



City of Grand Island

Tuesday, June 17, 2014

Study Session

Item -2

Consideration to Modify Racquet Center/Tennis Association Lease Agreement

Staff Contact: Todd McCoy, Parks & Recreation Director

Council Agenda Memo

From: Todd McCoy, Parks and Recreation Director

Meeting: June 17, 2014

Subject: Consideration to Modify Racquet Center/Tennis Association Lease Agreement

Item #: 2

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.

Discussion

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

The Tennis Association has recently changed some of their goals for the Racquet Center and 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 partner with the City to build a new outdoor tennis complex at Ryder Park for public use. The Tennis Association is offering to support the project by providing \$160,000 of the anticipated \$300,000 to \$350,000 needed to build six new tennis courts.

Existing Tennis Courts at Ryder Park



Proposed Six Court Complex



If City Council supports the Ryder Park tennis project the Racquet Center lease agreement would need to be modified to reflect the changes.

Recommendation

The Parks and Recreation Department supports modifying the Tennis Association lease agreement. Ryder Park is an ideal location for needed public tennis facility upgrades. New courts will be better utilized by the public at Ryder Park than the Bellwood Drive location.

**Tennis Association Planned Improvements at the Racquet Center
per 2010 Lease Agreement**

The Lessee agrees that in the summer of 2010 it shall:

- Remove indoor soccer walls and turf, and all other soccer apparatus; **Complete**
- Repair and install insulation as required due to wear and tear; **Complete**
- Replace lighting throughout the building with new, energy-efficient lighting, and install indirect heating units between courts; **Complete**
- Remove twenty-four (24) inefficient heating units and eight (8) non-functional air-conditioning units currently mounted above the court areas; **Complete**
- Resurface both west courts in a U.S. Open blue/green format and replace black curtains with new blue curtains. Install new net posts and new nets. Install player benches between courts; **Complete**
- Purchase new phone system, desktop computer, and printer for the office, and arrange one empty office as a day-care area; **Complete**
- Purchase a new sign for the racquet center; **Complete**
- Address drainage issue to redirect water to sides of the building; **Complete**

The Lessee further agrees that in the summer of 2013, it shall:

- Resurface existing two east indoor courts in U.S. Open blue/green; **Complete**
- Build four (4) new lighted outdoor courts on the west side of the Racquet Center, including fencing and benches for the players; **Request to redirect resources to Ryder Park project**
- Build a unisex bathroom at the back of the center, with outside access via a keypad. Use existing apparatus in the non-functional Jacuzzi/storage area. Install sidewalk lighting; **Request to redirect resources to Ryder Park project**
- Rework both men's and women's locker rooms with updated showers and new lighting. **Request to redirect resources to Ryder Park project**

Upon the expiration of the initial 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) one-year terms. If the annual extensions of the lease are approved, the Lessee agrees that in the summer of 2015, it shall:

- Build one additional lighted outdoor court adjacent to current courts on north side of Racquet Center; **Request to redirect resources to Ryder Park project**
- Resurface two existing outdoor courts and add outdoor lighting, along with new net posts and nets. Add benches between courts and new wind breaks; **Request to redirect resources to Ryder Park project**
- Build viewing area above current lobby/viewing area, and install two staircases for access, with glass dividing railings. **Request to redirect resources to Ryder Park project**

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 June 1, 2010. 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 first day of June, 2010, 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 of 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.

The Lessee agrees that in the summer of 2010 it shall:

- Remove indoor soccer walls and turf, and all other soccer apparatus;
- Repair and install insulation as required due to wear and tear;
- Replace lighting throughout the building with new, energy-efficient lighting, and install indirect heating units between courts;
- Remove twenty-four (24) inefficient heating units and eight (8) non-functional air-conditioning units currently mounted above the court areas;
- Resurface both west courts in a U.S. Open blue/green format and replace black curtains with new blue curtains. Install new net posts and new nets. Install player benches between courts;
- Purchase new phone system, desktop computer, and printer for the office, and arrange one empty office as a day-care area;
- Purchase a new sign for the racquet center;
- Address drainage issue to redirect water to sides of the building;

The Lessee further agrees that in the summer of 2013, it shall:

- Resurface existing two east indoor courts in U.S. Open blue/green;
- Build four (4) new lighted outdoor courts on the west side of the Racquet Center, including fencing and benches for the players;
- Build a unisex bathroom at the back of the center, with outside access via a keypad. Use existing apparatus in the non-functional Jacuzzi/storage area. Install sidewalk lighting;
- Rework both men's and women's locker rooms with updated showers and new lighting.

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.

4

The Lessee shall establish the fees that shall be proposed to be adopted by the City Council for the City of Grand Island, and Lessee agrees to honor and abide by those fees in all uses of the facility. The proposed schedule of fees shall be:

- Annual memberships:

Adult Individual	\$225
Adult Family	\$375
Junior	\$125
Senior (65+)	\$175
Young Adult (<30)	\$175

Paid annually or deducted monthly via ACH.

