



## Legislation Text

---

**File #:** DIS 16-147, **Version:** 1

---

Discussion of issues relating to an amendment to the lease agreement related to the Battleground at Deer Park Golf Course and the Republic Grill with Touchstone Golf, LLC.

Summary: On April 30, 2013 City Council approved Lease Agreement for the Battleground At Deer Park with Touchstone Golf, LLC to start managing the Battleground Golf Course and the Republic Grill on May 29, 2013. Touchstone has operated the golf course since that time for the City and has met and exceeded all requirements to the agreement. Touchstone in June presented to the Golf Course Committee the financial burden that the Battleground Golf Course has been to date for them and requested that an amendment to the agreement be made to allow for a more equitable arrangement between the two parties. Since that time, Touchstone, the Golf Course Committee and staff have met numerous times to develop an amendment to the agreement that is equitably beneficial to both parties.

Steve Harker, with Touchstone Golf, LLC., will be present during the Workshop Meeting to answer any questions the Council might have.

Fiscal/Budgetary Impact:

Touchstones revenues to the City will be temporarily reduced:

1. Lease Payment will be temporarily reduced from \$60,000 per year to \$1 per year,
2. Percentage rent will be temporarily eliminated,
3. Capital Fund percentage will be temporarily reduced from 4% to 2% per year starting in June, 2017.

For any Lease Year after Touchstone has received the Capital Expenditure Investment Amount in full, the original revenue amounts for Lease Payment, Percentage Rent and Capital Improvements will be reinstated.

The proposed amendment also contains a provision regarding assignment which provides that the Tenant may sublet the food operations to a restaurateur who has a minimum of 5 years' experience providing food and beverage services to the general public and has expertise in catering. In order to gain Landlord's approval for the sublet, the Tenant will present to the Landlord's City Council at least thirty (30) days prior to the proposed effective date of such sublet, the identity and qualifications of the restaurateur for consideration. In the event the Council approves the sublet, Tenant may proceed with the sublet, but the Tenant remains responsible for the operation of the food and beverage operation as defined by this Agreement.

Discussion only in Workshop. There is an agenda item on the Regular Council Agenda for Council consideration. Approval is recommended.