



City of Grand Island

Tuesday, October 14, 2014

Council Session

Item G-11

#2014-317 - Approving Agreement with the Grand Island Tennis Association to Lease Racquet Center Property

Staff Contact: Todd McCoy

Council Agenda Memo

From: Todd McCoy, Parks and Recreation Director

Meeting: October 14, 2014

Subject: Consideration to Approve New Racquet Center/Tennis Association Lease Agreement

Item #'s: G-11

Presenter(s): Todd McCoy, Parks and Recreation Director

Background

In May of 2010 City Council approved a lease agreement with the Grand Island Tennis Association to operate the City owned Grand Island Racquet Center Property located at 2204 Bellwood Drive. For a fee of one dollar per month the Tennis Association agreed to operate and maintain the facility for tennis activities and make planned improvements to the property.

Since 2010, the Tennis Association has maintained the Racquet Center property by paying for repairs, utilities costs, mowing, snow removal, etc. They made several improvements to the indoor courts, lights, front desk, and more.

Discussion

The Tennis Association has recently changed some of their goals for additional tennis facilities in Grand Island. Instead of building outdoor courts at the Racquet Center as originally planned in the lease agreement, the Tennis Association would like to provide financial support to the City to build a new outdoor tennis complex at Ryder Park for public use. The Parks and Recreation Department has budgeted \$175,000 in support of the Ryder Park tennis court project in the 2014-15 City budget.

With the before mentioned changes and the original agreement set to expire within a year, the Parks and Recreation Department is recommending a new five year lease agreement with the Tennis Association. Like the original agreement, the new lease requires facility upkeep and the management of tennis related activities at the Racquet Center property.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that City Council approve the resolution authorizing the new lease agreement with the Grand Island Tennis Association to operate the City owned Grand Island Racquet Center Property located at 2204 Bellwood Drive for an additional five year period.

Sample Motion

Move to approve the resolution authorizing the new lease agreement with the Grand Island Tennis Association to operate the City owned Grand Island Racquet Center Property located at 2204 Bellwood Drive for an additional five year period.

LEASE AGREEMENT

This Lease Agreement made between the **CITY OF GRAND ISLAND, NEBRASKA**, a Municipal Corporation, hereinafter called the “Lessor” and the **GRAND ISLAND TENNIS ASSOCIATION**, hereinafter called the “Lessee”.

WITNESSETH:

I.

That, in consideration of the covenants herein contained on the part of the Lessee to be observed and performed, the Lessor does hereby demise and lease unto the Lessee all that tract and parcel of land and improvements described as the Grand Island Racquet Center located at 2204 Bellwood Drive, Grand Island, Hall County, Nebraska.

To have and to hold said premises unto Lessee for a term of five (5) years beginning September 10, 2014. It is expressly understood and agreed by and between the parties that either party shall have the absolute right to provide to the other party ninety (90) days written notice to terminate the lease without any cause, at any time during the five (5) year period.

Lessee shall pay as rent therefore the sum of One Dollar (\$1.00) per month due and payable beginning on the tenth day of September, 2014, and on the first day of each month thereafter.

II.

The Lessee, for themselves, does hereby covenant with the Lessor:

- a. That the Lessee will pay the said rent at the times and the manner aforesaid, except only in the case of fire or other unavoidable casualty as hereinafter provided.
- b. The Lessee will not allow for any liens or encumbrances to be placed upon the property or improvements of the Lessor.
- c. The Lessee shall provide a comprehensive general public liability insurance policy in the amount of at least One Hundred Thousand Dollars (\$100,000.00) for one person or Three Hundred Thousand Dollars (\$300,000.00) for any one accident involving injury to more than one person, and property damage of not less than Fifty Thousand Dollars (\$50,000.00) for any one accident. The Lessee shall list the Lessor as an additional insured on its general public liability insurance policy.

