


Agenda Report Reviewed by:
 City Manager: 

**CITY OF SEBASTOPOL
 CITY COUNCIL
 AGENDA ITEM**

Meeting Date: February 7, 2023
To: Honorable Mayor and City Councilmembers
From: Kari Svanstrom, Planning Director /
Subject: Approval and Adoption of Resolution Approving an Amended Lease to Sebastopol Little League for Use of City Ballfields
Recommendation: Approve and Authorize the City Manager to Execute the Lease
Funding: Currently Budgeted: _____ Yes _____ No X N/A
 Net General Fund Cost: \$

Account Code/Costs authorized in City Approved Budget (if applicable) AK (verified by Administrative Services Department)

INTRODUCTION/PURPOSE:

This item is to update the lease between the City and the Sebastopol Little League (SLL) for the lease of the two ballfields (Polley Field in Ives Park and Clahan Field in Laguna Youth Park).

BACKGROUND:

The current lease was executed in 2007, and renews annually. Both the City and the Little League wish to update the lease (see discussion below). Staff have reviewed and discussed potential changes with the SLL, the draft updated lease is attached to this report.

From the Sebastopol Little League:

Currently the Sebastopol Little League (SLL) has an existing Lease for the baseball fields with the City of Sebastopol. The existing lease was last prepared 15 years ago and SLL would like to update and change items to be accurate with the current times. SLL has been offering youth baseball since 1957. Currently in our league playing this upcoming season we have multiple Generations of family members playing youth baseball. Our enrollment and numbers of a league have been growing and coming out of COVID we have been able to surpass the number of players than prior years, these are very exciting times for SLL! In mentioning updates, Polley Field lights need updating. The current lights are no longer repairable or replaceable and in need of new modern lighting. For this major endeavor, SLL is looking to amend the Lease term to a 25-year lease. Security of the fields for 25 years will allow SLL to go out and start a major fundraising effort to replace and update the lights for many future generations of youth to continue to play in the community of Sebastopol.

DISCUSSION:

The Little League is requesting a longer term (25 years) for the agreement, as they are about to embark on a major fundraising effort to upgrade the lighting at Polley Field, and are looking for the assurances a longer-term lease (over the 'annually renewable/cancelable at any time) than the current lease provides. This is also an advantage to the City, which currently relies on the partnership with the SLL for maintenance of the fields, electricity costs, and coordination of any leasing of the fields is done by the SLL.

Additionally, the Planning Commission and Planning Director received an annual report and held discussions with the SLL presidents (current and past) in 2022, which included discussion of greater visibility of rental opportunities for the public at the site, and more consistent reporting to the City.

These provisions are modified slightly in the new proposed lease to clarify the expectations of these provisions, including:

- Item 5.e- Information on rental of the fields to be made available at the ball field sites, to the City, and on the SLL's website.
- Item 5.b- Coordination for any improvements through the Planning Department to ensure appropriate discussions with the Planning Commission and City Council are completed.
- Items 8 and 9 - Updated insurance language to meet current City requirements.
- Item 10- Specifies that the annual report by the SLL is to the City's Planning Commission (which also serves as the City's Parks Commission per the Municipal Code), and other bodies as may be requested by the City;
- Items 12 and 13 Provides for a 25 year lease, and requirement for City to meet and confer with the SLL if the City wishes to terminate the lease (not for cause) prior to 10 years into the lease.

GOALS:

This action supports the following City Council Goals:

Goal 1 - Maintain the long term financial stability and sustainability of the City of Sebastopol and Operate City government in a fiscally responsible and responsive manner, including: 1.2 Develop Private / Public Partnerships

Goal 3 - Maintain, Enhance and Increase Park-land in the City of Sebastopol

Goal 4 - Maintain and Enhance the City of Sebastopol as a Walkable/Bike-able Community and Enhance the City's Commitment to Promotion of our public's health by Creating and Participating in City and Community Programs, Services and Policies.

4.1 Create a Safe, Healthy and Attractive Environment for Residents and Visitors

4.2 Create Economic, Cultural and Recreational Opportunities to Maintain the Small Town Character of Sebastopol

and General Plan Actions:

Goal COS 12: Ensure the Provision and Preservation of Diverse and Accessible Open Spaces throughout the Sebastopol Planning Area

PUBLIC COMMENT:

As of the writing of this staff report, the City has not received any public comment. However, staff anticipates receiving public comment from interested parties following the publication and distribution of this staff report. Such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public comment portion of the agenda item.

PUBLIC NOTICE:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date.

FISCAL IMPACT:

None.

