

**APPROVED**  
AUG 11 2010

REPORT OF GENERAL MANAGER

NO. 10-204

DATE August 11, 2010

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LAFAYETTE PARK – MULTIPURPOSE COMMUNITY CENTER – AMENDMENT TO THE MEMORANDUM OF AGREEMENT WITH HEART OF LOS ANGELES YOUTH, INC., FOR THE PLACEMENT OF AN OFFICIAL LOS ANGELES LAKERS TEAM LOGO AT CENTER-COURT OF THE PARK’S NEW GYMNASIUM BASKETBALL COURT

R. Adams	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<i>[Signature]</i>
V. Israel	_____		

*[Signature]*  
 \_\_\_\_\_  
 General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the proposed Amendment to the Memorandum of Agreement (Amendment), substantially in the form on file in the Board Office, with Heart of Los Angeles Youth, Inc. (HOLA), a 501(c)3 non-profit organization, for the placement of the official team logo of the Los Angeles Lakers (Logo) at the center-court of the new Lafayette Park Multipurpose Community Center (Center) gymnasium basketball court, in recognition of the Lakers generous grant award to HOLA in the amount of Two Hundred Fifty Thousand dollars and no cents (\$250,000), to fund youth basketball programs at the Center, subject to the continuous operation of said programs for a period of ten (10) years;
2. Direct the Board Secretary to transmit the Amendment to the Mayor, in accordance with Executive Directive No. 3, subject to the approval of City Council and City Attorney as to form; and,
3. Authorize the Board President and Secretary to execute the Amendment upon receipt of the necessary approvals.

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### SUMMARY:

HOLA, a California non-profit, public benefit organization, whose primary facility is located across the street from Lafayette Park, has been operating and providing youth programs and services in and around Lafayette Park (Park) for over twenty (20) years. The Board of Recreation and Parks Commissioners (Board) most recently approved a Gift Agreement and Memorandum of Agreement (MOA) with HOLA on September 19, 2007 (Report No. 07-217), specifying the terms and conditions for the use of grant funds in the amount up to \$722,070, provided to the Department for the expansion of the scope of construction work for the existing Lafayette Park – Multipurpose Community Center (PRJ1435A) (W.O. #E170317F) project, to include additional building improvements, and to authorize HOLA's use of facilities within the Park for a term of twenty-five (25) years for the enhancement of recreational youth programs at the Center.

HOLA has received a grant from the Los Angeles Lakers in the amount of Two-Hundred Fifty Thousand dollars and no cents (\$250,000), for the purpose of administering and operating community youth basketball programs (Programs) at the Center. In order to comply with the terms and conditions of the Grant Agreement between HOLA and the Lakers, attached hereto as Exhibit A, HOLA has requested authorization to place the Lakers official team logo at the center-court of the Center's new gymnasium in recognition of the Lakers' generous grant.

The Board's approval of the proposed Amendment will authorize HOLA to fund and place the name of the Lakers and Logo at center-court of the new gymnasium's basketball court, which shall include a standard center-circle in the form of a basketball with a radius of six feet (12 feet diameter), pursuant to the design plan attached hereto as Exhibit B, subject to the prior approval of the Department. In accordance with the terms and conditions of the proposed Amendment and the Grant Agreement, the Logo shall remain in place for a period of ten (10) years, subject to HOLA's continuous operation of said Programs at the Center for the same period through funding provided by the Lakers. The Department shall reserve the right to remove the Logo at its sole discretion, should the Lakers cease to provide funding for said Programs or HOLA ceases to operate such Programs at the Center.

The placement of the Logo shall be performed at HOLA's sole cost and expense through direct payments to a licensed contractor approved by and under the supervision of the Department and Bureau of Engineering. The Department shall have no financial responsibility related to the placement of the Logo.

Staff has determined that the subject project will consist of a minor modification to an existing park facility, and therefore, is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1) of the City CEQA Guidelines.

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FISCAL IMPACT STATEMENT:

The placement of the Logo will not have any impact on the Department's General Fund as the costs of placing the Logo at the gymnasium's center-court will be funded and contracted entirely by HOLA.

