



CITY OF MARTINEZ

CITY COUNCIL AGENDA April 6, 2011

TO: Mayor and City Council
FROM: Mitch Austin, Recreation Manager
SUBJECT: Selection of Vendor(s) to Negotiate Lease Agreement for Use of Zocchi Buildings
DATE: March 30, 2011

RECOMMENDATION:

1. Direct staff to negotiate a lease agreement with the Universal Sports Academy for use of the 48,000 sq. ft. building located on the Zocchi property – 360 Ferry Street; and
2. Adopt resolution authorizing the City Manager to expend up to \$10,000 for development of a lease agreement with Universal Sports Academy for use of the Zocchi Building with the City; and
3. Direct staff to work with the California Sports Academy, Dan Middleton to explore use of the 30,000 sq. ft. building should it become available, or another location for a sports facility on City property.

BACKGROUND:

City Council directed staff to create and circulate a Request for Proposals (RFP) for use of the 48,000 square foot building located on what was formerly known as the Zocchi property. This building is commonly referred to as the Zocchi Building. A RFP was mailed to 13 interested parties. Three proposals were received: two by sports oriented vendors and one brewery submission was received. The proposals were:

- **Universal Sports Academy**--Batting cages, indoor soccer/sports field, study room to provide casual and organized use of these areas.
- **California Sports Complex**--Provide five indoor basketball/volleyball courts, training room and fitness areas for rental, host tournaments, camps and leagues
- **Excelsior Brewing Company**--Provide a brewery, pub restaurant and indoor bocce courts.

The Council and PRMCC appointed representatives which reviewed the proposals and interviewed the most feasible submittal in order to make a recommendation to the City Council regarding which proposal to negotiate an agreement for use of the Zocchi building. The review sub-committee reviewed the proposals, asked supplemental questions and interviewed both the Universal Sports Academy and the California Sports Complex.

During the review process by the Subcommittee, Excelsior Brewing Company withdrew their proposal prior to the scheduled interviews. After the interviews were conducted, the Subcommittee met one last time before making a recommendation to the City Council. The Subcommittee unanimously recommended the California Sports Complex as the top candidate to renovate the larger of the two Zocchi buildings.

During the City Council meeting on February 2, 2011, the California Sports Complex gave a presentation on their proposal. After that presentation, there was additional discussion between the City Council and both potential vendors. The key issue with the California Sports Complex was the request for the City to pay for more studies on the seismic retrofit needs of the facility to insure their lender that the seismic retrofit estimated costs were accurate. This was not a discussion point agreed on prior to the report.

Additionally the Universal Sports Academy felt they needed equal time to present their proposal to the City Council for equal consideration for use of the facility. It was at this point the City Council decided to give the selection process more time to see if potentially both buildings could be used and to refine questions about paying for seismic needs of the facility.

The City Council directed staff to go back and work with both potential vendors to refine their proposals for presentation back to the City Council at the April 6th meeting. The City Council also directed staff to check on the status of the Proposition 84 grant funding for the California Center for Delta Research and Education on this site (30,000 sq. ft. area). **Attachments A and B** of this report are copies of those refined proposals from the Universal Sports Academy and the California Sports Center. Both groups will do a brief presentation of these revised proposals and answer any questions.

Update on 30,000 sq. ft alternate site

Staff has inquired with the State of California as to the status of the Proposition 84 Nature Education Facilities grant funding request. As of the writing of this report we still do not have an answer to this funding request. The latest report from the State Office of Grants and Services is that an announcement will not be made until mid to late April 2011.

The City is currently in possession of a Letter of Intent (**Attachment C**) with the California Center for Delta Research and Education for the development of this area and that would need to be vetted before making this site available to another vendor.

Project Proposal Summaries

California Sports Complex (modified for the possible alternate 30,000 sq. ft. site) **Note this vendor is not interested in the 48,000 sq. ft. facility– anticipated project cost \$500,000.

- 1. The California Sports Complex proposal includes the construction of:
 - a. 5 Basketball courts
 - b. 6 Volleyball courts
 - c. Restroom facilities
 - d. Small café kitchen
 - e. Café Seating area
 - f. Office space for support staff

2. The facility programming allows time use by the Martinez community and will help meet the community's need for indoor basketball and volleyball courts, this new proposal will focus on more local and regional use by various groups within a 20 mile radius (No longer a national focus); and
 3. The proposed uses for the building will draw a greater amount of people to Martinez to utilize; and
 4. The vendor is estimating that between practices, games, tournaments, camps, clinics, open gym and rented use the facility has the potential to realize several thousand visitors per year and the facility should have a significant economic benefit to the community.
- **Universal Sports Academy (USA) (48,000 sq. ft site) - \$527,300 anticipated project cost** – Note that the 30,000 square foot facility does not meet the USA needs and thus has not provided a proposal for that site.
 1. The Universal Sports Academy proposal includes the construction of:
 - a. 1 Multi-sport turf field 220'x110'
 - b. 1 Multi –Sport court 104'x 60'
 - c. 4 baseball / softball training tunnels
 - d. Sports conditioning and training area 50'x30'
 - e. Restrooms
 - f. Trainers room
 - g. Conference room , office space
 - h. Observation deck
 2. This multi use facility for all ages and abilities, it will serve a variety of groups with indoor field use for practice and games with a focus on local and regional groups within a 20 mile radius; and
 3. Provide a safe, fun, supportive environment for the areas sports community to educate and motivate our young players; and
 4. Provide a quality space for athletic instruction and training for local sports programs; and
 5. Provide exposure to downtown Martinez helping to improve the economic outlook for the downtown area.

Funding for Venue Development

Both of these groups indicate they have adequate funding on hand to complete development and construction of their desired spaces (including seismic retrofitting and engineering) if required. At this time we do not have a cost for the potential retro-fitting of space nor any additional engineering/inspections that may be needed before moving forward with either vendor on either space. These costs estimates and repair work to meet City code will be the responsibility of the vendor not the City of Martinez. The required standard by the City is that the retrofit meets the most current IEBC (International Existing Building Code) standards, which is a suggested standard by the California Seismic Safety Commission.

Both groups understand that all costs for the development of these spaces will be borne by the vendor; the City of Martinez will not provide any financial support in the development of these spaces. The City of Martinez will participate in the development of the lease only for these sites (Maximum of \$10,000 total) if both vendors are selected they will have to bear their proportional share of the. Lease development.

