#### CITY OF LOS ANGELES

#### INTER-DEPARTMENTAL CORRESPONDENCE

C.F. No. 15-0989

Date: September 6, 2019

To: Honorable Members of the Ad Hoc Committee on the 2028 Olympics and

Paralympic Games

From: Richard H. Llewellyn, Jr., City Administrative Officer

Sharon M. Tso, Chief Legislative Analyst

Subject: PROPOSED AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF LOS ANGELES, LOS ANGELES 2024 EXPLORATORY COMMITTEE, AND THE UNITED STATES OLYMPIC COMMITTEE REGARDING THE LOS ANGELES ORGANIZING COMMITTEE

OF THE 2028 OLYMPIC AND PARALYMPIC GAMES

## **RECOMMENDATIONS**

That the Council:

- AUTHORIZE the Mayor and the Council President to execute the Amendment to the Memorandum of Understanding between the City, the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games, formerly referred to as the Los Angeles 2024 Exploratory Committee, and the United States Olympic and Paralympic Committee;
- REQUEST the City Attorney to prepare and present to Council and Mayor an ordinance creating a new special fund for the receipt and expenditure of funds in support of the 2028 Youth Sport Participation Partnership Agreement; and,
- 3. INSTRUCT the City Administrative Officer, Chief Legislative Analyst, and Department of Recreation and Parks, and REQUEST the City Attorney, to submit a report to Council in four weeks with an update regarding the progress and status of the Youth Sport Participation Partnership Agreement.

#### **SUMMARY**

On August 11, 2017, the City Council approved actions to support efforts by the Los Angeles 2024 Exploratory Committee, subsequently reorganized to form the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games (LA 2028), in order to bring the 2028 Olympic and Paralympic Games (2028 Games) to Los Angeles (C.F. 15-0989). This Council action included approval of the Host City Contract and a Memorandum of Understanding (MOU)

between the City of Los Angeles, United States Olympic Committee (USOC), and LA 2028 (collectively, the Parties).

On August 16, 2017, the Parties entered into the MOU which memorializes the relationship, roles, and responsibilities of the Parties relative to hosting the 2028 Games. The MOU provides financial and risk management protections to the City, reporting and transparency requirements, and other actions governing administration of the 2028 Games.

Among the requirements of the MOU was the agreement that the Parties shall cooperate to negotiate, obtain all necessary approvals for, and enter into the Los Angeles 2028 Games Agreement (Games Agreement) by September 14, 2019. This Games Agreement shall include, among other items, the general terms of the MOU, processes for the delivery of municipal services in support of the 2028 Games and associated reimbursements, as well as contractual obligations relating to LA 2028's support of a youth sports program in the City.

The Parties have been cooperating in good faith to negotiate and obtain the approvals necessary to enter into a Games Agreement as well as a Youth Sport Participation Partnership (YSPP) Agreement. The YSPP Agreement will delineate the contractual obligations relating to support of a youth sports program by LA 2028. As negotiations regarding the Games Agreement and YSPP Agreement continue, the Parties have determined that additional time to review key issues is needed. Approval of the proposed Amendment to the MOU will extend the deadline to enter into the Games Agreement and associated YSPP Agreement by six months, from September 14, 2019 to March 14, 2020.

The YSPP Agreement will include the terms of support by LA 2028 for a youth sports program that aims to significantly enhance opportunities for the City's youth to access City sport programming. The City Attorney advises that while the anticipated Games Agreement is structured to serve as an overarching agreement which would include the YSPP Agreement as an exhibit, the City may enter into the YSPP Agreement separately and prior to execution of the Games Agreement. Concurrent approval of the Games Agreement and YSPP Agreement is not a requirement of the MOU. In the interest of establishing the youth sports program and executing a YSPP Agreement at the earliest date possible, the Parties intend to prioritize the negotiations and review of key issues pertaining to the youth sports program. It is recommended that the City Administrative Officer, Chief Legislative Analyst, Department of Recreation and Parks, and the City Attorney submit a report to Council in four weeks with an update regarding the progress and status of the YSPP Agreement.

In preparation for the implementation of the youth sports program, actions are needed to establish a special fund for the receipt and expenditure of funds in accordance with the anticipated YSPP Agreement. Therefore, it is recommended to request the City Attorney to draft an ordinance to establish a special fund for this purpose.

### FISCAL IMPACT STATEMENT

There is no fiscal impact resulting from the recommendations in this report.

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Attachment: Amendment to Memorandum of Understanding Between the City of Los Angeles, Los Angeles

2024 Exploratory Committee and the United States Olympic Committee Regarding the Los Angeles

Organizing Committee of the 2028 Olympic and Paralympic Games

# AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LOS ANGELES, LOS ANGELES 2024 EXPLORATORY COMMITTEE AND

# THE UNITED STATES OLYMPIC COMMITTEE REGARDING THE LOS ANGELES ORGANIZING COMMITTEE OF THE 2028 OLYMPIC AND PARALYMPIC GAMES

This Amendment to the Memorandum of Understanding between the City of Los Angeles, Los Angeles 2024 Exploratory Committee and the United States Olympic Committee Regarding the Los Angeles Organizing Committee of the 2028 Olympic and Paralympic Games (this "Amendment") is made and entered into as of the date of the last signature set forth below by and among the City of Los Angeles, a municipal corporation (the "City"), the United States Olympic and Paralympic Committee, formerly known as the United States Olympic Committee, a Congressionally chartered nonprofit corporation (the "USOPC"), and the Los Angeles Organizing Committee of the 2028 Olympic and Paralympic Games (the "OCOG"), a California nonprofit public benefit corporation, the successor in interest of the Los Angeles 2024 Exploratory Committee, a California nonprofit public benefit corporation which began doing business as the Los Angeles 2028 Candidature Committee on July 31, 2017 ("LA28"). Collectively, these entities shall be known herein as the "Parties" or individually as a "Party."

