

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and City Commissioners **DATE:** April 22, 2015

FROM: Jeffrey P. Sheffel, City Attorney

SUBJECT: Proposed One (1) year extension of the existing Amended and Restated Lease Agreement for the Eco Grande Golf Course with Southern Golf Appraisals, Inc.

I have discussed the above Agreement with the participating Department/Office, and the proposed general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Parks, Recreation and Cultural Arts
- 2) Type of Agreement – Amended and Restated Agreement
- 3) Method of Procurement (RFP, bid, etc.) – n/a
- 4) Term of Contract
 - a) initial – 6/1/2011-5/31/2013. **This item proposes to extend the agreement until 5/31/16 under the same terms and conditions.**
 - b) renewals (if any) - none
 - c) who exercises option to renew – n/a.
- 5) Contract Amount – SGA will pay annual base rent of \$25,000 per year, and annual supplemental rent of the greater of \$5,000 or 10% of annual gross revenues in excess of \$475,000.00.
- 6) Termination rights – For cause only.
- 7) Indemnity/Insurance Requirements – Each party will indemnify the other, and SGA will provide insurance.
- 8) Scope of Services – The City will lease Eco Grande Golf Course to SGA for the operation of a public golf course for a two (2) year extension
- 9) City's prior experience with Contractor (if any) – Yes.
- 10) Other significant provisions – If Eco Grande Golf Course is determined to be subject to ad valorem taxation, the parties will attempt to renegotiate the agreement. If the negotiations are unsuccessful, the agreement will terminate and each party will pay 50% of the taxes.

cc: Wazir A. Ishmael, Ph.D., City Manager