



3/16/2021

E8

City of San Juan Capistrano Agenda Report

TO: Honorable Mayor and Members of the City Council

FROM: Benjamin Siegel, City Manager

SUBMITTED BY: Charlie View, Assistant City Manager

DATE: March 16, 2021

SUBJECT: Request by Blenheim Facility Management for Use of Reata Park for Riding Park Equestrian Activity Parking and Waiver of Rental Fees.

RECOMMENDATION:

Approve request from Blenheim Facility Management for intermittent vehicle and trailer parking at Reata Park in support of equestrian events at the Rancho Mission Viejo Riding Park at San Juan Capistrano, and waive associated park rental fee.

DISCUSSION/ANALYSIS:

The City-owned Riding Park is located in the area known as the Eastern Open Space, at the southwest corner of Ortega Highway and Avenida La Pata (Attachment 1). The Eastern Open Space was purchased from the Rancho Mission Viejo Company in 2010. The Riding Park hosts equestrian events, soccer tournaments, and other sporting and community events. On February 2, 2021, the City Council approved the Second Amendment to the 2018 Riding Park Management Agreement to allow BFM to host equestrian events and other permitted activities during the 2021 season (Attachment 2). The agreement allows the 2021 equestrian show season to proceed as planned, as long as events are in compliance with all regulations and health guidelines associated with the COVID-19 pandemic. BFM successfully operated a limited show season in 2020 in compliance with public health guidelines.

Recent implementation of interim water quality measures at the Riding Park has reduced the overall area available for hosting large equestrian events. To accommodate the larger equestrian shows, BFM has requested limited use of a portion of Reata Park for parking of empty horse trailers and other vehicles related to the events. Due to its off-site location, BFM has indicated the parking areas at Reata Park would only be used if they cannot accommodate activities on-site and may not be necessary for each planned event. The

areas of Reata Park requested include underutilized parking areas, the area around the monument/U.S. flag, and open areas beyond the paddocks. If approved, BFM would use Reata Park for overflow parking intermittently from March through September 2021, for a maximum total of approximately 90 days. BFM parking would be modified or discontinued should it interfere with events planned for Reata Park. Access and security would be coordinated between City and BFM staff for the duration of any park use. Historically, the successful operation of an equestrian show season at the Riding Park brings participants, spectators, and show workers to the community and generates secondary financial benefits for San Juan Capistrano businesses such as restaurants, retail stores and hotels.

Typically, park rentals are subject to an hourly charge that varies depending on the size and type of activity. As required by the Management Agreement, BFM pays the City a management fee of \$20,000 per month for their use of the Riding Park to host various events, and staff recommends that the use of Reata Park for parking in support of show related activities be approved with no additional charge to BFM.

FISCAL IMPACT:

Approval of the recommended action would waive the park rental fee for exclusive use of limited portions of Reata Park. BFM remits to the City monthly revenue payments of \$20,000 for the events hosted at the Riding Park. Consistent with past practice, this revenue is appropriated to pay for the maintenance and operating expenditures of the entire Eastern Open Space area.

ENVIRONMENTAL REVIEW:

In accordance with the California Environmental Quality Act (CEQA), the recommended action is exempt from CEQA per Section 15061(b)(3), the general rule that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The use of an existing park facility and seeking a full fee waiver for facility rental fee is not an activity with potential to cause significant effect on the environment and therefore exempt from CEQA.

PRIOR CITY COUNCIL REVIEW:

Not applicable.

COMMISSION/COMMITTEE/BOARD REVIEW AND RECOMMENDATIONS:

Not Applicable.

NOTIFICATION:

Blenheim Facility Management, LLC

Mike Balsamo, Rancho Mission Viejo Company

Interested Parties Notification List

ATTACHMENTS:

Attachment 1 – Aerial Photo

Attachment 2 – Second Amendment to the 2018 Riding Park Management Agreement

Rancho Mission Viejo Riding Park
City of San Juan Capistrano



0 125 250 500 Feet

SECOND AMENDMENT TO RIDING PARK MANAGEMENT AGREEMENT

THIS SECOND AMENDMENT TO RIDING PARK MANAGEMENT AGREEMENT (the “**Amendment**”) is made by and between the City of San Juan Capistrano, a municipal corporation (“**City**”) and Blenheim Facility Management, LLC, a Delaware limited liability company (“**Company**”) as of February 2, 2021, with respect to the following facts:

A. City and Company are parties to that certain Riding Park Management Agreement dated as of January 1, 2018 (“**Agreement**”) for the operation, management and maintenance of the Rancho Mission Viejo Riding Park.

B. City and Company are parties to The First Amendment to Riding Park Management Agreement dated July 2, 2019 (“**First Amendment**”).

C. The First Amendment expired on December 31, 2019 and renewed on a month to month basis thereafter. The Parties now desire to extend the term of the Agreement.

IN CONSIDERATION OF THE FOREGOING, the parties agree as follows.

1. **Effective Date; Term.** Paragraph 1.1 of the Agreement is deleted in its entirety and restated as follows:

“Effective Date; Term. This Agreement shall be effective on February 2, 2021 (the “Effective Date”), but the term of Company’s management of the Riding Park Parcel pursuant to this Agreement shall be the “Management Term” set forth in Section 1.2. This Agreement shall terminate and be of no further force or effect as of 11:59 p.m. on December 31, 2021. At the City’s sole discretion, this Agreement may be extended for an additional twelve months, through December 31, 2022, unless sooner terminated pursuant to the terms of this Agreement (“**Termination Date**”).”

2. **Exhibit C.** In recognition of scheduling constraints due to the COVID-19 pandemic, a typical annual schedule of events is included as Exhibit C. Should similar events be scheduled through the course of the agreement term, Company shall not be required to remit Gross Revenue Fee to the City. The Gross Revenue Fee shall only apply to events not typically held at the facility and remitted to the City as set forth in Section 2.1.13.