Operational Funding Models

- Universal Sports Academy has included in their proposal a financial plan that outlines the sources of the capital construction financing, operational expenditures and revenue sources. They have also demonstrated the ability to pay back the capital investment in their model over time. Their assumptions seem reasonable, and as part of the lease development process we will confirm the capital sources and their availability.
- California Sports Complex due to the change in use of facility and reduced scope, Dan Middleton will be presenting his operational model during their presentation during their presentation.

Next Steps for Development of the Facility

Once a selected vendor has been established by the City Council, staff will begin the development process and lease negotiations with that vendor, which is estimated to take approximately four months or so.

As part of the review process staff is working closely with Cal Trans and Contra Costa Transportation Authority (CCTA) to officially get the green light to move forward with the development process. The CCTA director and deputy director have been fully vetted on the City's plan (CCTA provided half of the funding to purchase the 7 acre Zocchi land and buildings). The City's engineer has been in regular contact with our District Cal Trans representative and like CCTA they have been receptive. However, it should be noted that much like the City process in the next four months, the regional and State representatives are committed to helping the City reach its development objective and achieve full approval from all the parties involved.

Development process will include the following:

1. Letter of Intent (90 day window) lease negotiation.
2. Addition of a use designation for the facility to include recreational uses by the Planning Commission.
3. Approval of lease terms by CCTA.
4. CEQA study – limited – **paid for by vendor.**
5. Parking and traffic study – **paid for by vendor.**
6. Planning Commission review of these reports and recommendation.
7. City Council review and approval of CEQA and lease agreement.
8. Building design and construction requirements – review and approval by the City of Martinez.
9. Parking lot improvement construction coordination (Summer 2012).
10. City issues occupancy permit.
11. Facility opens.

These process points have been reviewed with both potential vendors and the two members of the City Council that served on the original sub-committee.

FISCAL IMPACT:

City staff time to coordinate project planning and review process with the vendor. The City's share of the lease development is projected to range between \$5,000 and \$10,000. No other funding for these projects will be provided by the City of Martinez.

ACTION:

1. Motion to direct staff to work with vendor of the City Council's choice to negotiate a lease agreement with the City for use of the 48,000 sq. ft. building located on the Zocchi property – 360 Ferry Street; and
2. Motion to adopt a resolution authorizing the City Manager to expend up to \$10,000 for development of a lease agreement for use of the Zocchi Building with Universal Sports Academy as described in their proposal to the City; and
3. Motion directing staff to work with the other vendor not chosen for the 48,000 facility to explore use of the 30,000 sq. ft. building or other location for a sports facility on City property.

Attachments:

Resolution to Create Lease Agreement for Use of Zocchi Building

Exhibit A- California Sports Complex Proposal

Exhibit B- Universal Sports Academy Proposal

Exhibit C - Letter of Intent (Delta Research Center)



APPROVED BY: City Manager

RESOLUTION NO. -11

AUTHORIZING THE CITY MANAGER TO EXPEND UP TO \$10,000 FROM UNALLOCATED RESERVES TO DEVELOP A LEASE AGREEMENT NOT TO EXCEED 15 YEARS WITH THE UNIVERSAL SPORTS ACADEMY FOR USE OF THE 48,000 SQ. FT. FACILITY LOCATED AT 360 FERRY STREET

WHEREAS, the City Council directed staff to create and circulate a Request for Proposals(RFP) for use of the 48,000 square foot Zocchi Building located at 360 Ferry Street; and

WHEREAS, thirteen RFP's were circulated and three proposals were received; and

WHEREAS, the three proposals were reviewed by staff, City Council, and Parks Recreation Marina Cultural Commission members; and

WHEREAS, the Universal Sports Academy has demonstrated their commitment and resources to build a viable and safe sports facility at the 350 Ferry Street site as shown in Exhibit A; and

WHEREAS, there will be both a recreational and economic benefit to the community for said use of the facility; and

WHEREAS, a lease agreement is required to identify terms for use of the building and ensure compliance of those terms; and

WHEREAS, the vendor agrees to pay for half of the lease agreement development costs (50%) and all other costs associated with development of the facility; and

WHEREAS, sufficient funding exists in the unallocated reserve contingency account to fund the City's portion (50%) of cost.

NOW, THEREFORE, BE IT RESOLVED that the City Council authorizes a transfer of up to \$10,000 in expenditure appropriations from the unallocated reserves contingency account to pay for lease preparation expenses.

* * * * *

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 6th day of April, 2011, by the following vote:

AYES:

NOES:

ABSENT:

RICHARD G. HERNANDEZ, CITY CLERK
CITY OF MARTINEZ

Universal **S**ports **A**cademy **330 Ferry Street** **Proposal**

3-2-2011



Vision



- Provide a safe, fun, supportive, environment for the areas sports community to educate and motivate our young athletes.
- Help lay the foundation for future success by providing life tools learned through participation in team and individual athletics.
- Provide quality instruction in a wide variety of sports for all ages and levels.
- Increased league play seasons for a variety of sports and ages from youth to senior.
- Increased visibility and recruiting assistance for local student athletes seeking scholarships.
- A unique facility for individuals and teams alike, from young to old, that supports, teaches, and cultivates the positive lessons that can be learned from sport and athletics.
- Provide growth and prosperity to the Waterfront area.

Proposal

From city:

- Minimum 15 year lease with opt. out prevision.
- Option for lease extension based on value to City of Martinez.

