

City Council Introduction: 1/8/18

BILL NUMBER: 18R-9

Public Hearing: 1/22/18

Date Factsheet Prepared:

## FACTSHEET

**TITLE:** Operating Agreement for Woods Tennis Center

**BOARD/COMMITTEE:**

**APPLICANT:** Parks and Recreation Department

**RECOMMENDATION:**

**STAFF RECOMMENDATION:** Approval

**OTHER DEPARTMENTS AFFECTED:**

**SPONSOR:** Parks and Recreation Department

**OPPONENTS:**

### REASON FOR LEGISLATION

Approval of an Operating Agreement between the City of Lincoln on behalf of the Parks and Recreation Department and Friends of Woods Tennis, Inc. governing operation of the new Woods Tennis Center facility for a ten year term.

**DISCUSSION / FINDINGS OF FACT:** The City has entered into a number of operating agreements with the Friends of Woods Tennis and its predecessor Woods Park Tennis Corporation. The proposed agreement follows construction of and includes the new six-court indoor tennis facility. The term of the operating agreement Term: 10 years, with the opportunity to enter into a separate lease agreement at any time. The 10 year period coincides with a separate 10-year agreement with LPS for pre-paid use of the facility (\$100,000) to be directed to the capital improvement project and endowment for the indoor tennis facility. Friends of Woods Tennis (FOWT) will pay to the City 5% of gross revenues, payable quarterly. Payments are to be placed in a capital improvement fund for the Woods Tennis Center. \$20,000 in annual payments for the first five years of the agreement will be sent to the Lincoln Parks Foundation for the Woods Park Indoor Tennis Facility endowment fund, for a total of \$100,000. Fees are to be reviewed and approved by the Mayor by EO. FOWT is responsible for operation and routine maintenance of the facility. FOWT will be responsible for clearing snow from the access walks. Parks and Recreation will be responsible for clearing snow from the parking lot. Parks and Recreation will be responsible for paying trash removal expenses, because the dumpster serves a number of facilities in Woods Park. Parks and Recreation will assist FOWT in installation and removal of windscreens on tennis court fences. Replacement windscreens will be funded from the Woods Tennis Center CIP fund. FOWT is responsible for paying all utility expenses. Rules and regulations, and hours of operation are to be reviewed and approved by the Parks and Recreation Director prior to adoption by FOWT. FOWT is responsible for routine repair and replacement of plumbing, lighting, and mechanical systems. City will provide FOWT up to \$3,000 per year for filling sealing cracks on the outdoor courts. FOWT will be responsible for routine repair and replacement expenses associated with the outdoor courts up to an annual maximum cost of \$3,000 during the first five years of the agreement. After the first five years, if annual costs are expected to exceed \$3,000, the parties will meet to discuss a funding approach. Future repair of retaining walls and in-kind replacement of the southern six courts is the responsibility of the City. (Funds are being held in the Parks and Recreation CIP for this purpose. There are ongoing conversations with FOWT regarding the standards that will be used in laying out the replacement courts. If the decision is to increase the space between the courts, FOWT will need to fund the added costs.)

**POLICY OR PROGRAM CHANGE:**    \_\_\_ Yes        X No

**OPERATIONAL IMPACT ASSESSMENT:** The proposed operating agreement is a continuation of prior agreements for operation of the Woods Tennis Center by FOWT.

**COST OF TOTAL PROJECT:**

**RELATED ANNUAL OPERATING COSTS:** Up to \$3,000 per year for filling and sealing cracks in the outdoor courts.

**SOURCE OF FUNDS:**

**CITY:** Up to \$3,000 annually from Woods Tennis Center CIP fund

**NON CITY:**

**FACTSHEET PREPARED BY:**

**REVIEWED BY:** Lynn Johnson

**DATE:**

**DATE:** 1/4/18, updated 1/8/18