3 - Sports Complex

⚾ Batting Cages

1. What is the current cost estimate for repairing the batting cages that were closed in summer 2024?
2. Where are the pitching machines previously used in the batting cages, and what is their estimated value?
3. What is the projected cost for the proposed indoor training facility within the footprint of the closed batting cages? - 15:58 mark
4. Who is expected to fund this new indoor facility, and how much is the city considering allocating toward it? - 16:00 and 19:00 mark
5. What percentage of revenue will the city receive from activities conducted in the proposed training facility? – 19:30 mark
6. Could the City Attorney please clarify how this proposed facility does not trigger a vote under Section 612 (Measure C), given that it was not included in the original Measure L (1996)? 16:45 to 17:45 mark

Reference – Measure L (Passed 11/5/96): Authorized construction of lighted soccer and softball fields, roller hockey, snack bar concession, parking, restrooms, and related improvements in Huntington Central Park (south of Talbert Ave, east of Goldenwest St).

- Passed by 284 votes out of 68,924 total
- In Favor: 34,604
- Opposed: 34,320

7. What is the square footage of the existing batting cages and the proposed new building? – 15:58 mark

□ Astro Turf Fields

1. Who funded the recently installed Astro Turf multipurpose baseball field, and what was the total cost? - 20 minutes (capital expense questions)
2. Are additional Astro Turf installations planned? - 20 minutes (capital expense questions)



Sports Complex Operations and Inspections

1. What is the total monthly cost to operate and maintain the HBSC Sports Complex? Please include all expenses such as: - 23 and 45 minute marks
 - o Tree trimming
 - o Environmental inspections and monitoring
 - o Bond payments
- i. During the September 2025 Finance Commission meeting, the Director stated that the sports complex needs new lighting. Could you elaborate and provide a cost estimate? ii. What other infrastructure improvements are needed, including:
 - o Electrical switches (\$500K allocated this FY)
 - o Emergency irrigation repairs (\$100K recently approved)
- iii. Are there additional infrastructure repairs planned? Please provide estimated costs.
2. Please provide monthly revenue and rent figures for the Sports Complex over the past four years. - 28:25 mark
3. Kindly share any completed inspections (Appendix D of the agreement with HBSC Partners LLC) performed by city staff in the past two years.
4. Has an audit or review of reported revenue been conducted by an outside company such as Davis Farr? If so, please provide a copy
5. Please explain how a lease for the concessions at the sports complex was allowed since Section 6.12 of the charter requires a vote of the people to approve any leases of our assets in OS-PR zones. See Measure L in 1996 - Also see memo from City Attorney Gail Hutton – Page 47 and 48 at this link

A section of the document above is presented below:

4. Further Voter Approval Is Required for Lease Approval.

Although Measure L provided voter approval of the construction of the Sports Complex, it did not provide similar approval of the lease of the site to a concessionaire for operation of the Complex. We previously addressed this issue in our opinion dated March 4, 1999 (**Attachment 5**).

Measure L expressly authorized the construction of a “roller hockey and snack bar concession.” Consistent with our previous opinion regarding the lease of the entire site, we conclude that Measure L did not provide authorization for the lease of a portion of the site.

Section 612(a) specifically provides that “No public utility or park or beach or portion thereof now or hereafter owned or operated by the City shall be sold, leased, exchanged or otherwise transferred or disposed of unless authorized by the affirmative votes of at least a majority of the total membership of the City Council and by the affirmative vote of at least a majority of the electors voting on such proposition at a general or specific election at which such proposition is submitted.”

This language requires that the sale, lease, exchange or other transfer or disposition be specifically submitted to the voters for their approval. Measure L did not ask the voters to approve any such lease; rather, it asked the voters to approve the construction of the Sports Complex.

Therefore, we believe that additional authorization is required to lease of a portion of the site to a concessionaire. Much as a specific lease must be presented to the City Council for approval, it must also be presented to the voters for approval as well.

Field Equipment at the Sports Complex

1. Please provide maintenance logs for city-owned equipment used by HBSC Partners LLC.
2. Who on city staff is responsible for ensuring proper maintenance of this equipment?
3. Are there any inspection reports available from city staff?