Bring to city:

- USA agrees to pay the total cost of Life Safety Seismic Retrofit.
- Building improvements that include: ADA access, exterior renovations, interior renovations, restroom ADA upgrades, fire marshal requirements, electrical, plumbing, tenant improvements (Training Equipment Excluded).
- Increased visibility and crossover dollars to area merchants.
- Add vitality and vision to the Waterfront/Marina district and springboard for possible future development.
- Unique leading edge Sports Facility unmatched in the Bay area.
- After school enrichment programs.
- Summer camps, youth, adult and senior programs.
- Increased visibility for local athletes attempting to continue education through athletic scholarships.
- Positive, safe environment for local athletes and families to spend quality, productive time.
- Mentorship and instruction from some of the areas finest instructors.
- Discounted Martinez resident membership fees.
- Privately funded tutoring and homework programs. STEP Center
- PROJECT ENTIRELY SELF FUNDED

Services

BASEBALL & SOFTBALL

- Individual, group, and team (fast pitch & slow pitch)
- Batting cages
- Pitching area
- Drill area (hitting, fielding, base running)
- Sport specific speed, strength and conditioning
- Private, group and team instruction
- Field rental for team practice or league play

SOCCER

- Individual, group, and team
- Drill area
- Sport specific speed, strength and conditioning
- Private, group and team instruction
- Field rental for team practice or league play

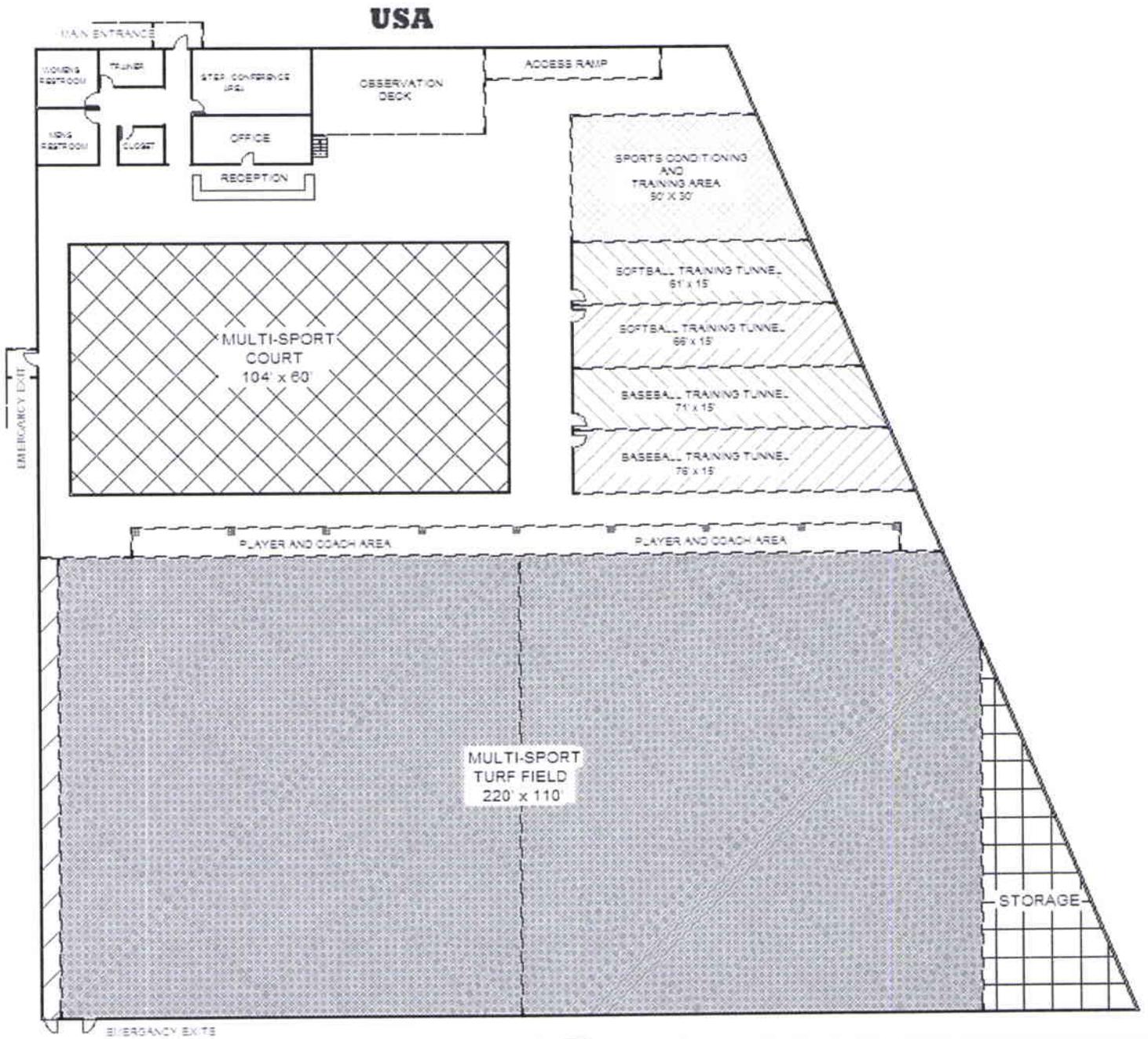
LACROSSE

- Individual, group, and team
- Drill area
- Sport specific speed, strength and conditioning
- Private, group and team instruction
- Field rental for team practice or league play

OTHER POSSIBLE USES*

- Bocce Ball
- Rugby practice
- Kickball
- Ultimate Frisbee
- Youth and adult flag football practice and league
- Fitness boot camps
- Personal, group and corporate fitness/wellness programs
- All programs and services emphasize Martinez Athletic community and the downtown business district.

Proposed Layout



Drawn by Glen Salling 2-8-11

Scholastic Training Enrichment Program

Our Mission:

- To provide a no cost scholastic training center to give students mental growth.
- Construct a safe and quiet work area, free from distractions.
- Enlist peer tutoring to help aid others.
- Learning with the aid of advanced teachings.
- Offer information and resources for continued education.
- Privately funded, to create opportunities for all.

Take the next STEP towards your future!



Build Out Summary

TENANT IMPROVEMENT:

- LIFE SAFETY / SEISMIC RETROFIT
- ELECTRICAL REPAIR
- LIGHTING REPAIR
- RESTROOMS
- SECURITY
- FRONT COUNTER
- OFFICE
- SIGNAGE
- ENTRANCE
- CLEAN UP AND PAINTING

FACILITY SET UP

PHASE 1:

- TURF FIELD
- TRAINING TUNNELS
- CONDITIONING AREA

PHASE 2:

- WAITING AREA
- TUTORING/PARTY/CONFERENCE AREA
- MULTI-SPORT COURT
- LIMITED PROSHOP

FUTURE PHASES: Building Upgrades, Media Systems, Décor, Equipment Purchases.

