

RESOLUTION NO. R-2012-192

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING AN AMENDMENT TO THE AGREEMENT BETWEEN JCD GOLF OF FLORIDA, INC. AND NIKKI'S ON THE GREEN, INC. FOR THE OPERATION OF FOOD AND BEVERAGE SERVICES AT ORANGEBROOK GOLF AND COUNTRY CLUB.

WHEREAS, JCD Golf of Florida, Inc., ("JCD") is the Management Company currently operating Orangebrook Golf and Country Club ("Orangebrook") under a Management Agreement with the City of Hollywood ("City"); and

WHEREAS, Section 21 of said Management Agreement permits JCD to sublease its food and beverage operation to a third party, upon the approval of the City Commission; and

WHEREAS, Section 17 states that JCD will make recommendations to the City regarding the food and beverage service, with the "intent of operating it as a profit generating operation"; and

WHEREAS, on September 7, 2011, City Commission passed Resolution R-2011-215, approving and authorizing JCD's sublease agreement with Nikki's on the Green, Inc. (Nikki's); and

WHEREAS, Nikki's has requested an amendment to the terms of their current agreement with JCD for the food and beverage operation at Orangebrook Golf Club; and

WHEREAS, Section 5 Payment to City, of Nikki's agreement with JCD is set at \$10,000.00 per month from December, 1, 2011 through September 30, 2012; and

WHEREAS, the agreement started August 1, 2011 and was discounted to \$6,000.00 per month for the first four months to allow for start-up costs; and

WHEREAS, Nikki's has proposed amending the contract payments to \$8,000.00 per month from December 1, 2011 - April 30, 2012 and \$6,000.00 per month from May 1, 2012 through November 30, 2012; and

WHEREAS, JCD feels the amendments are necessary due to the actual revenue numbers that have been produced from December through February and the lack of revenue and customers in the "off season" months; and

WHEREAS, the agreement also provides for a renewal rate to be negotiated and go into effect October 1, 2012; and

WHEREAS, City staff recommends approval of the agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That it hereby approves and authorizes an amendment embodying the terms and conditions described above to the agreement between JCD Golf of Florida, Inc., and Nikki's on the Green, Inc. for the operation of a food and beverage service at Orangebrook Golf and Country Club.

Section 2: That this resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS 20 day of June, 2012.

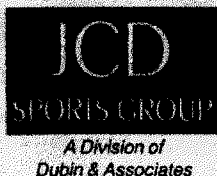

PETER BOBER, MAYOR

ATTEST:


PATRICIA A. CERNY, MMC, CITY CLERK

Approved as to form and legality
for the use and reliance of the
City of Hollywood, Florida, only.

 ^{AT}
JEFFREY P. SHEFFEL, CITY ATTORNEY



February 27, 2012

City of Hollywood
2600 Hollywood Blvd.
Hollywood, FL 33020
Attention: Mr. Chuck Ellis, Director, Parks, Recreation and Cultural Arts

Dear Mr. Ellis,

Nikki's on the Green has requested an amendment to the terms of their current contract with JCD for the food and beverage operation at Orangebrook Golf Club.

The current contract is set at \$10,000 per month from December, 1, 2011 through September 30, 2012. The contract started August 1, 2011 and was discounted to \$6,000 per month for the first four months to allow for start-up costs. It provides for a renewal rate to be negotiated and go into effect October 1, 2013.

Nikki's on the Green has made our golfers a priority and continues to do so, with hours of operation, menu and prices geared toward accommodating the golfers' needs. They have committed to growing their business at Orangebrook Golf Course and have invested in new signage on Hollywood Blvd at Entrada Drive as well as the island area in front of the building. They are advertising in local newspapers with coupons and utilizing social networking. Nikki's has held holiday events and parties with entertainment open to the public.

Nikki's on the Green also has hosted several community events with no profit to them in an effort to show their support of the City of Hollywood. They have a clear understanding that community events are important for the public as well as the City and have committed to continuing these efforts.

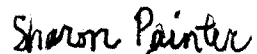
In spite of their strong efforts, they feel these amendments are necessary due to the actual revenue numbers that have been produced from December through February and the lack of revenue and customers in the "off season" months. Nikki's on the Green has proposed amending the contract payments to \$8,000 per month from December 1, 2011 - April 30, 2012 and \$6,000 per month from May 1, 2012 through November 30, 2012 and to \$8,000 per month from December 1, 2012 - April 30, 2013 and \$6,000 per month from May 1, 2013 through the end of September 30, 2013. This amendment will put the contract more in line with the one Nikki's on the Green previously had at Hollywood Beach.

We have reviewed their financial situation and agree with the amendment to the original contract. We would revisit this contract prior to December 1st each year and determine in consultation with you, if any rate increase should be applied. We will continue to analyze the restaurant revenues and Orangebrooks expenses in relation to this contract. As you are well aware, in the past, the restaurant has struggled to show a profit. We feel it is in our mutual best interest to ensure the restaurant lease is a profitable arrangement for Orangebrook Golf and Country Club, the City of Hollywood and our contractor, Nikki's on the Green.

If you concur with the above proposed amendment to the agreement, please process the appropriate resolution to the Commission to approve this change. Upon Commission approval, we will amend the agreement between Nikki's and JCD and provide you a copy.

Please let me know if you need any additional information.

Sincerely,

A handwritten signature in cursive script that reads "Sharon Painter".

Sharon Painter

cc: Jack Mathison, Assistant Director, Parks, Recreation and Cultural Arts
David Vazquez, Parks Manager