Bathrooms at the Sports Complex

The lease requires HBSC Partners to clean the bathrooms. Why is the city currently covering these cleaning costs? 31:30 mark

Parking at the Sports Complex

As of July 1, 2024, parking fees increased to \$2/day (M–F) and \$10/day for special events. Special event revenue is split 60/40, with 40% going to capital improvements. – 34 minute mark

1. During the September 2025 meeting (minute 34), it was stated that annual passes cost \$80. Can you confirm:
 - The city receives only 16% (\$12.80) of each pass?
 - Is any portion of this revenue allocated to the capital improvement fund?

Billing for Field Dragging Services

HBSC Partners ALWAYS bills the maximum every month with no details even though details are required in the contract. Please explain. - 30 minute mark

EXHIBIT "B"

Payment Schedule (Fixed Fee Payment)

1. CONSULTANT shall be entitled to monthly progress payments toward the fixed fee set forth herein in accordance with the following progress and payment schedules.

\$9,130 per month

HBSC to reduce their fee by \$381 per field, per week, for every week in which the field is out of commission due to maintenance.

2. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.

3. CONSULTANT shall submit to CITY an invoice for each monthly progress payment due. Such invoice shall:

- A) Reference this Agreement;
- B) Describe the services performed;
- C) Show the total amount of the payment due;
- D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
- E) For all payments include an estimate of the percentage of work completed.

All billing shall be done monthly in fifteen (15) minute increments and matched to an appropriate breakdown of the time that was taken to perform that work and who performed it.

Each month's bill shall include a total to date. That total shall provide the total fees and costs incurred to date for the project.



INVOICE

Huntington Beach Sports Complex
18100 Goldenwest Street
Huntington Beach, California 92647
United States

7142486332
hbsportscomplex.com

BILL TO
City of Huntington Beach
Chris Cole

714-292-5962
ccole@surfcity-hb.org

Invoice Number: 221
Invoice Date: April 3, 2025
Payment Due: May 3, 2025
Amount Due (USD): \$8,300.00

[Pay Securely Online](#)

Items	Quantity	Price	Amount
Field Maintenance Monthly Outer Field Preparation/Maintenance Services	1	\$9,130.00	\$9,130.00

Total: \$9,130.00

Amount Due (USD): \$9,130.00

OFFICIAL COPY 2498
Supplier # 75063
Order Co # 0100
2-way or 3-way
Account # 10048403 6740
Approved
P.V. #

Pay Securely Online



link.waveapps.com/yfk7kj-hfrceg

4 - Service Contracts

1. Please provide a copy of the RFP for ball field maintenance in the parks, along with responses submitted to the city in response to the RFP. - 29:15 mark
2. The softball field maintenance contract increased significantly from \$98K to over \$500K. Could you explain the rationale behind this change? 29:15 mark

Summary of Amendments:

- o Original Contract (3/28/22 – Delgleize): \$99,600 for 3 years of service
- o Amendment (10/30/22 – Strickland): +\$199,200, no scope change
- o Amendment (5/5/25 – Burns): +\$240,000, total NTE \$538,800, 2-year extension
- o Exhibit B references \$381/day/field for maintenance, performed once daily

View Contract

<https://records.huntingtonbeachca.gov/WebLink/DocView.aspx?id=5779260&searchid=cc66ab52-8ada-419e-a724-7bceb42beba6>

- o Is this fee structure reasonable?
 - o Are HBSC Partners LLC using city-owned equipment and supplies for field maintenance?
3. Please provide a table of similar service contracts, including: - 30 and 31:45 minute marks
 - o Contract award date
 - o Term
 - o Vendor
 - o Service
 - o Annual and total expenditure
 - o Short description
 4. Kindly cite the relevant section of the city charter/code that permits entering service contracts without public review or council approval. - 25 and 29 minute mark

5 - Agreement Extensions

Many agreements for our city recreational assets (golf course, sports complex, equestrian center...) include long extension periods if both parties agree.

- A. When were these extensions discussed publicly? - 18:30 mark
- B. Please provide documentation of any public presentations or outreach conducted prior to approval of the contract extensions for the recreational facilities owned by the city. - 18:30 mark

6 - Resident Discounts

At 22 minutes into the September 2025 Finance Commission meeting, the Director mentioned typical discounts for local residents. Could you please provide examples of resident discounts for the following facilities? – 22 minutes

- Yacht Club
- Meadowlark
- Equestrian Center
- Sports Complex