#### WITNESSETH

WHEREAS, on August 16, 2017, the Parties entered into a certain Memorandum of Understanding Regarding the Los Angeles Organizing Committee of the 2028 Olympic and Paralympic Games ("MOU") to memorialize the relationship, roles, and responsibilities between and among the Parties with respect to hosting the 2028 Olympic and Paralympic Games ("2028 Games");

WHEREAS, the MOU provided that in the event the City was selected by the International Olympic Committee (the "<u>IOC</u>") to host the 2028 Games, LA28 would be reconstituted into the OCOG, and that the OCOG would be the successor in interest of LA28 and be bound by all of LA28's rights, responsibilities, duties, and obligations;

WHEREAS, on September 13, 2017, the IOC approved the City of Los Angeles as the host of the 2028 Games;

WHEREAS, once the City of Los Angeles was awarded the opportunity to host the 2028 Games, the Parties began cooperating with one another and the OCOG in good faith to negotiate and obtain necessary approvals for entering into a definitive Los Angeles 2028 Games Agreement;

WHEREAS, the Parties continue to cooperate and negotiate in good faith and obtain necessary approvals for entering into a definitive Los Angeles 2028 Games Agreement;

WHEREAS, the Parties are desirous of extending the deadline to enter into the Los Angeles 2028 Games Agreement, initially stated in the MOU as September 14, 2019, to March 14, 2020;

NOW THEREFORE, the Parties hereby agree that the MOU be amended as follows:

- 1. Section 3, "Cooperation," is hereby deleted in its entirety and replaced with the following:
  - Section 3. <u>Cooperation</u>. In the event that the City is awarded the opportunity to host the 2028 Games, the Parties shall cooperate with one another and the OCOG in good faith to negotiate, obtain all necessary approvals for and enter into the Los Angeles 2028 Games Agreement no later than March 14, 2020. This Los Angeles 2028 Games Agreement shall include the terms of the OCOG's support for a youth sports program that will aim to significantly enhance the opportunities for the City's youth to access City sport programming.
- Except as amended by this Amendment, all other terms and conditions of the MOU shall remain in full force and effect.
- 3. This Amendment consists of 4 pages. The MOU is hereby incorporated by reference, in its entirety, into this Amendment.
- 4. In the event of an inconsistency between any of the provisions of this Amendment, or an inconsistency between this Amendment and MOU, the inconsistency shall be resolved by giving precedence in the following order:
  - 1) This Amendment;
  - 2) Memorandum of Understanding Regarding the Los Angeles Organizing Committee of the 2028 Olympic and Paralympic Games.

### [Signature page follows.]

(Remainder of page intentionally left blank.)

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives and affixed as of the date of signature of the Parties:

# THE CITY OF LOS ANGELES

By:	By:
ERIC GARCETTI	HERB J. WESSON, JR.
Mayor, City of Los Angeles	President, Los Angeles City Council
Date:	Date:
APPROVED AS TO FORM:	ATTEST:
MICHAEL N. FEUER, City Attorney	HOLLY L. WOLCOTT, City Clerk
Ву:	By:
Date:	Date:
By:CASEY WASSERMAN	
Chairperson	
Date:	
UNITED STATES OLYMPIC AND PA	RALYMPIC COMMITTEE
Ву:	Ву:
SUSANNE LYONS	SARAH HIRSHLAND
Chairperson	Chief Executive Officer
Date:	Date:

#### Exhibit A

#### **Addresses for Notices**

### THE CITY OF LOS ANGELES

Eric Garcetti Los Angeles Mayor 200 North Spring Street Los Angeles, CA 90012

Michael N. Feuer Los Angeles City Attorney 200 North Main Street, Suite 800 Los Angeles, CA 90012-4137

Richard H. Llewellyn, Jr. City Administrative Officer 200 North Main Street, Suite 1500 Los Angeles, CA 90012-4137

Sharon M. Tso Chief Legislative Analyst 200 North Spring Street, Room 255 Los Angeles, CA 90012-4137

Holly L. Wolcott City Clerk 200 North Spring Street, Room 360 Los Angeles, CA 90012-4137

#### LOS ANGELES 2028 CANDIDATURE COMMITTEE

Brian E. Nelson General Counsel 10960 Wilshire Boulevard, Suite 1050 Los Angeles, CA 90024

## UNITED STATES OLYMPIC AND PARALYMPIC COMMITTEE

Chris McCleary General Counsel 1 Olympic Plaza Colorado Springs, CO 80909