RECOMMENDATION:

Approve and Authorize the City Manager to Execute the Lease

Attachments:

Proposed new Lease

Current Lease

LEASE AGREEMENT

It is hereby agreed between the City of Sebastopol, a Municipal Corporation, hereinafter called “CITY” and “LESSOR”, and Sebastopol Little League, Inc., a California Non-Profit Corporation, hereinafter called the “LEAGUE” and “LESSEE”, as follows:

1. CITY is and shall remain the owner of the properties and fixtures, including ballfield lighting, concession stand, bleachers, fencing and other permanently installed equipment located at Ives Park Ball Field otherwise known as Polley Field in Sebastopol, California.
2. CITY is and shall remain the owner of the properties and fixtures, including the concession stand, fencing, bleachers, and other permanently installed equipment located at the ballfields located at Laguna Park also known as Clahan Ballfields in Sebastopol, California. Upon termination of this Lease Agreement, all fixtures installed by LEAGUE shall remain on the property and shall be the property of the CITY.
3. LEAGUE proposes to provide programs at the above defined ballfields for the benefit of the health and welfare of Sebastopol area residents.
4. City desires the LEAGUE to operate and manage the ballfields rather than by the use of City personnel.
5. The execution of this Lease Agreement and the use of the property without rental payments by LEAGUE shall be deemed consideration and shall be in lieu of any payments or support by CITY to LEAGUE for their use, operation, or other purposes. LEAGUE in consideration of the foregoing shall comply with the following terms and conditions:
 - a. LEAGUE shall keep the premises in a safe, clean, and operable manner. Upon finding of any such unsafe or unhealthy conditions, CITY may cause

corrections to be made immediately and will bill LEAGUE for any such corrective costs.

- b. LEAGUE agrees to comply with all State, Federal, County and CITY regulations applicable to the programming in this facility. Any new construction shall conform to ordinances, laws, and other regulations, and shall obtain all required CITY permits. LEAGUE further agrees that all improvements shall become the property of the CITY and that no improvement shall be made without prior approval of the CITY. Any new or relocated fences, concession stand expansion, or new restrooms, and all improvements installed by LEAGUE shall be located, installed, and constructed at locations approved by CITY and in accordance with the standards and specifications approved by CITY. Any such improvements as well as naming rights or other permanent changes shall be coordinated through the Planning Director.
- c. LEAGUE shall pay electricity costs for concession stands located on subject properties. CITY shall pay for all reasonable water and sewer service charges.
- d. LEAGUE shall be responsible for the supervision, control and maintenance of the sites during the terms of this agreement, subject to the right of the CITY and public as set forth herein. LEAGUE shall provide to CITY names, addresses, and phone numbers of officials responsible for said supervision and maintenance. LEAGUE shall be responsible for maintenance and repair of ball diamond lights.
- e. LEAGUE shall be responsible for the scheduling, renting, or use of the ball diamonds by other groups and shall permit reasonable use of facilities by other responsible groups and organizations when not in use by LEAGUE. When not in use by LEAGUE or other scheduled events, the property shall be available for use by the public. Information regarding leasing of the ballfields shall be made available at each of the ball field locations, on the LEAGUE's website, and to the City of Sebastopol.
- f. No organizations, including LEAGUE, who rent or use Ives Ball Diamond shall begin games or practice prior to 9:00 a.m. nor play innings after 10:00 p.m. Ballfield lights shall be promptly extinguished no later than 10:00 p.m.

LEAGUE shall install a timer control on ballfield lights so that they shall be promptly extinguished no later than 10:00 p.m., and a photo-electric control to ensure that ballfield lights are not used earlier than one-half hour prior to sunset.

- g LEAGUE and any other group using the ballfields shall adhere to City Ordinances and Regulation related to the Conduct in City Parks.
 - h. LEAGUE shall leave name, phone number, and procedure for making reservation of ball diamonds, with City Manager's Office, Planning Department, and Chamber of Commerce office.
6. Subject to the provisions of paragraph 10, LEAGUE shall have the right to operate a concession stand on the subject properties.
 7. This Lease Agreement shall not be assignable without the prior written consent of CITY.
 8. Except for City's sole negligence or willful misconduct, the LEAGUE agrees to defend, hold harmless, indemnify, and defend the CITY, its officers, officials, employees, and volunteers from and against any and all claims, damages, losses and expenses, including attorney fees, real or alleged liability arising out of or in connection with the activities of LEAGUE.
 9. LEAGUE shall take out and maintain during the life of this Agreement, Insurance as listed in Exhibit A. Said insurance shall protect CITY from all claims for damages of personal injuries, including accidental death, which may arise from LEAGUE's operation under this Agreement. Insurance coverage shall be primary insurance as respects the CITY, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it. LEAGUE will maintain Workers Compensation Insurance for all employees. All volunteers shall sign appropriate waivers on behalf of LEAGUE and CITY.
 10. Any profits from the operation of this Agreement shall be used by LEAGUE for improvements to said ball diamonds and related facilities or scholarships for children to join in Little League activities. LEAGUE shall keep an accounting of all monies earned

and all expenses for improving the ballfields, concession stands, and any other improvements. A report shall be presented annually to the Sebastopol Planning Commission and, if requested, other CITY bodies. Said report, when requested, can be included as part of the City Budget Sub-Committee Meetings.