Marketing Plan

People/Organizations we personally know and are in constant contact with will be the basis of our marketing as we open the doors. Many have expressed interest in using and supporting our business. We also plan to use local media, as well as advertising partnerships to grow our business. (A 4 page list of these people can be made available upon request)

Sample Soccer Groups:

AYSO – 2500
DVSC – 828
Heritage – 481
Latino Soccer League - 644
Mustang Soccer – 4500
DOYSL – 425
Tri Valley – 425
Delta Youth – 600
Azul – 150
Mount Diablo AYSO - 600 plus
Concord AYSO - 600 Plus

Local Baseball/Softball

Martinez LL Youth - 750
PHBA - 1200
JOBL – 950
WC LL Youth - 740
CV LL Youth - 650

Mike Neu Baseball - 800
Travel Softball - 530
Travel Baseball - 1100

Additionally; we have over 800+ sports family e-mail contacts that relate to softball, soccer, baseball, basketball

Participation Numbers from MDUSD High School Sports

Turf Related Sports Including: Soccer, Baseball, Softball and Lacrosse Total – 1212

Court Related Sports Including: Basketball and Volleyball Total – 598

Participants of Sports That Compete During the Same Season

Winter:

Soccer (B&G) – 540

Basketball (B&G) – 286

Spring:

Baseball + Lacrosse – 430

Volleyball (B) – 120

We believe that our proposed use will have the greatest appeal to the community.

note: numbers are approx based upon data given from league officials

Operation Schedule

We plan to operate 7 days a week, using the following schedule:

❖ Monday – Friday

- 9am – 2pm – Senior Sports and Wellness Programs. Group Event Rentals.
- 3pm – 5pm – After School Programs
- 5pm – 8pm – Team and Individual Training
- 8pm – 11pm – Adult Rec Sports

❖ Saturday

- 9am – 8pm - Team and Individual Training. Clinics
- 8pm – 12am – Sports Related Events

❖ Sunday

- 10am-5pm - Team and Individual Training. Clinics
- 5pm – 10pm – Adult Rec Sports

NOTE: Community Open Gym, Wellness Programs and Group Event Rentals will be scheduled according to open time slots and customer interest. All items are subject to change.

Closing Statement

We plan to run USA as a business that reinvests extra revenue back into the center and surrounding community.

Thank you for the opportunity to present our vision to the city.

Inquiries may be emailed to: usacoach@live.com

We look forward to working with the City of Martinez and serving the public in the near future.

Sincerely,

Glen, Skip & Tommy



Financial Plan

Supplement

3-2-2011

330 Ferry Street



About Us

We have all known each other for years now and this venture is more than a business partnership, it is a shared passion for sports and our community.

Glen Salling

Lifetime Contra Costa County resident

26 years of sales/customer service experience

20 years of business management experience

16 year Licensed California Contractor

Experience – Active Lifetime Recreational Sports Player/Coach/Manager

Current MDUSD Multi Sport High School Coach

12 years of Managing/Coaching/Officiating Area Youth Sports

Skip Ray

11 year Contra Costa County resident

30 years of sales and customer service experience

12 years of business management experience

11 years of personal training experience (incl. amateur, collegiate, semi-pro & pro athletes)

Experience – Nicholls State Univ. – Assistant Baseball and Strength Coach.

German Town Community Hospital – Fitness Specialist

Parker Orthopedic and Spine Institute – Director of Strength and Conditioning

Dean Lotz Personal Fitness – Personal Trainer for Speed and Conditioning

Tommy Sparacino

Lifetime Martinez resident

17 years of sales and customer service experience

Alhambra High Alum

Experience - Coached Martinez Youth Baseball & Softball, AYSO Soccer, Travel Softball.

Coached Varsity Baseball with Jay Heeb at Alhambra HS

Special Invites: Colorado Rockies workout, Cincinnati Reds, Milwaukee Brewers and Philadelphia .

Financial Resources

We are self funded from the following sources:

- Edward Jones
- Owens Fund
- American Funds
- GenAmerica
- BofA
- Walmart
- Wilcox
- GSEM
- Sunstate
- Peterson
- Bowers
- Himenez

Totaling - \$ 881,700

Marketing Plan

People/Organizations we personally know and are in constant contact with, will be the basis of our marketing as we open the doors. Many have expressed interest in using and supporting our business. We also plan to use local media, as well as advertising partnerships to grow our business. (A 4 page list of these people can be made available upon request)

In addition; we have over 800 plus sports family e-mail contacts that relate to softball, soccer, baseball, basketball etc.

Proposed Sample Rates

- ❖ Annual Membership – required for all programs
 - Individual - \$52
 - Family – Adult @ \$52 Children @ \$26
 - Martinez Resident - \$12

- ❖ Activities
 - Drop in Sports \$5 - \$10
 - Open Gym Events \$10 - \$25
 - Monthly Wellness for Martinez Residents- \$12
 - Wellness Classes - \$5 - \$20

- ❖ Team Sport Rentals
 - Turf Field #1 or #2 - \$125 1.5 hours
 - Training Tunnel - \$60 hour
 - Clinics - \$25 to \$150

- ❖ Recreation Sports Leagues
 - Soccer - \$400 to \$800
 - Softball - \$600+

Build Out Cost

TENANT IMPROVEMENT:

- LIFE SAFETY / SEISMIC RETROFIT
- ELECTRICAL REPAIR
- LIGHTING REPAIR
- RESTROOMS
- SECURITY
- FRONT COUNTER
- OFFICE
- SIGNAGE
- ENTRANCE
- CLEAN UP AND PAINTING

TOTAL - \$367,500

FACILITY SET UP

PHASE 1:

- TURF FIELD
- TRAINING TUNNELS
- CONDITIONING AREA

TOTAL - \$114,800 GRAND TOTAL - \$482,300 60 MONTH @ 8% - \$9800

PHASE 2:

- WAITING AREA
- TUTORING/PARTY/CONFERENCE AREA
- MULTI-SPORT COURT
- LIMITED PROSHOP

TOTAL - \$45,400

FUTURE PHASES: Building Upgrades, Media Systems, Décor, Equipment Purchases.