3. **Affirmation.** Except as otherwise provided in the First Amendment and in this Second Amendment, the terms and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect.

4. **Necessary Acts.** Each Party shall perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Amendment.

5. **Entire Agreement; Amendments.** This Amendment is the entire agreement between the Parties concerning the subject matter hereof, and supersedes any prior negotiations, discussions, oral or written communications, or agreements between the Parties. The terms of

this Amendment may only be modified or amended by an instrument in writing executed by all Parties.

6. Reservation of Rights. Notwithstanding anything in this Amendment to the contrary, all claims and contentions of City and Company as set forth in the pleadings on file in the pending case of *City of San Juan Capistrano v. Tokio Marine Specialty Insurance Company and Blenheim Facility Management, LLC* filed in the Superior Court of the State of California, County of Orange as Case No. 30-2019-01061811-CU-IC-CJC are reserved.

(signature page to follow)

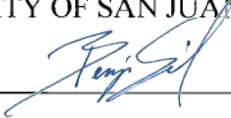
IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the day and year first written above.

“CITY”

CITY OF SAN JUAN CAPISTRANO

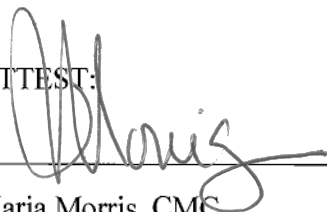
2/4/2021

Date


Benjamin Siegel

City Manager

ATTEST:


Maria Morris, CMC

City Clerk

APPROVED AS TO FORM:

Best Best & Krieger, LLP


Jeffrey Ballinger

City Attorney

“COMPANY”

BLENHEIM FACILITY MANAGEMENT, LLC

By: 

Robert Ridland

President

1/27/21
Date

Exhibit C

Typical Blenheim Facility Management Event Schedule

Exhibit C

Blenheim Facility Management Event Schedule

2019	MOVE IN	EVENT DATES	MOVE OUT	EVENTS:	AREA STATUS:	
				*Equestrian, *Tournament Dates (Soccer), *Community Event	GRASS FIELDS	SAND RINGS
August						
	7/2	Aug 3-4	8/5	EQUESTRIAN: Robin Serfass/Victory III	Grass Field: (1) Grass Ring	All Sand Rings
	8/5	Aug 8 PM, Aug 10		COMMUNITY EVENT: Two-Stepping Under the Stars	(8/9 pm - Sponsor Appreciation) (8/10 - Community Event Day)	Not Available Ring Prep
	8/13	Aug 14-18	8/19	EQUESTRIAN: Blenheim Summer Classic	All Grass Rings	All Sand Rings
	8/19	Aug 24-25	9/5	COMMUNITY EVENT: Rancho Mission Viejo Rodeo	All Grass Field	Not Available During Rodeo
September						
Labor Day 9/2		Aug. 31-Sept 1			GRASS Fields Maintenance-following Rodeo Use.	
	9/8	Sept 7-8	9/8	EQUESTRIAN: Victory Horse Show 4	GRASS Fields Maintenance/Rest	All Sand Rings
	9/10	Sept 11-15	9/16	EQUESTRIAN: Blenheim Fall Tournament	All Grass Rings	All Sand Rings
	9/17	Sept 18-22	9/23	EQUESTRIAN: Blen. Int. Jumping Festival	All Grass Rings	All Sand Rings
	9/27	Sept 28-29	9/30	SOCCER: LEAGUE PLAY	Shared Event Dates - see below	
	9/27	Sept 28-29	9/30	EQUESTRIAN: Victory Horse Show 5		All Sand Rings
October						
	10/4	Oct 5-6	10/7	SOCCER: LEAGUE PLAY		
		Oct 5-6				
	10/11	Oct 12-13	10/14	SOCCER: LEAGUE PLAY	Shared Event Dates - see below	All Sand Rings
	10/11	Oct 12-13	10/13	EQUESTRIAN: IEL 1 & 2		All Sand Rings
	10/18	Oct 19-20	10/21	SOCCER: LEAGUE PLAY		
		Oct 19-20				
	10/21 & 22nd Warmup	Oct 23-27	10/27	EQUESTRIAN: Orange County Horse Show Association (OCHSA Finals)	Shared Event Dates - see below	All Sand Rings
	10/25	Oct 28-27	10/28	SOCCER: LEAGUE PLAY		All Sand Rings
November						
	11/1	Nov 2-3	11/4	SOCCER: LEAGUE PLAY		
	11/1	Nov 2-3				
	11/8	Nov 9-10	11/11	SOCCER: LEAGUE PLAY	Shared Event Dates - see below	
		Nov 9-10		EQUESTRIAN: IEL 3 & 4		All Sand Rings
	11/15	Nov 16-17	11/18	SOCCER: LEAGUE PLAY		
		Nov 16-17				
	11/22	Nov 23-24	11/25	SOCCER: LEAGUE PLAY		
Thanksgiving 11/28		Nov 30-Dec 1				
December						
		Nov 30-Dec 1				
		Dec 7-8		SOCCER: LEAGUE PLAY	Shared Event Dates - see below	
		Dec 7-8		EQUESTRIAN: IEL 5 & 6		All Sand Rings
		Dec 14-15			GRASS Fields Maintenance/Rest	
Christmas 12/25		Dec 21-22				
		Dec 28-29				
2019 CALENDAR: SJC_6/21/2019						
Event Schedule Subject to Change.					KEY:	
					Community Event	BFM/BES Shows: Quick Move OUT/IN
					Maintenance / Rest	Available
					In Use / Not Available	Event/Use Change