



City of Culver City

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Staff Report

File #: 18-0721, **Version:** 1

Item #: C-17.

CC - (1) Consideration of A Financial Contribution to the Nike Epic React 10k in an Amount Not-to-Exceed \$1,000; (2) Consideration of Designation of the Nike Epic React 10K as a City Sponsored Event; (3) Approval of a Reimbursement Agreement for the Reimbursement of City Costs Exceeding \$1,000; and (4) Approval of Related Street Closures.

Meeting Date: January 22, 2018

Contact Person/Dept: Jesse Mays, Assistant to the City Manager

Phone Number: (310) 253-6000

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☒

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (01/17/18);

Department Approval: John Nachbar, City Manager (01/17/18)

RECOMMENDATION

Staff recommends the City Council (1) consider a financial contribution to the Nike Epic React 10k event in an amount not-to-exceed \$1,000; (2) consider designating the Nike Epic React 10k event as a City-sponsored event; (3) approve a reimbursement agreement for the reimbursement of City costs exceeding \$1,000; and (4) approve related street closures.

BACKGROUND/DISCUSSION

At the January 8, 2018 City Council meeting, Nike requested and the City Council granted consideration of City sponsorship for the Nike Epic React 10k running event being planned for April 22, 2018. This event was created after the close of the application period for the Special Events Grants Program allocations for the period during which the event is scheduled to occur.

Nike Epic React 10K

Nike is planning a 10k running event to be held on Sunday, April 22, 2018 (which is Earth Day). The course would be a loop along the SR-90 freeway, which will be closed to traffic, with the start and end in Culver City. 10,000 runners are expected to attend. An Athlete's Village will be established in the parking lot of the Westfield Culver City mall. It will include bike parking, a kid's zone, bag check, bathrooms, spectator viewing, finisher merchandise, DJs & musical artists, athlete appearances, medical services, race solutions and results, and pre- and post-race food and beverages.

Nike will promote alternative transportation options to arrive at the event. Bike racks will be available in the Athlete Village. Nike will encourage patrons to take Culver City Bus, Metro Bus, and ride share services. Community partners will receive transportation in Nike provided shuttles. Nike is in discussions with Westfield about auto parking on the site of the mall.

Nike has an extensive outreach plan to inform the community about the race and planned street closures beforehand, including direct contact with adjacent businesses, hotels, residential buildings, and neighborhood groups; direct mail to addresses in impacted area codes; planned distribution of 20,000 door hangers; ads in the Culver City Newspaper, as well as email communications.

Nike will be working with other local jurisdictions on event planning, including the State, County, and City of Los Angeles. California Highway Patrol will assist with security on SR-90 itself, and LA County Sheriff and LAPD will provide security within their respective jurisdictions.

Proceeds from the race will go to local community organizations such as Culver City Unified School District, Culver Closets, Backpack for Kids, and Marathon Kids. Funds will be used to get more kids ages 7-12 moving through sport. Other community benefits include: financial investment and footprint growth by Nike in Culver City; a focus on women and women's health and fitness; economic activity for the area; and reinforcing Culver City's image as a destination for high-profile events.

Additional information, including maps, are available in the attached information packet.

City Assistance

Nike has requested the following City assistance for the event:

1. Approval of full and partial surface street closures, including portions of Slauson Avenue between Sepulveda Blvd and Bristol Parkway, Hannum Avenue between Playa Street and Fox Hills Parkway, SR 90 between Slauson Avenue and Mindanao Way, and Mindanao Way between EB Mindanao Way and SR 90 on ramps.
2. City to serve as the applicant for the purposes of applying for a Caltrans permit to temporarily close SR-90 during the event.
3. City to help with the coordination of emergency action plans and resources (Police Department and Fire Department) as well as street closures (Public Works Departments and Police Department).

If sponsorship is approved by City Council, City Departments will coordinate with Nike to plan, prepare and promote the event.

Financial Assistance

Nike plans to reimburse the City for expenses related to this event such as permit fees, and staff time outside of regular business hours. The City would contribute to the costs of the event through the purchase of a one-day special event insurance policy for the City, estimated to cost \$2,625. The City would seek reimbursement from Nike for the amount of the insurance policy above the \$1,000 contribution (that is, \$1,625). The City would also contribute in-kind staff time during regular business hours, and does not plan to seek reimbursement from Nike for this cost.

