



COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION

"Parks Make Life Better!"

Norma E. García-González, Director

Alina Bokde, Chief Deputy Director

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

34 March 21, 2023


CELIA ZAVALA
EXECUTIVE OFFICER

March 21, 2023

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AMENDMENTS TO OPERATING AGREEMENTS
FOR THE MAINTENANCE AND OPERATION OF FOUR COUNTY EQUESTRIAN CENTERS
(SUPERVISORIAL DISTRICTS 1 & 5) (3-VOTES)**

SUBJECT

Approval of the recommended actions will delegate authority to the Director of the County of Los Angeles Department of Parks and Recreation to execute amendments to four concession agreements between the County of Los Angeles and Stephens Equestrian Center, Inc. for Frank G. Bonelli Equestrian Center Agreement Number 10419 and Marshall Canyon Equestrian Center Agreement Number 10441; and Hacienda Sosegado, LLC for Peter F. Schabarum Equestrian Center Agreement Number 10371 and Whittier Narrows Equestrian Center Agreement Number 10418.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed approval of amendments to the operating agreements for the equestrian centers is categorically exempt from the California Environmental Quality Act for the reasons stated in this Board Letter and in the record of the agreement amendments.
2. Delegate authority to the Director of the County of Los Angeles Department of Parks and Recreation, or her designee, to prepare and execute amendments to the agreements with Stephens Equestrian Center, Inc. for Frank G. Bonelli Equestrian Center Agreement Number 10419 and Marshall Canyon Equestrian Center Agreement Number 10441; and with Hacienda Sosegado, LLC for Peter F. Schabarum Equestrian Center Agreement Number 10371 and Whittier Narrows Equestrian Center Agreement Number 10418, upon approval as to form by County Counsel, to allow the Director or her designee, the ability to amend the corresponding Operating Responsibilities Section of each agreement, as necessary, to improve public services and/or public safety including

without limitation, review and approve adjustments to the Operators' prices, on a permanent or temporary basis, so long as fees remain reasonable and comparable to prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County of Los Angeles (County) Department of Parks and Recreation (Department) owns four equestrian centers (Equestrian Centers) managed, operated, and maintained by private operators (Operators) through four operating agreements, with Stephens Equestrian Center, Inc. for Frank G. Bonelli Equestrian Center Agreement Number 10419 and Marshall Canyon Equestrian Center Agreement Number 10441; and with Hacienda Sosegado, LLC for Peter F. Schabarum Equestrian Center Agreement Number 10371 and Whittier Narrows Equestrian Center Agreement Number 10418 (Agreements).

Through these Agreements, the Operators provide horse boarding services, which include feeding of horses twice per day, cleaning of stalls, and the use of the equestrian facility by boarders to exercise and wash their horse(s). These services are provided for a set monthly boarding fee, which may only be increased with the prior approval of the Director of Parks and Recreation (Director) once every two years. The Operators also offer an array of recreational activities and services to the general public for an additional fee, which may include guided horse trail rides, youth camps, horse riding lessons, horse clinics, and other equine activities. All fees and charges for horse boarding and services provided at the Equestrian Centers must be fair and reasonable and are intended to benefit and serve the needs of the public.

Approval of the recommended actions will delegate authority to the Director to amend the Agreements to make changes to the corresponding Operating Responsibilities Section, including to review and approve new boarding rates, on either a permanent or temporary basis, if, in the opinion of the Department, the increase is necessary to address unforeseen increases in the prices of supplies and the fees remain comparable to prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area.

The extreme drought, coupled with the recent increases in the cost of fuel and overall costs of goods and services, have severely impacted the production and demand for hay, resulting in exponential increases in its cost and significantly higher prices for horse feed. The current Agreements limit the frequency for price increases and has placed the Operators under a significant financial burden. The Operators have not been able to adjust to the recent increases in the cost of hay, fuel, goods, and services. Both Operators have expressed an urgent need to adjust rates to assist in absorbing the increases in for their business to remain viable, and to continue operating the Equestrian Centers to provide recreational services and activities to the community.

Implementation of Strategic Plan Goals

The recommended actions uphold the County's Strategic Plan Goals to Foster Vibrant and Resilient Communities by supporting wellness of our Communities (Goal II.2), and Pursuing Operational Effectiveness, Fiscal Responsibility and Accountability (Goal III.3) by increasing the Department's public/private partnerships and maximizing the use of County assets (Goal III.3.2).

FISCAL IMPACT/FINANCING

Approval of the recommended actions will not have a negative impact on the Department's revenue

from the Equestrian Centers.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Board is authorized by the provision of Government Code Section 25907 to lease County parks and recreation real property for the provision of services and property improvements that are consistent with public park and recreation purposes. The proposed amendments are consistent with said purposes. Approval of the recommended actions is consistent with said Government Code.

Pursuant to the Change Notices and Amendments sections of the Agreements, the Agreements may be amended only by further written agreement between the parties. Any such modification shall not be effective unless and until executed by the Operator and in the case of County, until approved by the Board. The recommended actions will allow the Director to prepare and execute amendments to the Agreements, upon approval as to form by County Counsel, to amend the corresponding Operating Responsibilities Section to improve public services and/or public safety including without limitation, to review and approve adjustments to the Operator's prices, on a permanent or temporary basis, so long as fees remain reasonable for users and comparable to prices charged for similar goods and/or services supplied in the Los Angeles Metropolitan Area.

ENVIRONMENTAL DOCUMENTATION

The proposed approval of the amendments to the Equestrian Centers' operating agreements is categorically exempt from the California Environmental Quality Act (CEQA). The amendments, which will address operational issues and allow the Director to approve adjustments to fees and charges, are within a class of projects that have been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15301 of the State CEQA Guidelines and Class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The amendments consist of operation and leasing of existing facilities with negligible or no expansion of existing or former use.

In addition, based on the proposed amendment records, they will comply with all applicable regulations. They are not in a sensitive environment, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or indications that they may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, the Department will file a Notice of Exemption with the County Clerk in accordance with section 21152 of the California Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

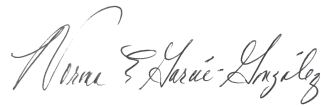
Approval of these actions will ensure continued services by the Operators of the Equestrian Centers and support the sustainability of small business operations by allowing the Director to streamline responses to the Operators' need to adjust to economic fluctuations and downturns by modifying fees and charges, in addition to streamlining future amendments, suspensions, terminations, or assignments, if deemed necessary.

CONCLUSION

It is requested that two adopted copies of the action taken by the Board be forwarded to the Department.

Should you have any questions please contact Ms. Brenda Tovar at (626) 588-5272 or btovar@lacounty.parks.gov, or Ruben Lopez at (626) 588- 5278 or rlopez@parks.lacounty.gov, or Ms. Kimberly Rios at (626) 588-5368 or krios@parks.lacounty.gov.

Respectfully submitted,



Norma E. Garcia-Gonzalez
Director

NEGG:AB:MRRL:BT:LP:cm

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors