

INTRODUCED: June 13, 2016

AN ORDINANCE 2016-184

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute an Exercise of Renewal Option and First Amendment to Operating and Maintenance Agreement between the City of Richmond and Richmond First Tee for the purpose of providing for the use by Richmond First Tee of City-owned real estate known as the Elson Redmond Memorial Driving Range located at 400 School Street to provide golf, learning facilities and educational programs for area youth.

\_\_\_\_\_  
Patron – Mayor Jones

\_\_\_\_\_  
Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: JUNE 27 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute an Exercise of Renewal Option and First Amendment to Operating and Maintenance Agreement between the City of Richmond and Richmond First Tee for the purpose of providing for the use by Richmond First Tee of City-owned real estate known as the Elson Redmond Memorial Driving Range located at 400 School Street to provide golf, learning facilities and educational programs for area youth. The Exercise of Renewal Option and

AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:   JUNE 27 2016   REJECTED: \_\_\_\_\_ STRICKEN: \_\_\_\_\_

First Amendment to Operating and Maintenance Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.



# CITY OF RICHMOND

## INTRACITY CORRESPONDENCE



O&M Request

**DATE:** May 17, 2016 **EDITION:** 1

**TO:** The Honorable Members of City Council

**THROUGH:** Dwight C. Jones, Mayor *DCJ*

**THROUGH:** Selena Cuffee-Glenn, Chief Administrative Officer *SCG*

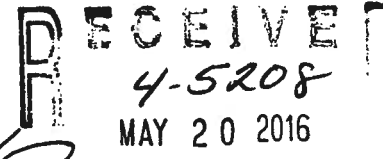
**THROUGH:** Jay Brown, Director *JMB*  
Budget Strategic Planning

**THROUGH:** Debra D. Gardner, DCAO – Human Services *DDG*

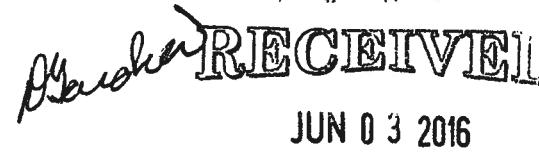
**THROUGH:** Emmanuel Adediran, Director *EAD*  
Department of Public Works

**FROM:** Norman C. Merrifield, Ed.D. *N.C. Merrifield*  
Director of Parks, Recreation and Community Facilities

**SUBJECT:** Richmond First Tee Golf Operation and Maintenance Agreement



CHIEF ADMINISTRATIVE OFFICER  
CITY OF RICHMOND



OFFICE OF CITY ATTORNEY

**PURPOSE:** To authorize the Chief Administrative Officer to execute that certain document entitled the Exercise of Renewal Option and First Amendment to Operating and Maintenance Agreement (the "First Amendment") to that certain Operating and Maintenance Agreement between the City and Richmond First Tee ("RFT") dated June 1, 2013 (the "Agreement") which provides Richmond First Tee with use of the city-owned real estate known as Elson Redmond Memorial Driving Range (the "Golf Facilities"). The First Amendment and the Agreement are attached hereto.

**REASON:** The First Amendment (1) provides the City's and RFT's notice of intention to exercise the five-year renewal option provided in the Agreement and (2) amends the Agreement to (i) add additional renewal options, which options may only be exercised with the consent of City Council, (2) facilitate for further improvements to the Golf Facilities, and (3) to facilitate Virginia Commonwealth University's continued use of the property. Exercising the First Amendment will allow for the continued operation of the Golf Facilities and for further improvements to the Golf Facilities by RFT, which will serve the common purpose of impacting the lives of area youth and community by providing golf, learning facilities, and educational programs that promote character and skill development and life-enhancing values through the game of golf.

**RECOMMENDATION:** The Department of Parks, Recreation and Community Facilities recommends approval and acceptance of this ordinance and resolution.

**BACKGROUND:** Pursuant to the Agreement, RFT operates the Elson Redmond Memorial Driving Range on city-owned property located at 400 School Street, Richmond, Virginia 23222, which includes a six-hole par three course (the “Course”), the clubhouse (the “Clubhouse”) and storage facility (collectively, the “Golf Facilities”). RFT has operated the Golf Facilities use by the public and for RFT’s programs since 2002.

RFT plans to complete certain improvements to the Golf Facilities pursuant to the plans approved by the Planning Commission (as to location, character, and extent) on May 15, 2016, at an estimated cost of \$800,000. Such improvements include enhancing the Clubhouse to include youth-centric facilities where the life skills and Nine Core Values of RFT can complement activity-based golf programs for kids and teens who may not previously have been exposed to the game of golf. In addition, upgrades to the Clubhouse will benefit the general public through an expanded pro shop, better accessibility, and more inviting facilities. The First Tee also plans to make significant improvements to the practice facilities and Course in several ways, including: better turf conditions, upgraded bunkers, improved greens, more defined hitting targets, and additional routes and hitting directions on the courses.