Revenue Breakdown

TURF

FIELD 1 & 2
\$125/1.5HR

432 HRS
288SESSIONS

	SESSIONS	RATE	TOTAL
20% UTL	58	125	7250
50% UTL	144	125	18000
80% UTL	230	125	28750

TUNNELS

HITTING
\$60/HR
4 CAGES
864 AVAIL

	SESSIONS/MN	FEE	GROSS	SPLIT
20% UTL 2.9/DAY	174	60	10440	5220
50% UTL 7.2/DAY	432	60	25920	12960
80% UTL 11.5/DAY	692	60	41520	20760

PITCHING
4 MOUNDS
\$60/HR
864 AVAIL

20% UTL 5.8/DAY	173	60	10380	5190
50% UTL 14.4/DAY	432	60	25920	12960
80% UTL 23/DAY	691	60	41460	20730

MEMBERSHIPS

\$52/PER	TOTAL	FEE	GROSS
1 PER DAY	30	52	1560
3 PER DAY	90	52	4680
5 PER DAY	150	52	7800
1 PER DAY M	30	12	360
3 PER DAY M	90	12	1080
5 PER DAY M	150	12	1800

WELLNESS

1 PER DAY	30	24	720
3 PER DAY	90	24	2160
5 PER DAY	150	24	3600
1 PER DAY M	30	12	360
3 PER DAY M	90	12	1080
5 PER DAY M	150	12	1800

P T	CLASSES	GROSS	SPLIT	
10% UTL 1.2/DAY	36	60	2160	1080
30% UTL 3.6/DAY	108	60	6480	3240
50% UTL 6/DAY	180	60	10800	5400

GROUP

\$15/HR/PERSON

1 CLASS/DAY	FEES	CLASSES	GROSS	SPLIT
5 PEOPLE	75	30	2250	1125
15 PEOPLE	225	30	6750	3375

BUSINESS PLAN INCOME AND EXPENSE STATEMENT

	JUN 2011	JUL 2011	AUG 2011	SEP 2011	OCT 2011	NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	TOTAL 1 Year
INCOME													
NET SALES	22865	22865	22865	25152	25152	25152	27668	27668	27668	30435	30435	30435	318360
Cost of sales													
GROSS PROFIT	22865	22865	22865	25152	25152	25152	27668	27668	27668	30435	30435	30435	318360
OPER. EXP:													
Sals of employees	4547	4547	4547	5002	5002	5002	5503	5503	5503	6054	6054	6054	63318
Payroll taxes	1515	1515	1515	1667	1667	1667	1834	1834	1834	2018	2018	2018	21102
Rent	0	0	0	0	0	0	0	0	0	0	0	0	1
Utilities & phone	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	1650	19800
Insurance	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
Advertising	800	800	800	800	800	800	800	800	800	800	800	800	9600
Maint & supplies	300	300	300	300	300	300	300	300	300	300	300	300	3600
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
Depr & Amortiza	0	0	0	0	0	0	0	0	0	0	0	0	0
Auto Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Promo/Meetings	0	0	0	0	0	0	0	0	0	0	0	0	0
Dues/Subscriptions	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Misc	375	375	375	375	375	375	375	375	375	375	375	375	4500
Loan	9800	9800	9800	9800	9800	9800	9800	9800	9800	9800	9800	9800	117600
Management Salaries	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPER EXP	19987	19987	19987	20594	20594	20594	21262	21262	21262	21997	21997	21997	251521
NET PROFIT	2878	2878	2878	4558	4558	4558	6406	6406	6406	8438	8438	8438	66839

U.S.A.

OPERATING STATEMENT

	5th year	%	10th year	%	15th year	%
Sales	734400		892930		1000082	
cost of sales	-146880	20	-223232	25	-250020	25
Gross Profit	587520		669698		750062	
Operating expenses						
owner salary	225000		255000		300000	
payroll taxes	137151		152806		174578	
wages other	79781		84568		87951	
fringe benefits	0					
Total Wages	441932	60	492374	55	562529	56
Advertising	10176	1	10786	1	11649	1
Occupancy costs						
rent	0		0		0	
utilities & phone	22988		24368		25830	
RE taxes	0		0		0	
Taxes other	0		0		0	
Repairs/maintenance	3708		4153		4485	
Deprec., fixtures and equipment	15300		15300		15300	
Lease expense	0		0		0	
Total occupancy costs	41996	6	43821	4	45615	4
Office supplies	4200		4704		5088	
Accounting/legal	1250		1400		1850	
auto expense	14350		31570		35658	
financed equipment	0		0		0	
insurance	18500		20720		23206	
miscellaneous	4140		5840		6580	
Total	42440	6	64234	8	72382	8
Operating Expense	536544		611215		692175	
Operating Profit	50976	7	58483	7	57887	6

California Sports Center, LLC
“Building a better sports facility for your community”



A partnership between the City of Martinez and the California Sports Center

Revised Proposal, March 29, 2011



 ARCHITECTURAL CONCEPTS	<ul style="list-style-type: none"> • ARCHITECTURE • PLANNING • INTERIORS <p>JOHN W. COWEE, JR. ARCHITECT C-9199 509 RAMONA AVE. ALBANY, CA 94706 T 510-525-9630 F 510-525-9630</p>	<p>CALIFORNIA SPORTS CENTER, LLC</p> <p>FERRY STREET, MARTINEZ, CA DAN MIDDLETON, PROGRAM DIRECTOR</p>	<p>CONCEPTUAL SITE PLAN - OPTION 11b</p>	<p>DATE 3/15/2011 SCALE NO SCALE</p>	<p>SHEET NO. AA-11b</p>
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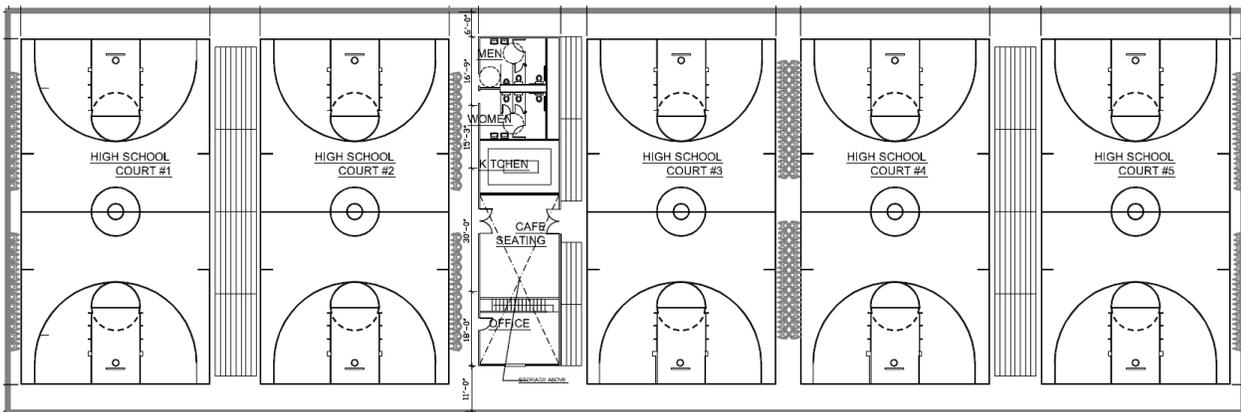
California Sports Center

The California Sports Center is an organization dedicated to providing the facilities and sports programs for youth, adults and special needs youths in the local community while attracting the regional basketball and volleyball programs that will call it their home. We are proposing to use the 300 x 97 foot building on Ferry Street as our home for both basketball and volleyball use.