- Indoor court fees:

Prime time 5-9 p.m.	\$24/hour
Non-prime	\$18/hour
Weekends	\$22/hour
Youth and Senior	\$15/hour

- Outdoor court fees: \$ 2/person

Zero daily fee charge.

- High School/College rental: \$14/hour

Will be able to entice UNK and Hastings to use our facility during their winter season, with programmed collegiate events.

- Private parties:

Bi-weekly Friday Fun	\$30/2 hr. session per child
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Includes tennis, popcorn, drink, and movie

- Non-member daily fee: \$ 8/day in addition to court fees

Intended for out-of-town guests, and those who have not jointed.
We would encourage occasional users to become members to
Reduce their overall costs, and to increase play.

Lessee agrees to hours of operation as follows:

Weekdays	9 a.m. – 1 p.m. and 4 p.m. – 9 p.m.
Weekends	9 a.m. – 6 p.m.
Summer hours	Flexible indoor hours based on weather Open entire weekend for outdoor courts

VII.

Upon the expiration of the initial 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) one-year terms. If the annual extensions of the lease are approved, the Lessee agrees that in the summer of 2015, it shall:

- Build one additional lighted outdoor court adjacent to current courts on north side of Racquet Center;
- Resurface two existing outdoor courts and add outdoor lighting, along with new net posts and nets. Add benches between courts and new wind breaks;
- Build viewing area above current lobby/viewing area, and install two staircases for access, with glass dividing railings.

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.

Before exercising any remedies for breach, default or failure to perform under this Lease Agreement, the defaulting party shall be given thirty (30) days written notice of such default or failure to perform. If the act is such that it cannot be cured within a thirty (30) day period, this period may be extended upon written agreement of the parties, providing that the defaulting party commences to cure such default within said 30 day period and proceeds diligently thereafter to effect such cure.

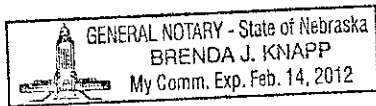
X.

In the event either party institutes legal proceedings against the other for breach of this Lease Agreement, the party against whom a judgment is entered shall pay all reasonable costs and expenses relative thereto, including reasonable attorney fees.

Page 10 / 29

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this 10th day of May, 2010,
by Phil Maltzahn, Secretary of the Grand Island Tennis Association.

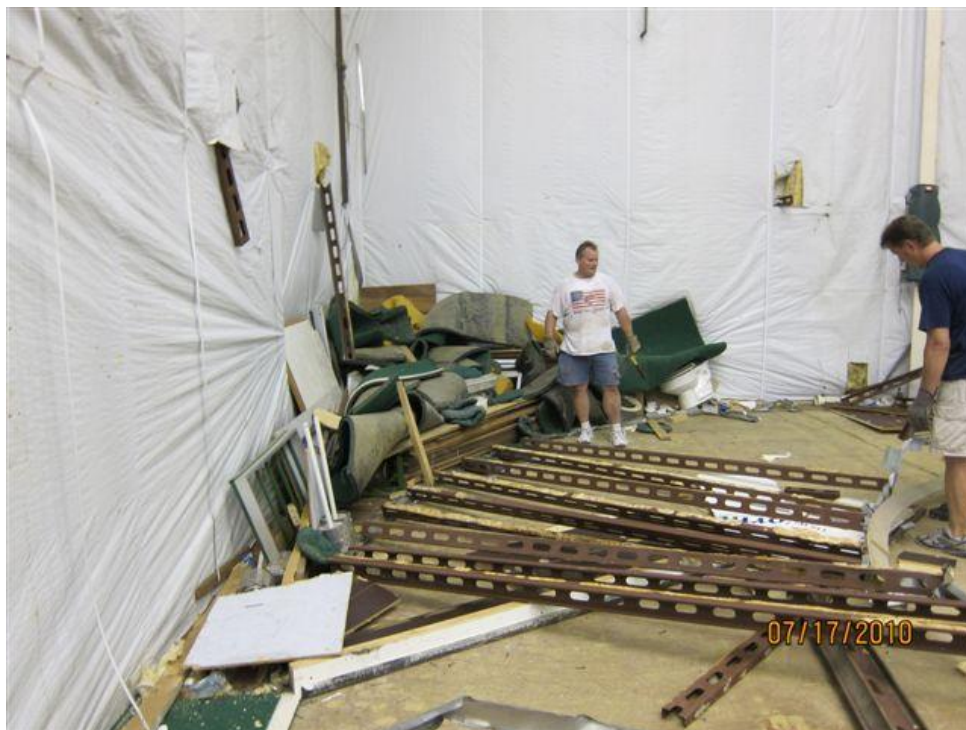


Brenda J. Knapp
Notary Public

Grand Island Tennis Association Presentation



















Courts per Capita

City	Population	Playable Outdoor Courts	Playable Indoor Courts	Courts per Capita		Outdoor Rank per Capita	Indoor Rank per Capita
				Outdoor	Indoor		
Columbus	22,509.00	12	2	1,875.75	11,254.50	4	3
Grand Island	49,989.00	7	4	7,141.29	12,497.25	5	4
Hastings	25,058.00	21	0	1,193.24	-	2	5
Kearney	31,790.00	18	4	1,766.11	7,947.50	3	2
York	7,845.00	8	2	980.63	3,922.50	1	1