**FISCAL IMPACT/COST:** No cost to City renewal options are executed

**FISCAL IMPLICATIONS:** Improvements to City-owned property valued at approximately \$800,000.

**BUDGET AMENDMENT NECESSARY:** None

**REVENUE TO CITY:** None

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** June 13, 2016

**CITY COUNCIL PUBLIC HEARING DATE:** June 27, 2016

**REQUESTED AGENDA:** Consent Agenda

**RECOMMENDED COUNCIL COMMITTEE:** Land Use, Housing and Transportation

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Parks, Recreation and Community Facilities  
Department of Public Works

**RELATIONSHIP TO EXISTING ORD. OR RES.:** 99-R84-89; 2010-139-133; 2013-114-111

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** First Tee Golf Operations and Maintenance Agreement; First Amendment to Operating and Maintenance Agreement

**STAFF:** Norman C. Merrifield, Ed.D.  
Director of Parks, Recreation and Community Facilities

Barry Russell, Deputy Director  
Parks, Recreation and Community Facilities

Ray Chavis  
Parks, Recreation and Community Facilities

**EXERCISE OF RENEWAL OPTION AND FIRST AMENDMENT TO  
OPERATING AND MAINTENANCE AGREEMENT**

THIS EXERCISE OF RENEWAL OPTION AND FIRST AMENDMENT TO OPERATING AND MAINTENANCE AGREEMENT (the "First Amendment") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Richmond, Virginia, a municipal corporation of the Commonwealth of Virginia, acting by and through its duly authorized representative (the "City") and Richmond First Tee, a Virginia non-profit corporation ("RFT").

**RECITALS**

A. The City and RFT entered into that certain Operating and Maintenance Agreement on the first day of June, 2013 (the "Agreement").

B. The Agreement provides that the parties may renew the Agreement for one additional five-year period beyond the initial term (a "Renewal Term") upon written notice at least 90 days prior to the expiration of the initial term.

C. The City and RFT desire to exercise the option to renew the Agreement for a Renewal Term and to amend the Agreement to include the option of up to two additional Renewal Terms and to facilitate the completion of improvements by RFT.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual promises set forth in the Agreement and in this First Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Each party's execution of this First Amendment constitute written notice if its interest to renew the Agreement for one Renewal Term pursuant to Section 2.1 of the Agreement. As a result, the term of this Agreement is hereby extended through April 30, 2023.

2. Section 2.1 of the Agreement shall be amended as follows. The words "one (1) additional five-year period" are hereby replaced with the words "up to three (3) additional five-year periods". For the avoidance of doubt, one of the three additional five-year periods is exercised by this First Amendment, so two (2) additional five-year periods remain.

3. Section 6.6 of the Agreement shall be amended as follows. The second to last sentence, which sentence begins "Golf course facilities . . .", is hereby replaced in its entirety with the following: "Golf course facilities shall be made available to Virginia Commonwealth University ('VCU') Golf Team in accordance with that certain Memorandum of Understanding and Agreement dated June 2010, by and between RFT, the City and VCU, as may be amended from time to time in writing upon mutual agreement

of the City, via signature of its Chief Administrative Officer, RFT, and VCU, subject to the Facility's availability and an advance notification request of forty-eight (48) hours to be approved by Golf Course Manager."

4. Section 7.3 of the Agreement shall be replaced in its entirety with the following.

7.3 **Reversion of Property; Improvements; Personal Property**

(a) **Improvements**. The Property and any other improvements thereon shall revert to and become the property of the City upon the expiration or termination of this Agreement. If this Agreement expires or terminates on or before April 30, 2033, the City shall compensate RFT for the costs incurred by RFT in completing those certain improvements pursuant to the plans approved by the City's Planning Commission on May 16, 2016 (the "Improvements" and the "Cost of Improvements") on a pro-rated basis in accordance with the formula set forth in Section 7.3(b) below (the "Formula"). Provided, however, if RFT's actual incurred costs for the Improvements exceed \$1,000,000 then the Cost of Improvements for the purposes of this Agreement shall be \$1,000,000. Within six (6) months of completing the Improvements, RFT shall provide the City with written notification of the total Cost of Improvements and written documentation showing RFT incurred such costs. If the City reasonably believes RFT did not incur costs in the amount submitted by RFT or the City needs further documentation showing such costs, the City shall notify RFT in writing within sixty (60) days of RFT's notification.

(b) **Improvements' Cost Compensation Formula**.

**Amount Owed to RFT = (Cost of Improvements / 20) X (20 – Total Number of Years this Agreement is in Force and Effect).**

For the purposes of the Formula, a year shall be deemed in force and effect as of May 1 of such year. By way of illustration, the Agreement commenced on June 1, 2013 and was in force and effect for one year as of May 1, 2014 and so on.

(c) **Personal Property**. RFT shall be responsible for the removal of its personal property at the expiration or termination of this Agreement and shall repair any damage caused during such removal or pay the cost for such repair.

5. The notice address for RFT set forth in Section 7.6 of the Agreement is changed to the following:

Brent Schneider  
Executive Director

The First Tee Richmond & Chesterfield  
9211 Forest Hill Avenue, Suite 104  
Richmond, Virginia 23235

6. Except as amended by this First Amendment, the terms and conditions of the Agreement shall remain in full force and effect.

(Signatures on following page)



WITNESS THE FOLLOWING SIGNATURES:

CITY OF RICHMOND, VIRGINIA

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Pursuant to Ord. No. \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

RICHMOND FIRST TEE, a Virginia non-profit corporation

By: \_\_\_\_\_  
Brent Schneider, Executive Director