

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF DALY CITY AND THE
OLYMPIC CLUB REGARDING THE IMPROVEMENT, OPERATION, MAINTENANCE,
AND SHARED USE OF WESTLAKE FIELD**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Daly City, a municipal corporation (“City”), and The Olympic Club, a California nonprofit mutual benefit corporation (“Club”).

RECITALS

WHEREAS, the City owns and operates Westlake Park, including Westlake Field and related recreational facilities for the benefit of Daly City residents and the general public; and

WHEREAS, the City desires to improve and modernize recreational facilities while preserving public ownership and public access; and

WHEREAS, the Club has expressed an interest in financing and constructing substantial improvements to Westlake Field and associated facilities and participating in the long-term operation and maintenance of such facilities; and

WHEREAS, the Parties entered into an Exclusive Negotiation Agreement (“ENA”) to evaluate and negotiate a potential public-private partnership concerning the Property; and

WHEREAS, the Parties have completed negotiations regarding the principal business terms of the proposed Project and desire to memorialize those understandings in this MOU; and

WHEREAS, the Parties anticipate negotiating a future Use and Improvement Agreement that will govern the construction, operation, maintenance, scheduling, public access, community benefits, insurance, indemnification, and long-term management of the facilities;

NOW, THEREFORE, the Parties agree as follows:

1. PURPOSE

The purpose of this MOU is to establish the principal business terms and policy framework governing the proposed partnership between the City and the Club regarding the improvement, operation, maintenance, and shared use of Westlake Field and related recreational facilities.

2. PROJECT OBJECTIVES

The Parties acknowledge that the primary objective of the Project is to leverage substantial private investment to improve publicly owned recreational facilities while preserving public ownership, maintaining meaningful public access, and reducing future capital maintenance obligations that might otherwise be borne by the City.

The Parties anticipate that the Project will consist of the design, permitting, financing, construction, operation, maintenance, and future capital replacement of significant recreational improvements at Westlake Field and related facilities.

3. PROJECT IMPROVEMENTS

The Olympic Club shall be responsible for funding the Project Improvements, including all planning, engineering, environmental review, permitting, construction, project management, and related costs associated with implementation of the Project.

The Project Improvements currently contemplated by the Parties include, but are not necessarily limited to:

- Synthetic turf
- Site development
- Landscaping
- Spectator stands
- Tennis courts
- Pickleball courts
- Club Building
- Lighting
- Scoreboards
- Controlled-access fencing
- Greenhouse relocation
- Financial assurance
- Ownership provisions
- Public Works coordination
- As-built documents

4. PROJECT FUNDING AND FINANCIAL COMMITMENTS

The Parties anticipate that the future Use and Improvement Agreement shall include provisions requiring the Club to fund future capital replacement obligations associated with the Project Improvements, including replacement of synthetic turf, court resurfacing, lighting systems, scoreboards, fencing, and other major capital improvements.

5. TERM OF FUTURE AGREEMENT

The Parties anticipate that the future Use and Improvement Agreement will provide for an initial term of twenty (20) years with three (3) five-year extension options, subject to the Club's compliance with the terms and conditions of the future Use and Improvement Agreement.

6. OWNERSHIP, USE AND PUBLIC ACCESS

The City shall retain ownership of the Property throughout the term of the Project. The Parties acknowledge that preservation of public ownership, public recreational use, and meaningful public access are material components of the proposed partnership and are intended to be preserved throughout the term of the future Use and Improvement Agreement.

The Parties currently anticipate that the future Use and Improvement Agreement shall provide for not less than twenty-five (25) hours per week of public recreational access. Sundays shall remain dedicated primarily to public recreational use, except as otherwise agreed by the Parties. Any reserved Club use periods not scheduled by the Club during established scheduling procedures shall automatically revert to City scheduling authority.

7. COMMUNITY BENEFITS

Community benefits are anticipated to include youth sports clinics, reduced-cost camps, school access opportunities, community recreation programs, and other activities benefiting Daly City residents. The future Use and Improvement Agreement shall establish annual reporting requirements concerning community benefit obligations.

8. MAINTENANCE AND CAPITAL REPLACEMENT

The Parties anticipate that the Club will assume responsibility for maintenance of the synthetic turf field, recreational courts, Club facilities, and other designated improvements. The Club is also expected to assume responsibility for future capital replacement obligations, including synthetic turf replacement and court resurfacing.

9. FINANCIAL TERMS

The Parties anticipate that the future Use and Improvement Agreement will include annual use fees, utility reimbursement provisions, maintenance obligations, and other financial terms. Final financial obligations shall be established through the definitive agreement.

10. ENVIRONMENTAL REVIEW

The Parties acknowledge that the City retains complete discretion as Lead Agency under CEQA and that nothing contained in this MOU shall obligate the City to approve any environmental determination, mitigation measure, alternative project, or project design.

11. SURPLUS LAND ACT

The Parties intend that the future Use and Improvement Agreement shall be structured in a manner that preserves public ownership, public recreational use, and meaningful public access and qualifies for any applicable exemption under the California Surplus Land Act.

12. FUTURE USE AND IMPROVEMENT AGREEMENT

The Parties acknowledge and agree that this MOU is intended to establish the principal business terms governing the Project and the future relationship between the Parties.

Following approval of this MOU, the Parties shall continue to negotiate in good faith a comprehensive Use and Improvement Agreement that will govern the design, construction, operation, maintenance, scheduling, public access, community benefits, insurance, indemnification, capital replacement obligations, ownership rights, default remedies, and other operational matters relating to the Project. The Use and Improvement Agreement shall be subject to approval by the Daly City City Council.

13. CITY SPECIAL EVENT RIGHTS

The Parties anticipate that the future Use and Improvement Agreement shall preserve the City's ability to schedule significant civic events, community-wide activities, public safety events, and emergency operations at the Property, subject to reasonable coordination with the Club.

14. NON-BINDING NATURE

Except as expressly stated herein, this MOU is intended as a statement of the Parties' current understanding and shall not create binding obligations regarding construction, operation, occupancy, or long-term use of the Property.

The Parties acknowledge that final rights and obligations shall be established only through execution of a mutually approved Use and Improvement Agreement.

15. EFFECTIVE DATE

This MOU shall become effective upon approval by the Daly City City Council and execution by authorized representatives of the Parties.

Dated: _____

CITY OF DALY CITY

By: _____
Thomas J. Piccolotti
City Manager

THE OLYMPIC CLUB

By: _____
Tim Muessle, CCM, CCE
COO, The Olympic Club