11. Adult leagues, or any other organizations wishing to use the Ives Park Ballfield lights other than LEAGUE, shall be charged a fee for such use by the LEAGUE with the intent of recovering electricity costs resulting from the use of said lights. The City Finance Department shall send an invoice to the LEAGUE for monthly electricity costs which shall be their responsibility to collect from users of the ballfields.
12. This Lease Agreement shall commence on January 1, 2023 and will continue for 25 years (through December 31st, 2047), and thereafter year to year until such time as either party may terminate this agreement at any time for any reason, or no reason, provided that the party terminating this Agreement gives the other party at least 180 days advance, written notice of such termination.
13. In the event the CITY requires said properties or the use thereof for other civic or public purposes, at the discretion of the CITY, the CITY shall have the right to terminate this lease upon giving LEAGUE 180 days written notice prior to such termination. Notwithstanding the above, other than for just cause the lease shall not be terminated within the first twelve (12) years of the lease, or within the first ten (10) years after the installation of new ballfield lights, whichever comes first. In the event of termination after this time, the City shall meet and confer with the LEAGUE to discuss mitigations for the impacts to the LEAGUE of such termination.
14. In the event said property is condemned by a public agency other than the CITY and compensation is actually paid to CITY during the terms of this lease for any fixtures or improvements installed by LEAGUE, then, and in that event, LEAGUE shall be entitled to be reimbursed for the reasonable costs of such fixtures or other improvements placed thereon by LEAGUE. Said sum shall be payable solely from the monies received by way of payment for the condemnation. Except as provided herein, upon termination of this lease CITY shall be the sole owner of all improvements and fixtures on said real property.
15. This Lease Agreement is subject to existing agreements and rights of Pacific Gas and Electric Company, the Sonoma County Water Agency and any other easements or

encumbrances of record.

- 16. Modifications to this Agreement may be made by mutual agreement in writing.
- 17. The execution of this lease shall be deemed consideration by both parties and shall be in lieu of any payments or support by CITY to LEAGUE for their use, operation, or other purposes.
- 18. The CITY shall have the right to use the buildings and premises, at times of natural disaster and/or a civic emergency. The Sebastopol City Hall Administration, the Sebastopol Fire Department, Sebastopol Public Works Department, and the Sebastopol Police Department shall be provided with keys to the facility.
- 19. The CITY shall have the right to reasonable use the buildings and premises for meetings or other events of the CITY, subject to approval of reservation with LEAGUE. In the event the City uses the premises as forementioned, the indemnification provisions of Paragraph 8 shall not apply.

LESSOR:

CITY OF SEBASTOPOL

By: _____

Lawrence McLaughlin
City Manager

LESSEE:

SEBASTOPOL LITTLE LEAGUE

By: _____

Mark Sanchietti
President

Dated:

Exhibit A
CITY of Sebastopol
Insurance Requirements for LESSEE

LESSEE shall procure and maintain for the duration of the lease insurance against claims for injuries to persons or damages to property which may arise from or in connection with the LESSEE'S operation and use of the leased premises.

Minimum Scope and Limits of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 00 01 covering any auto (Code 1), or if LESSEE has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$2,000,000 per accident for bodily injury or disease. (This applies to LESSEEs with employees).
4. **Property insurance** against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

If the LESSEE maintains broader coverage and/or higher limits than the minimums shown above, the CITY requires and shall be entitled to the broader coverage and/or the higher limits maintained by the LESSEE. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The **CITY of Sebastopol, its officers, officials, employees, and volunteers** are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the LESSEE including materials, parts, or equipment furnished in connection with such work or operations.

Primary Coverage

For any claims related to this contract, the LESSEE's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the LESSEE's insurance and shall not contribute with it.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except after thirty (30) days prior notice to the CITY.

Waiver of Subrogation

LESSEE hereby grants to CITY a waiver of any right to subrogation which any insurer of said LESSEE may acquire against the CITY by virtue of the payment of any loss under such insurance. LESSEE agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the CITY has received a waiver

of subrogation endorsement from the insurer.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A: VII.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, either: the LESSEE shall obtain coverage to reduce or eliminate such self-insured retentions as respects the CITY, its officers, officials, employees, and volunteers; or the LESSEE shall provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or CITY.

Verification of Coverage

LESSEE shall furnish the CITY with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to CITY before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the LESSEE's obligation to provide them. The CITY reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

Special Risks or Circumstances

CITY reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

All certificates and endorsements shall reference the appropriate policy number, names of insured, and shall be signed by an authorized representative of the insurer.