- d. The Lessee will promptly pay for all utility bills which may become payable during the continuance of this Lease Agreement for all utilities used on said premises.
- e. The Lessee will keep the building and premises, including the plumbing and heating and air conditioning in good repair, reasonable wear and tear and damage by fire or other unavoidable casualty only excepted.
- f. The Lessee will not injure, overload or deface or suffer to be injured, overload or deface the premises or any part thereof.
- g. The Lessee will not make or suffer any unlawful, improper, or offensive use of the premises, or any use or occupancy thereof contrary to any law of the State or any ordinance of the City now or hereafter made, or which shall be injurious to any person or property, or which shall be liable to endanger or effect any insurance on the said building or to be placed upon the building except such as Lessor shall in writing approve.
- i. The Lessee shall not assign, sublet or part with the possession of the whole or any part of the leased premises without first obtaining the written consent of the Lessor.
- j. The Lessor, at any reasonable time, may enter to view the premises and to make repairs which the Lessor may see fit to make, or show the premises to persons who may wish to lease or buy the premises as Lessor may see fit.
- k. That at the expiration of said term, the Lessee will peaceably yield up to the Lessor the premises and all improvements made upon the same, in good repair in all respects, reasonable use and wear and damage by fire or unavoidable casualties excepted, as the same now are and may be put in by the parties.
- l. No consent, express or implied by the Lessor to any breach of any of the Lessee's covenants shall be deemed to be a waiver of any succeeding breach of the same or any other covenant.
- m. Lessee will provide a telephone line to the facility. If Lessee chooses to install an alarm system, Lessee will provide the alarm monitoring service.

III.

It is also agreed, that in case the leased premises or any part thereof shall at any time during the said term be destroyed or damaged by fire or other unavoidable casualty so as to be unfit for occupancy and use, and so that the premises cannot be rebuilt or restored by the Lessor within one hundred twenty (120) days thereafter, then and in that case this Lease Agreement shall end.

IV.

Lessee agrees that it will not discriminate against any employee or applicant for employment to be employed in the performance of this Lease Agreement, with respect to his hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment because of his race, color, religion, national origin or ancestry. The Lessee further agrees to maintain a drug free environment at all times on the leased premises. Breach of this covenant may be regarded as a material breach of the Lease Agreement.

V.

Lessee agrees that tennis shall remain the main focus of the Racquet Center and to maintain an appropriate schedule of tournaments and leagues.

Lessee agrees that it shall be responsible for all landscape maintenance, including all mowing; and, furthermore, including all snow removal. Any landscaping modifications may be performed by Lessee upon obtaining written consent from the Director of the Parks and Recreation Department.

VI.

The Lessee and Lessor agree to partner in the construction design and cost of up to six new tennis courts at Ryder Park which is the subject of a separate agreement. The parties agree to adhere to the terms of that agreement and any material breach of its terms shall serve as grounds for the termination of this lease.

VII.

Upon the expiration of the five (5) year term of the lease, the parties agree that the parties shall have the option to renew the lease for an additional five (5) year term.

All notices of default, termination, and insurance coverages outlined in any other portion of this lease shall be binding for any of the extensions.

VIII.

Lessee agrees to indemnify the Lessor for any claim made by the Lessee's employees or by any other persons, for personal injury or property damage arising out of the Lessee's use of equipment on the premises or equipment brought onto the premises after the commencement of this Lease Agreement, which Lessee agrees to accept at all times during the term of this Agreement as is, where is, and the Lessor has no responsibility for its condition or state of repair. Lessee agrees not to remove from the Lessor's premises any equipment or property located on the leased premises at the commencement of this Lease, except as authorized in writing by the Lessor.

IX.

RESOLUTION 2014-317

WHEREAS, in May of 2010 City Council approved a lease agreement with the Grand Island Tennis Association to operate the City owned Racquet Center Property; and

WHEREAS, the Tennis Association has maintained the Racquet Center Property as per lease agreement; and

WHEREAS, the City Parks & Recreation Department is recommending a new five year lease agreement with the Grand Island Tennis Association to manage the Racquet Center Property at 2204 Bellwood Drive; and

WHEREAS, the Agreement has been reviewed and approved by the City Attorney's office.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to sign on behalf of the City of Grand Island, the Agreement by and between the City and the Grand Island Tennis Association.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 14, 2014.

Jay Vavricek, Mayor

Attest:

Nicki Stoltenberg, Assistant to the City Administrator

Approved as to Form	☐ _____
October 10, 2014	☐ City Attorney