This report was prepared by Joel Alvarez, Senior Management Analyst of the Department's Real Estate and Asset Management Section.

**EXHIBIT A**  
**LAKERS GRANT AGREEMENT**

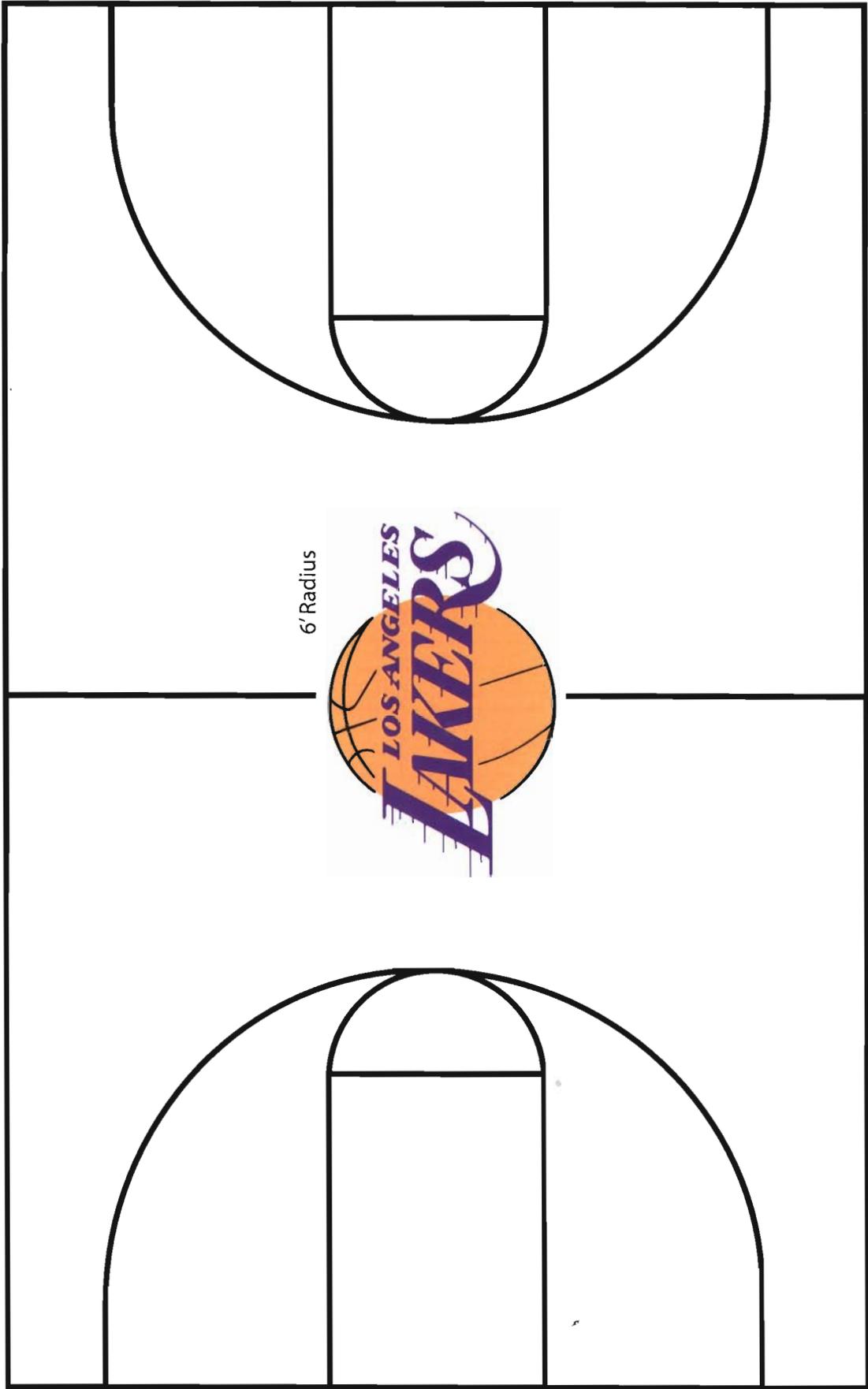


EXHIBIT-B

LAFAYETTE PARK GYMNASIUM DESIGN PLAN

LAKERS LOGO



2701 Wilshire Blvd. Los Angeles CA. 90057  
Phone: 213.389.1148  
Fax: 213.389.1085  
[www.heartofia.org](http://www.heartofia.org)