Population data from City-Data

<http://www.city-data.com/city/Nebraska.html>

Columbus

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
Gerrard Park	6	6	Public	Good	Outdoor	Yes
Pawnee Park	6	6	Public	Good	Outdoor	Yes
		12	12			

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
YMCA - Indoor	2	2	Private	Good	Indoor	Yes
		2	2			

Grand Island

Location	Courts	Playable Courts	Public	Status	Indoor/Outdoor	Lights
Abbott Park	2	0	Public	Poor	Outdoor	Yes
Buechler Park	2	2	Public	Good	Outdoor	Yes
George Park	2	0	Public	Poor	Outdoor	Yes
Grand Island Senior High School	5	5	Public	Good	Outdoor	No
Pier Park	2	0	Public	Poor	Outdoor	No
Ryder Park	2	0	Public	Poor	Outdoor	Yes
Stolley Park	2	0	Public	Poor	Outdoor	Yes
Tennis Center	2	0	Public	Poor	Outdoor	No
	19	7				

Location	Courts	Playable Courts	Private	Status	Indoor/Outdoor	Lights
Tennis Center - Indoor	4	4	Private	Excellent	Indoor	Yes
	4	4				

Hastings

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
Adams Central High School	6	6	Public	Good	Outdoor	No
Carter Park	2	0	Public	Poor	Outdoor	Yes
Hastings College	4	4	Public	Good	Outdoor	No
Hastings Senior High School	6	6	Public	Good	Outdoor	No
Lochland	2	2	Private	Good	Outdoor	Yes
Utility Courts	3	3	Public	Good	Outdoor	Yes
	23	21				

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
Hastings College - Indoor	2	0	Private	Poor	Indoor	Yes
YMCA	2	0	Private	Poor	Indoor	Yes
	4	0				

Kearney

Location	Courts	Playable Courts	Public	Status	Indoor/Outdoor	Lights
Harmon Park	6	6	Public	Good	Outdoor	Yes
Apollo Park	4	4	Public	Good	Outdoor	Yes
Harvey Park	4	4	Public	Good	Outdoor	No
Kearney Country Club	2	2	Private	Good	Outdoor	No
Centennial Park	2	2	Public	Good	Outdoor	Yes
	18	18				

Location	Courts	Playable Courts	Private	Status	Indoor/Outdoor	Lights
Buffalo County Fair Grounds - Indoor	4	4	Private	Poor	Indoor	Yes
	4	4				

York

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
East Hill Park	3	3	Public	Fair	Outdoor	Yes
Harrison Park	2	0	Public	Poor	Outdoor	Yes
York High School	5	5	Public	Good	Outdoor	Yes
	10	8				

Location	Courts	Playable Courts	Public/Private	Status	Indoor/Outdoor	Lights
York High School - Indoor	2	2	Private	Good	Indoor	Yes
	2	2				

GI Tennis Courts Repair Estimate

Listed below is an outline of estimated cost that the City of Grand Island would undergo in the event of Repairing/Resurfacing existing Tennis Courts in Grand Island. The sole purpose of the outline is to help reveal what the cost would be as an estimate in the event all of the listed courts would be brought up to a better usable facility for each Park. The cost is based off of the reworking of Buechler Park that took place roughly two years ago.

<u>Park Facility</u>	<u>Needed Work</u>	<u>Estimated Cost</u>
Ryder Park	Relay Asphalt & Resurface Courts	\$78,000.00
Abbott Part	Repair & Resurface Courts	\$ 15,000.00
George Park	Repair & Resurface Courts	\$ 15,000.00
Stolley Park	Repair & Resurface Courts	\$ 15,000.00
Pier Park	Repair & Resurface Courts	<u>\$ 15,000.00</u>
Total		\$138,000.00

Project Estimate

Ryder Park Estimated Costs

Estimated Project cost	\$ 350,000.00	
USTA/Mo Valley Funds	\$ (65,000.00)	
GITA Funds	\$ (95,000.00)	
	<u>\$ 190,000.00</u>	Cost incurred by City
Existing GI court repair estimate	\$ (138,000.00)	
	<u>\$ 52,000.00</u>	Net cost incurred by city

* Tennis community providing \$160,000