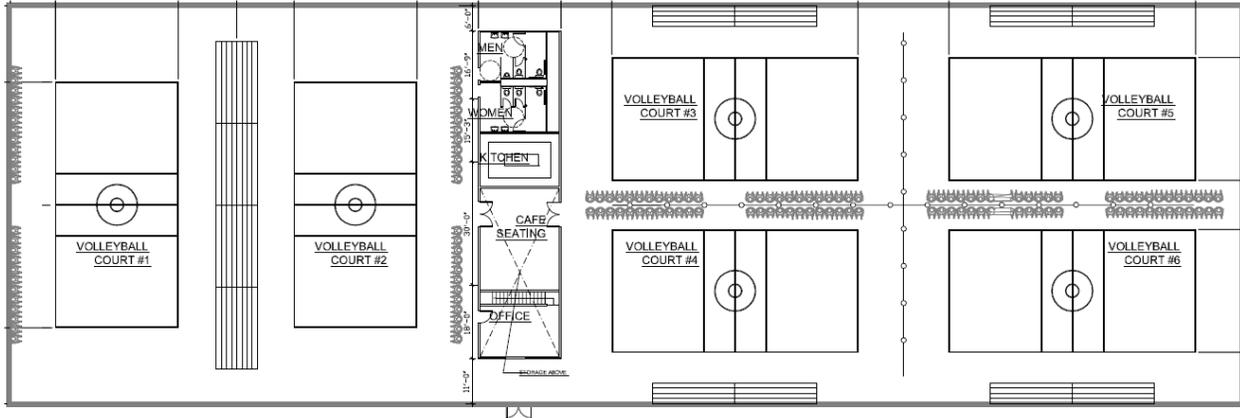
The configuration allows us to set up for 5 basketball or 6 volleyball courts or any combination for practices and tournaments. There are differences between our first proposal for the trapazoidal building and this new proposal that will be outlined here. The two major differences are: 1- This facility is much smaller and is just wide enough to have high school regulation basketball courts. 2- The Sports Club for fitness, cardio, weights, yoga and other wellness programs that were proposed for the trapezoidal building will not be possible in this new proposal. The philosophy and mission however remains the same: to Provide a well designed and managed sports center for youth, adults and special needs in the local and regional community.

- 5 High School size padded basketball courts with stands on one side.
- 6 Volleyball courts
- Men's and women's restrooms
- Small café kitchen
- Café Seating area
- Office space for support staff

Preliminary site plan for basketball



Preliminary site plan for volleyball



All proposed uses:

Basketball Programs:

The basketball programs will be managed by Kelly Sopak, Director of Basketball Operations. Kelly has gained a great amount of experience as the Head Girls Coach at Northgate High School and recently at Miramonte. He is also the Director of the Cal Stars AAU program and the CYO Director of Santa Maria. He has a number of years running tournaments and attracting high level talented basketball players and teams to the area. The Cal Stars program over the last 3 years has helped over 40 players get scholarships to Division 1,2,33 and NAIA schools. In 2011, The Cal Stars program will 16 youth teams, an increase of 3 teams from last year. We will run programs for all ages from 2nd grade to adult. Competition will start at the lowest level recreational levels to the top competitive high school teams in the western part of the US..

Volleyball:

Similar to Basketball, We will run programs for all ages from 2nd grade to adult. Steve Suttich, will manage our Volleyball programs. Steve has been managing basketball and volleyball facilities for 19 years. He recently has completed his 5th successful year as the general manager of the Courts at Beaverton, Oregon. Steve will be instrumental in attracting the local volleyball clubs and tournaments needed to keep the sports center busy every day of the week. Competition will start at the lowest level recreational levels to the top competitive Power Leagues according to the USA Volleyball association.

Special Needs Program:

Our Sports Center will be designed with the players who have special needs to have access to our facility and the opportunity to belong to teams and camps. Dan Middleton will manage this part of the business as he has been involved with special need coaching since the age of 17 when he coached 3 sports for the Special Olympics. The facility will have handicapped entrances on the front of the building. The basketball hoops will be adjustable to 7 ft to allow for young kids with special needs to play the game.

Adult leagues and special events:

In addition to the many youth programs, we will run adult basketball and volleyball leagues during the off season of the youth sports. This is our way to keep the facility booked and in use. In addition, we can do special party and dance events for teens and youths

Tenant attraction approach, including preliminary commitments:

We have a wide range of tenants that will use the facility year round and on every weekend. Basketball and Volleyball will be the marquee events in the facility. Our research has identified both Basketball and Volleyball is the #1 and 3 in popularity in youth and high school sports. We will have local, and regional clubs using the facility. We already have arrangements with a few clubs to call it their home for practices, games and tournaments. They are: Cal Stars AAU Basketball and Northern California Volleyball. In addition, the East and West Diablo CYO organizations will find our facility very convenient and affordable to what they have today with local high schools and other gyms like Tice Valley. We anticipate because of our relationship with the directors of both CYO programs, that they would choose to use our facility over others from the past.

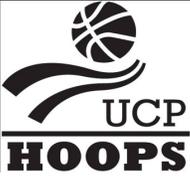
The Cal Stars AAU Basketball program is the largest girls’ basketball program in Northern California. They are a club sponsored under the AAU (American Athletic Union). The AAU has stated that girls and boys basketball are their two top sports that they support. Northern California Volleyball Association is the 4th largest association under USA Volleyball. NOVA has close to 1,000 clubs and over 13,000 playing members in northern California.