**TO:** Jeff Le Sage & Shira Saiger

**FAX:** 213-229-6504

**PHONE:** 213-229-7504

**FROM:** Tony Brown

**Number of Pages (Including Cover):** 7

**Notes:**

555 N. Nash Street

El Segundo, California

90245



310.426.6000

www.lakers.com

July 29, 2009

**VIA FED EX 7978 0370 1682**

Anthony M. Brown  
Heart of Los Angeles  
2701 Wilshire Boulevard, Suite 100  
Los Angeles, CA 90067

Re: Grant Agreement

Dear Tony:

I am pleased to enclose an original signed Grant Agreement between The Los Angeles Lakers, Inc. and HOLA dated July 24, 2009. I look forward to our continued partnership.

If you have any questions regarding this matter, please feel free to contact me at (310) 426-6066.

Sincerely,

A handwritten signature in black ink, appearing to be "JBM", with a horizontal line extending to the right.

Joseph B. McCormack  
Senior Vice President, Finance  
Chief Financial Officer

JBM/js

Enclosure

## EXECUTION VERSION

## GRANT AGREEMENT

This Grant Agreement (this "Agreement") is made and entered into as of July 24, 2009, by and between The Los Angeles Lakers, Inc., a California corporation (the "Lakers") and Heart of Los Angeles Youth, Inc., a 501(c)(3) California non-profit corporation ("HOLA"), with reference to the following facts:

A. The Lakers has made a grant to HOLA in the amount of two hundred fifty thousand dollars (\$250,000) (the "Grant").

B. HOLA desires to recognize the Grant from the Lakers by obtaining a limited right to the use of the name and logo of the Los Angeles Lakers professional basketball team (the "Lakers Marks") on the center of the basketball court (the "Court") at the gymnasium (the "Gymnasium") currently being built at the community center located at Lafayette Park (the "Lafayette Multipurpose Community Center") and, subject to the approval of the City of Los Angeles Board of Recreation and Park Commissioners (the "Board"), grant to the Lakers certain rights to use the Gymnasium, all upon the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

1. Naming and Use Rights.

1.1 Naming of the Basketball Court. The Lakers agrees to use its best efforts to obtain the consent of the National Basketball Association ("NBA") and subject to the approval of the Board, to allow HOLA to cause the Lakers Marks to be placed in the center of the Court (the "Court Name"), in an identical manner and size as that of the practice court of the Lakers located at 555 N. Nash Street, El Segundo, California, for a period of not more than ten years from the date of the opening of the Gymnasium (the "Naming Period"). Not later than three (3) months following the opening of the Gymnasium, at a date and time convenient to the Lakers, HOLA shall organize an appropriate naming ceremony to recognize the Grant and the Court Name. Such naming ceremony may be held in conjunction with a ceremony or program acknowledging gifts to HOLA from any donor (other than another professional sports team) matching the Lakers' Grant.

1.2 No Other Use. The Lakers Marks and the Court Name shall not be used or displayed for any other purpose without the prior written consent of both the Lakers and the NBA.

1.3 Use of Gymnasium. Subject to the approval of the City of Los Angeles Board of Recreation and Park Commissioners, for the term of the Naming Period, HOLA shall (i) administer community youth basketball leagues at the Court for elementary, middle and high school students; (ii) cause the Court to be available for two hours between 1 p.m. and 3 p.m. on the first Saturday of each month for administration of youth basketball clinics by the Lakers and HOLA; and (iii) cause the Court to be available from 7:30 pm - 10:00 pm every Tuesday and Thursday from September through March for wheelchair basketball practice, exhibitions and clinics.