City Sponsorship

To be categorized as a “sponsored” event by the City, an event must meet the criteria set forth in Culver City Municipal Code (CCMC) Section 17.330.040.B.7.b.ii., confirming that the City is (a) participating in an official capacity in the planning, preparation or promotion of the event or activity; and (b) contributing 25% of the total estimated costs of the civic event or activity or at least \$1,000, whichever is less. This contribution may take the form of funds, labor, staff time, materials, a waiver of fees, or any combination thereof.

The CCMC requires both (a) and (b) conditions be satisfied. Additionally, City Council Policy requires that in order for an event to be considered City sponsored, the City Council must determine, by specific action, that the above criteria have been met.

If approved by City Council, staff from the City Manager’s office, Police Department, Fire Department, Public Works Department, Community Development Department, and Transportation Department will be working with Nike to plan and prepare the event. Staff will also help to promote this event through the City’s website, social media, and e-mail. This would satisfy condition (a). Should the City Council determine to provide support in an amount of at least \$1,000 (e.g. the one day event insurance policy plus staff time during regular business hours), then condition (b) will be satisfied also and the Nike event may be designated a City sponsored event.

Street Closures

The Nike Epic React 10k involves use of the public rights-of-way on Slauson Avenue and Hannum Avenue, as well as the SR 90 Marina Freeway (under the jurisdiction of Caltrans) and Mindanao Way (under the jurisdiction of Los Angeles County). The complete closure of these streets will occur approximately as follows:

- Slauson Avenue:
 - Sepulveda Boulevard to SR-90 on Ramp: 4/21/18 at 10:00 p.m. to 4/22/18 at 12:00 p.m.

- SR-90 to Bristol Parkway: 4/22/18, 3:00 a.m. to 10 a.m.
- Hannum Avenue:
 - Playa Street to Fox Hills Parkway: 4/21/18 at 10:00 p.m. to 4/22/18 at 1:00 p.m.
- SR 90 Marina Freeway:
 - Slauson Avenue to Mindanao Way: 4/22/18, 3:00 a.m. to 10:00 a.m.
- Mindanao Way:
 - Eastbound Mindanao Way to SR 90 On Ramps: 4/22/18, 3:00 a.m. to 10:00 a.m.

Staff will finalize the details of the precise street closure times and locations with Nike. Nike has requested that the City serve as the primary applicant to Caltrans for a permit to temporarily close the SR-90 freeway. If approved by City Council, the City Manager would authorize Nike to apply for, obtain, and act on behalf of the City for the purposes of obtaining this permit. Nike will apply to Los Angeles County for the closure of Mindanao Way.

FISCAL ANALYSIS

Nike plans to reimburse the City for expenses related to this event such as permit fees and staff time outside of normal business hours. The City has received a quote of \$2,625 for the purchase of a one-day special event insurance policy for the event. Staff is requesting City Council authorize an allocation of \$3,000 for the purchase of this insurance, which includes an additional contingency in case the actual amount of the insurance is higher than the quoted. The City will seek reimbursement from Nike for the cost of the policy above \$1,000, so that the net fiscal impact to the City will be \$1,000. If approved, funds will be allocated from appropriated reserves.

ATTACHMENTS

1. 2018-01-22 Nike Epic React 10k Information Packet

MOTION

That the City Council:

1. Approve financial assistance (a) in the amount of \$3,000 for the Nike Epic React 10k running event for the purchase of a one-day special event insurance policy for the City for the event, and (b) in the form of in-kind City staff time related to planning, preparation, and promotion of the event; and,
2. Designate the Nike Epic React 10K running event as a City-sponsored event; and,
3. Approve the street closures as indicated in the staff report; and,
4. Approve a reimbursement agreement with Nike for the reimbursement of City costs exceeding \$1,000; and,

5. Authorize the City Attorney to review/prepare the necessary documents; and,
6. Authorize the City Manager to execute such documents on behalf of the City.