Imagine this scenario on a weekend when we host a Cal Stars Basketball Tournament. All 5 courts will be used from 8 am until 9:30 pm both Saturday and Sunday. Twenty two (22) teams from 2nd grade through high school will be invited usually playing 2 games a day. 22 teams represent 242 players and approximately 3 additional family members per player for a total of 1,000 people visiting the sports center on that day. All these people need something to eat and drink during the day since they have to stay around the sports center for 2 games. Half these players and visitors will be eating and drinking something during the day at our café or in town on main street.

Club or Business	Probability of getting business
AAU Club Basketball practices	100%
AAU Club Basketball Tournaments	100%
CYO Basketball Practices	100%
CYO Basketball Tournaments	100%
Special High School basketball Tournaments (West Coast Jamboree)	100%
Coaching Clinics and Training	100%
NCAA College Viewing Basketball	100%
Adult Volleyball Leagues	100%
Adult Basketball Leagues	100%
Individual Basketball and Volleyball conditioning and training	100%
Volleyball Tournaments	100%
Volleyball Practices	100%

CYO basketball Camps	100%
AAU Basketball Camps	100%
Volleyball Camps	100%
Special Needs Camps	100%

Organizations and Non-profits who will use the facility.

Cal Stars AAU Basketball		www.calstars.org
Alhambra Ladies Basketball		www.alhambraladiesbasketball.org
Northern California Volleyball Association		www.ncva.com
United Cerebral Palsy, Special Needs Basketball		
Pacific AAU Basketball		www.aaupacific.com
AAU Girls Basketball		http://www.aaugirlsbasketball.org/
AAU Boys Basketball		http://www.aauboysbasketball.org/

CYO Basketball		www.oaklandcyo.org/basketball.html
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Evidence of financial capability

We have done an initial high level assessment of the building and some preliminary layouts. Our initial assessment has identified approximately \$500,000 in total investment. This investment will be provided by the owner (Dan Middleton), his partner (Steve Suttich) and other individual investors.

Our financial analysis is a first draft and shows a positive cash flow in the first full year of operations. This building is much smaller than the other building and will require less investment.

Describe the intended role of each partner in the project

Dan Middleton will provide overall executive management, leadership, and sponsorship of the project. He is the President of the California Sports Center and has over 30 years working as a senior executive. He also owns his own Executive Leadership and Career Coaching business called Performance Coaching. While running his business he spends an enormous amount of time in the community with his Alhambra High School and Cal Stars basketball programs.

www.performancecoachdan.com

www.californiasportsCenter.com

www.alhambraladiesbasketball.org

Steve Suttich will provide overall consulting and general manager experiences. In addition he will assist with funding and managing the Volleyball side of the business. Steve has been involved with sports since his days as an All American Volleyball player for UCLA. He has developed and managed many sports facilities as well as coach at the collegiate and club level for Volleyball. He has been managing the Courts in Beaverton for over 5 years.

www.TheCourtsinBeaverton.com

www.oregonJuniorsVBAcad.com

John Cowee will provide all architectural services to the project. John has over 30 years experience in the architectural field and has designed many facilities from hospitals to entertainment Centers similar to what we are proposing. John has an impressive resume of projects all throughout the San Francisco and Bay Area.

Karen Cauayani will provide all Construction and Project Management services to the project. Karen is currently working for the John Muir Hospital on major construction jobs in the east bay while they finish the hospital construction in Walnut Creek. Karen is also an adjunct instructor at the Martinez Adult Education Center.

Kelly Sopak will provide all Basketball consulting and program design to the project. Kelly has been involved with similar basketball programs for over 10 years. In addition, he has been running his own State Farm insurance business successfully for over 15 years and a member of the prestigious SVP Club. He is a graduate from the University of Nevada where he played college baseball 4 years.

www.calstars.org

Linda Middleton will provide all landscape and interior design services. Linda owns her own business called Terralinda Design and has been providing inspirational gardens for clients in the East Bay since 2004. She currently serves as a board member of the Association of Professional Landscape Designers (APLD) California chapter and been a Certified Bay Friendly Landscape Professional since 2008.

www.terralindadesign.com

Glopac International will provide interior walls and construction materials at reasonable cost in favor of using our facility as a showcase for the SF and bay area.

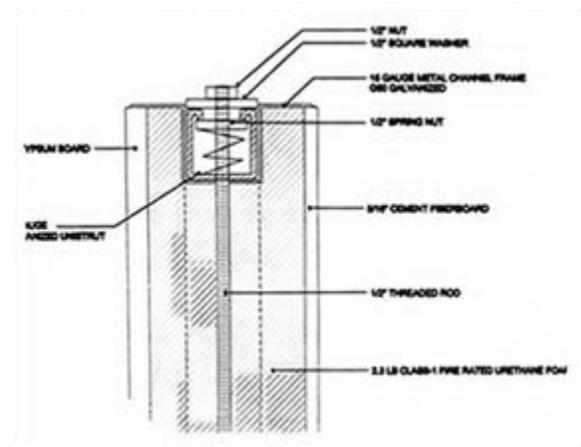
www.glopacinternational.com

ReZist-It: Powerful Design

The *ReZist-It* system has been *architecturally designed and professionally engineered.*

Our design includes:

- Proprietary components
- High quality
- Extreme durability
- Easy fabrication and assembly on site
- Patent-pending locking system





ATTACHMENT C

CITY OF MARTINEZ

CITY COUNCIL AGENDA
November 4, 2009

TO: Mayor and City Council

FROM: Philip Vince, City Manager

SUBJECT: Delta Research Institute Letter of Intent

DATE: October 30, 2009

RECOMMENDATION:

Authorize the City Manager to execute a Letter of Intent agreement to situate a proposed Delta Research Institute start-up across the railroad tracks under the non-profit status of Main Street Martinez.

BACKGROUND:

Rachael Ford, under the umbrella of Main Street Martinez, presented her ideas for a Scientific Research Hub involving public and private scientific research conducted on the Delta Estuary (located near the Martinez marina) through a single non-profit institution. Ms. Ford requested the City to endorse this project and provide a letter of intent.

The Council expressed support for the concept, and Mayor Schroder directed staff to work with Ms. Ford in crafting a letter of intent including stipulations regarding usage of the facility, and return to the Council at a future meeting.

