



City of San Antonio

Agenda Memorandum

File Number:20-1478

Agenda Item Number: 19.

Agenda Date: 2/13/2020

In Control: City Council A Session

DEPARTMENT: Parks and Recreation

DEPARTMENT HEAD: Homer Garcia III

COUNCIL DISTRICTS IMPACTED: Council District 10

SUBJECT:

Lease Agreement with R II M, LLC for Northeast Driving Range

SUMMARY:

This Ordinance authorizes the Parks and Recreation Department to execute a Lease Agreement with R II M, LLC for operations, maintenance and programming of the Northeast Driving Range.

BACKGROUND INFORMATION:

On June 29, 2006, the City accepted a donation of an approximate 21 acre tract of land along Salado Creek from Oakwell Holdings, LLC, which was designated as park land. On June 18, 2015, the City and the Northeast Golf Center, LLC entered into a Lease Agreement for three years with two (2) one-year administrative extension terms. Subsequently, Northeast Golf Center, LLC was sold to R II M, LLC and the Assignment and Assumption of Lease Agreement was effective on June 1, 2017. R II M, LLC offers a wide variety of instructional programs for all ages and skill levels. Programming includes beginner clinics, intermediate clinics, group lessons, junior camps, private golf schools, and golf leagues, as well as one-on-one private instruction. R II M, LLC has made significant improvements to the driving range totaling over \$90,000.00, including outdoor lighting and electrical upgrades, landscaping, a new practice bunker and a teaching building.

A new Lease Agreement is proposed for five (5) years to commence upon City Council approval and expire on January 31, 2025, with two (2) five-year administrative extension terms. The rental rate shall remain consistent, which is currently \$650.00 a month. Additionally the agreement requires a minimum of \$2,000.00

annually in capital improvements and/or repairs to the leased area. The tenant shall be responsible for operations, maintenance and programming of the Northeast Driving Range.

ISSUE:

This Ordinance authorizes the Parks and Recreation Department to execute a Lease Agreement with R II M, LLC for operations, maintenance and programming of the Northeast Driving Range.

ALTERNATIVES:

City Council could elect not to approve this action, and require the Parks and Recreation Department to solicit a new vendor to operate the facility.

FISCAL IMPACT:

This ordinance authorizes a 5-year lease agreement with two administrative 5-year renewal options with R II M, LLC for operations, maintenance and programming of the Northeast Driving Range. The proposed new Lease Agreement requires R II M, LLC to pay monthly rent of \$650.00. Revenue from the Lease Agreement will be deposited in the General Fund.

RECOMMENDATION:

Staff recommends approval to execute a Lease Agreement with R II M, LLC for operations, maintenance and programming of the Northeast Driving Range.