2. Representations and Warranties of HOLA. HOLA hereby represents and warrants to the Lakers as follows:

2.1 Authority: Due Authorization. HOLA has all requisite power, authority and approvals required to enter into, execute and deliver this Agreement and to perform fully its obligations hereunder and has taken all actions necessary to authorize it to enter into and perform fully its obligations under this

## EXECUTION VERSION

Agreement and to consummate the transactions contemplated herein. This Agreement is the legal, valid and binding obligation of HOLA, enforceable in accordance with its terms.

2.2 No Violation. Neither the execution nor delivery by HOLA of this Agreement, nor the consummation of the transactions contemplated herein, will: (a) violate, conflict with or constitute a default under, permit the termination or acceleration of, or cause the loss of any rights or options under, any contract; or (b) require any authorization, consent or approval of, exemption or other action by, or notice to, any party to any contract, other than the approval of the Board.

2.3 Charitable Organization. HOLA is and shall remain an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (a "Charitable Organization") throughout the Naming Period. If HOLA loses its exemption from federal income tax under Internal Revenue Code Section 501(c)(3), HOLA shall immediately return to the Lakers any of the Grant funds in its possession that have not been expended in accordance with the provisions of Section 1 of this Agreement and shall immediately cease the use of the Court Name and any variation thereof and cause its removal from any place it then appears.

2.4 Prohibited Activities. HOLA shall not expend any of the Grant funds to influence legislation, within the meaning of Internal Revenue Code Section 4945(d)(1) or (b), in an attempt to influence the outcome of any public election or to carry on, directly or indirectly, any voter registration drive within the meaning of Internal Revenue Code Section 4945(d)(2).

3. Representations and Warranties of the Lakers. The Lakers hereby represents and warrants to HOLA and the Board as follows:

3.1 Authority to Execute and Perform Agreements. The Lakers has all requisite power, authority and approval required to enter into, execute and deliver this Agreement and to perform fully its obligations hereunder. This Agreement is the legal, valid and binding obligation of the Lakers, enforceable in accordance with its terms.

3.2 No Violation. Neither the execution nor delivery by the Lakers of this Agreement, nor the consummation of the transactions contemplated herein, will: (a) violate, conflict with or constitute a default under, permit the termination or acceleration of, or cause the loss of any rights or options under, any contract; or (b) require any authorization, consent or approval of, exemption or other action by, or notice to, any party to any contract.

4. Indemnification: Remedies.

4.1 HOLA agrees to indemnify, defend and hold harmless the Lakers and the NBA their respective affiliates, licensees, lenders and contractors, as well as each of their respective officers, directors, partners, shareholders, employees, agents, representatives, successors and assigns (the "Indemnitees"), from and against any and all liabilities, losses, costs, expenses (including reasonable attorneys' fees) and damages arising out of all acts of HOLA, its employees, agents, independent contractors and suppliers, and in connection with the use of the Court and/or the Gymnasium and the areas surrounding each, including, without limitation, any claims for property damage, any claims for personal injury, including death, to any person and from any claims brought against any of the Indemnitees.

4.2 HOLA agrees to maintain liability and property damage insurance in the amount of at least \$1,000,000.00 (combined single limits), covering all acts of HOLA, its employees, agents, independent contractors and suppliers. Lakers and HOLA agree that all such insurance shall be primary.

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All such policies of insurance shall name as additional insureds each of the Indemnitees. HOLA shall deliver to the Lakers a Certificate of Insurance evidencing such insurance on or before the commencement of the Term of this Agreement. Said Certificate shall provide that none of such insurance may be canceled without at least 30 days' prior written notice to the Lakers.

5.3 Survival. This Section 5 shall survive the termination of this Agreement.

5. Miscellaneous.

5.1 Amendments. This Agreement may be amended at any time and from time to time, but any amendment must be in writing and signed by each of the parties hereto.

5.2 Binding Effect. This Agreement shall be binding upon the parties hereto and their respective heirs, administrators, personal representatives, successors and assigns, provided that the right to the use of the Court Name, or any derivation thereof may not be assigned by HOLA, including by operation of law, without the prior written consent of the Lakers, which consent may be withheld in the sole and absolute judgment of the Lakers. Any assignment or attempted assignment by HOLA in violation of the provisions of the preceding sentence shall be void and of no force or effect and in such event the Lakers may revoke the right granted to HOLA to use the Court Name or any derivation thereof and the Lakers may terminate this Agreement.