The parties involved, including the City Attorney, have worked together to reach agreement on the stipulations regarding usage of the facility.

FISCAL IMPACT:

In the foreseeable future staff does not anticipate spending much time on this proposed project.

ACTION:

Authorize the City Manager to sign a Letter of Intent endorsing the concept of a start-up Delta Research Institute in one of the old cannery buildings on the Zocchi property.

NON-BINDING AGREEMENT OF INTENT

THIS AGREEMENT is entered into as of November 4, 2009, by and between the City of Martinez ("City") and Rachael Ford ("Ford") in reference to the following facts:

RECITALS

A. Ford is proposing the establishment of a research facility to be located in Martinez to, among other things, coordinate and consolidate, into a single institution, public and private scientific research being conducted on the Delta Estuary;

B. Ford calls her proposed institution the "Delta Research Institute" ("Institute");

C. The Institute is at its incipient stages of formation and development, but Ford is desirous of securing a physical site for the Institute's future facilities and offices and Ford has requested the City to provide Ford an expression of the City's intention to provide the Institute the opportunity to lease the entire building located at 360 Ferry Street, Martinez, CA and shown on the diagram attached hereto as Exhibit A (the "Subject Property"). Ford estimates that the Institute will not be financially and organizationally prepared to renovate and occupy leasehold space for approximately three years;

D. The City endorses the establishment of the Institute in the City of Martinez and at the Subject Property;

E. The parties acknowledge that the nature and cost of constructing and operating the Institute need to be investigated and ascertained;

F. Nevertheless, the parties are willing to continue exploring the possibility of locating the Institute at the Subject Property, while, at the same, time Ford undertakes the work necessary to establish the appropriate legal entity which will comprise the Institute, develop business plans, recruit board members and advisors and prepare plans for interior and exterior improvements to the Subject Property necessary to make it suitable for the Institute's needs:

NOW, THEREOFRE, THE PARTIES AGREE AS FOLLOWS:

AGREEMENT

1. The City endorses the establishment of the Institute in the City of Martinez and at the Subject Property. The actual leasing of the Subject Property to the Institute or Ford is dependent upon a variety of factors, variables and circumstances which are not now resolved nor known with sufficient clarity as to permit the parties to enter into binding or meaningful agreements pertaining to same.

2. Consequently, the parties make this Agreement primarily for the City to demonstrate its general support for the concept of creating the Institute and the laudatory purposes for which it is envisioned to be established and for Ford to demonstrate her and other interested parties' commitment to the formation, establishment, funding and operation of the Institute.

3. This Agreement shall be effective for one year, namely, from January 1, 2010 through December 31, 2010 (the "Term").

4. During the Term, Ford shall exercise her best efforts to accomplish the following tasks:

- a. incorporate the Institute and apply for and obtain tax exempt status pursuant to IRC section 501(c) (3);
- b. recruit and create a board of directors for the Institute;
- c. recruit and create multiple advisory committees;
- d. create a business plan, including long and short term objectives; and
- e. identify and implement funding strategies, specifically establishing and implementing a capital campaign to raise money for building and infrastructure costs.

5. Commencing on March 1, 2010, and quarterly thereafter, Ford shall submit a written update report to the City describing the steps she and others have taken to complete and accomplish the tasks specified in Section 4, including information about the tasks remaining to be completed, estimates of the time when those tasks will likely be completed and other information that will be material to the City in determining whether and when to make the Subject Property available to the Institute through the preparation and negotiation of a lease.

6. During the Term, the City agrees that it shall not enter into a rental, lease or other agreement covering all or a portion of the Subject Property with any party which said agreement contains a lease term in excess of three years. Notwithstanding the foregoing to the contrary, the parties hereto acknowledge that the City has already entered into a Lease Agreement with the Judicial Council of California ("JCC") for a term of one year, ending on September 30, 2010, extendable at the option of the JCC for three, one-year extensions. Said JCC Lease covers approximately 4,000 square feet of the Subject Property. However, said lease with the JCC also provides that the City or the JCC may terminate the Lease upon 90 days written notice. Ford represents and warrants that she has been provided a copy of said JCC Lease, understands it and does not object to it.

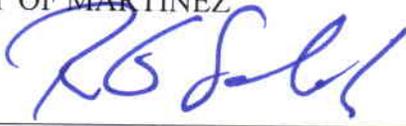
7. On or before December 1, 2010, Ford and the City shall meet in person to discuss Ford's progress in achieving the objectives set forth above and to determine whether extending this Agreement is in the best interests of both parties.

8. The parties acknowledge and agree that this Agreement is not a lease of the Subject Property, nor does it constitute an offer, nor an acceptance of such a lease or any other contract obligating the City to permit Ford or the Institute to use the Subject Property in any way. The parties acknowledge and agree that no binding, implied covenants attach to this document concerning the use of the Subject Property. Only upon the full and final execution and delivery of

a lease agreement will any obligation attach with respect to Ford's or the Institute's use of the Subject Property.

In witness whereof, the parties hereto execute this Agreement on the date written below.

CITY OF MARTINEZ

By: 
Rob Schroder, Mayor

Dated: 11-17-2009

By: 
Rachael Ford

Dated: 11-12-2009



Exhibit A

LEGEND

- PROPERTY BOUNDARY
- - - FENCE
- SOIL BORING (By Kleinfelder, 2003)
- TRANSFORMER

NOTE: Locations are approximate

200 100 0 100 200
 APPROXIMATE SCALE (feet)

REFERENCES:
 Contra Costa County Assessor's Map, Book 373, Page 83, dated February 16, 2008.
 Lapien, Crown, Cooper, Morris and Poore, "ALTA/ACSM Land Title Survey, Intermodal Facility, Martinez, California," dated 10/15/97.

<p>7133 Koll Center Parkway, Suite 100 Pleasanton, CA 94566-3101 PH (925) 484-1700 FAX (925) 484-5638</p>	<p>SITE PLAN</p> <p>FERRY STREET 330 TO 370 FERRY STREET MARTINEZ, CALIFORNIA</p>	<p>PLATE</p> <p>2</p>
	<p>DRAFTED BY: Sue</p> <p>DATE: 24-22-03</p>	<p>CHECKED BY: S. Walker</p> <p>REVISION DATE:</p>