



August 26, 2021

The Honorable Nancy Skinner, Chair  
Joint Legislative Budget Committee  
Senate Budget and Fiscal Review Committee

The Honorable Toni Atkins  
Senate President pro Tempore

The Honorable Lorena Gonzalez, Chair  
Assembly Appropriations Committee

The Honorable Philip Ting, Chair  
Assembly Budget Committee

**RE: Department of Parks and Recreation, Operating Agreement with Marconi Conference Center Operating Corporation for Operation of Marconi Conference Center State Historic Park (SHP)**

The following notification is respectfully submitted in accordance with the requirements of Public Resources Code §5080.40:

*(a) No operating lease or agreement shall be entered into, or amended, pursuant to this article unless at least 30 days' written notice and a copy of the proposed operating lease or agreement, or amendment, has been provided by the director to the Joint Legislative Budget Committee.*

*(b) The director shall include with the proposed lease or agreement or amendment sufficient documentation to enable the Joint Legislative Budget Committee to evaluate fully the estimated operating costs and revenues and all terms upon which the lease or agreement or amendment is proposed to be entered into. Specifically, the documentation shall identify both of the following:*

*(1) Any anticipated costs to the state for operation or development under the lease or agreement or amendment and the anticipated state share of total operation and development costs.*

*(2) The anticipated annual revenues, net of operation costs, for the unit and the state's share of these revenues.*

In accordance with the above, the Department hereby provides the Joint Legislative Budget Committee with notice of the proposed 55-year operating agreement with Marconi Conference Center Operating Corporation (MCCOC) to operate, develop, and maintain the Marconi Conference Center State Historic Park.

Page 2

Marconi Conference Center SHP, Operating Agreement

Consistent with these notification requirements, the Department has enclosed the proposed operating agreement and identified anticipated costs and revenues associated with this proposal.

Anticipated Costs

State may process up to six Project Evaluation Forms (PEF's) annually, up to \$100,000 per maintenance project, to the level of a Notice of Exemption. State anticipates the number of hours needed to process the PEF's to be minimal.

Anticipated Annual Revenue

During the 55-year term it is anticipated the average annual net revenue to the MCCOC sub-operator will be \$825,950.

There is no predetermined share of revenue to State; however, starting year five and continuing once every five years thereafter, MCCOC and State shall review the Trust Fund account balances and financial needs of the Premises. If MCCOC and State determine the Facility Maintenance and Improvement Account balances exceed the needs of the Premises, MCCOC and State may request a transfer to be paid as additional rent to MCCOC and/or State.

If you have any questions or need additional information regarding this request, please contact me at (916) 653-8380.

Sincerely,

DocuSigned by:  
  
CBA9195DD11C4CB...  
Liz McGuirk  
Chief Deputy Director  
California State Parks

Enclosure: Proposed Operating Agreement

cc: Members of the Joint Legislative Budget Committee  
The Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review,  
Subcommittee No. 2  
The Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3  
Keely Martin Bosler, Director, Department of Finance  
Matt Almy, Program Budget Manager, Department of Finance  
Gabriel Petek, Legislative Analyst  
Christopher Woods, Chief Fiscal Policy Advisor, Senate President pro Tempore's  
Office  
Jason Sisney, Assembly Speaker's Office  
Hans Hemann, Principal Consultant, Joint Legislative Budget Committee  
Jessica Bartholow, Chief of Staff, Senator Skinner

Page 3

Marconi Conference Center SHP, Operating Agreement

Brendan Hughes, Chief of Staff, Senator Portantino  
Darin Walsh, Chief of Staff, Senator Pan  
Bethany Renfree, Legislative Director, Senator Durazo  
Aracely Campa de Ramirez, Chief of Staff, Senator Caballero  
Michelle Reyes, Legislative Director, Senator Laird  
Dante Golden, Legislative Aide, Senator Laird  
Kevin Bassett, Chief of Staff, Senator Bates  
Lindsey Dietz, Chief of Staff, Senator Grove  
Colin Sueyres, Legislative Director, Senator Nielsen  
Guy Strahl, Chief of Staff, Assemblymember Bloom  
Irene Ho, Chief of Staff, Assemblymember Ting  
Eusevio Padilla, Chief of Staff, Assemblymember Arambula  
Maria Alvarez, Chief of Staff, Assemblymember McCarty  
Matthew Montgomery, Chief of Staff, Assemblymember Luz Rivas  
Sam Chung, Chief of Staff, Assemblymember Fong  
Joshua Hoover, Capitol Director, Assemblymember Kiley  
Kerida Moates, Legislative Director, Assemblymember Kiley  
Elisa Wynne, Deputy Staff Director, Senate Budget and Fiscal Review  
Joe Stephenshaw, Staff Director, Senate Budget and Fiscal Review  
Christian Griffith, Chief Consultant, Assembly Budget Committee  
Nicole Vazquez, Deputy Chief Consultant, Assembly Budget Committee  
Kirk Feely, Fiscal Director, Senate Republican Fiscal  
Joseph Shinstock, Chief Consultant, Assembly Republican Caucus  
Jason De Wall, Acting Deputy Director, Park Operations, Department of Parks and Recreation  
Will Schaafsma, Deputy Director, Administrative Services, Department of Parks and Recreation  
Mathew Millspaugh, Acting Chief, Partnerships Division, Department of Parks and Recreation