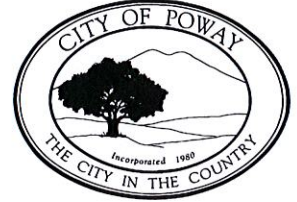


CITY OF POWAY

DON HIGGINSON, Mayor
JIM CUNNINGHAM, Deputy Mayor
MERRILEE BOYACK, Councilmember
DAVE GROSCH, Councilmember
JOHN MULLIN, Councilmember



January 20, 2011

Laura S. Gill
City Manager
City of Elk Grove
8401 Laguna Palms Way
Elk Grove, CA 95758

Dear Ms. Gill:

It is my understanding that the City of Elk Grove is planning to develop a premier, state-of-the-art sports park as part of a 15-acre sports complex located in the City's future Civic Center complex.

The City of Poway has a long-standing partnership with Sportsplex USA for a similar complex located in the Poway Business Park. We are very pleased with the relationship, and feel that it is a win-win situation for everyone involved. The facility is heavily used for youth and adult activities alike, though not necessarily at the same time. Sportsplex USA offers a family atmosphere with something for everyone. The facility offers a wide variety of activities, such as adult softball leagues, arena soccer, and batting cages. In many ways, Sportsplex USA fills a unique niche by providing programs and services that the City of Poway could not otherwise offer. In particular, their adult athletic activities successfully address the needs of that target audience. Additionally, Sportsplex USA also offers youth sports camps, tournaments, and corporate events.

While the City of Poway paid for the construction of the sports complex, Sportsplex USA leases the facility from the City of Poway and is responsible for the ongoing maintenance and improvements. Participants pay a fee to use the park's amenities and to participate in the leagues. The terms of the lease agreement are such that Sportsplex USA pays the City of Poway a percent of the gross revenues from the user fees and concession sales. Sportsplex USA has continued to invest in the complex; most recently making improvements to the batting cages, installing new dugout roofs and remodeling the sports pub at the park. The relationship has worked well for both partners.

Again, the City of Poway is very pleased with Sportsplex USA and finds them to be a responsible and effective community partner.

Sincerely,

A handwritten signature in blue ink that reads "Tina White". The signature is fluid and cursive.

Tina White
Assistant City Manager