5.3 NBA Rules. This Agreement is subject to the constitution, by-laws and all rules, regulations and policies of the NBA as they currently exist or as they may exist from time to time.

5.4 Approvals. In order to maintain the high standards, style, appearance, propriety and quality associated with the Lakers, before commencing reproduction or execution of any materials (including rough artwork and promotion concepts) using or referring to the Lakers Marks, HOLA shall submit such materials to the Lakers for approval in advance of production or execution. HOLA shall allow adequate time for the Lakers to approve, comment upon or express its disapproval thereof. After an item has been approved by the Lakers, HOLA shall not depart therefrom in any material respect without the further review and approval by the Lakers.

5.5 Trademark Ownership. No trademark, service mark or copyright involving the Lakers Marks may be procured in HOLA's name without written consent of the Lakers, and any such intellectual property rights in and to the Lakers Marks that may accrue to HOLA shall inure to the benefit of the Lakers and shall be assigned to the Lakers upon request. This Agreement is not intended to convey any trademark, copyright or other property right in or to the Lakers Marks and all incidents of ownership therein shall remain vested in the Lakers. HOLA further agrees that all Lakers identified materials, as well as promotional themes developed hereunder, shall be used solely during the term hereof and in furtherance of this Agreement, unless otherwise agreed to by the parties.

5.6 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

5.7 Entire Agreement. This instrument contains the entire agreement of the parties relating to the rights granted and the obligations assumed in this instrument. Any oral representations or modifications concerning this instrument shall be of no force or effect unless contained in a subsequent written modification signed by both parties.

## EXECUTION VERSION

5.8 Further Assurances. Each of the parties shall execute and deliver any and all additional papers, documents, and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties hereto.

5.9 Attorneys' Fees. If either party shall bring an action against the other by reason of any alleged breach of any covenant, provision or condition or otherwise arising out of this Agreement, the unsuccessful party shall pay to the prevailing party all attorneys' fees and costs actually incurred by the prevailing party, in addition to any other relief to which it may be entitled. As used in this Section, "actual attorneys' fees" or "attorneys' fees actually incurred" means the full and actual cost of any legal services actually performed in connection with the matter for which such fees are sought calculated on the basis of the usual fees charged by the attorneys performing such services, and shall not be limited to "reasonable attorneys' fees" as that term may be defined in statutory or decisional authority.

5.10 Governing Law. The laws of the State of California shall govern the validity of the Agreement, the construction of its terms and the interpretation of the rights and duties of the parties. In any action brought under or arising out of this Agreement, each of the parties hereby consents to the *in personam* jurisdiction of any state or federal court sitting in Los Angeles County, California, waives any claim or defense that such forum is not convenient or proper, and consents to service of process by any means authorized by California law.

5.11 Severability. Provided that the intent of the parties to this Agreement can still be carried out, if any provision of this Agreement shall be held to be void or unenforceable, the other provisions of this Agreement shall be severed therefrom and shall be enforced without regard to the void or unenforceable provision.

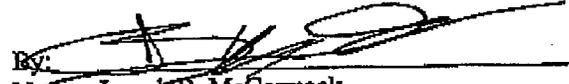
5.12 Waiver. No purported waiver by any party of any default by another party of any term or provision contained in this Agreement shall be deemed to be a waiver of such term or provision unless the waiver is in writing and signed by the waiving party. No such waiver shall in any event be deemed a waiver of any subsequent default under the same or any other term or provision contained in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

Lakers

**Approved as to Form  
Los Angeles Lakers  
Legal Department**

The Los Angeles Lakers, Inc.

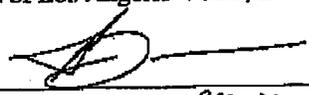
By: 

Name: Joseph B. McCormack

Its: Senior Vice President - Finance and CFO

HOLA

Heart of Los Angeles Youth, Inc.

By: 

Name: ANTHONY M. BROWN

Its: EXECUTIVE DIRECTOR