

## Legislation Text

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Authorizing an initial 10-year conversion of the current Term with up-to two 5- year Renewal Terms for a Lease Agreement the City has entered into with the First Tee of Greater Philadelphia for operating, managing and maintaining the John F Byrne Golf Course, all under certain terms and conditions.

WHEREAS, The City of Philadelphia, acting through its Department of Parks and Recreation and the First Tee of Greater Philadelphia entered into a Lease Agreement on August 14, 2020 for an Initial Term of one year and for Renewal Terms totaling up-to three years; and

WHEREAS, Section 3.02 *et seq.* of the Lease Agreement contemplates and authorizes the City Administration to request City Council to introduce and pass an ordinance converting the Initial Term from one -year to ten years, ending on August 13, 2030, and authorizing up-to two (2) Renewal Terms of an additional five (5) years each that would begin on August 14, 2030; NOW THEREFORE,

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Council hereby authorizes and converts the Initial Term of the Lease Agreement, the substance of which is substantially described in the Term Sheet attached hereto as Exhibit "A," such that the period will be ten (10) years, ending on August 13, 2030.

SECTION 2. Council additionally authorizes up-to two (2) five (5) year Renewal Terms of the Lease Agreement which would begin on August 14, 2030.

### EXHIBIT A

#### Lease Agreement Term Sheet

1. Parties. The City of Philadelphia, acting through its Department of Parks and Recreation (the "City"), and The First Tee of Greater Philadelphia ("First Tee").
2. Lease. The City leases the John F. Byrne Golf Course (the "Site"), located at 9550 Leon Street, to First Tee to operate, manage and maintain for an Initial Term of one (1) year with up-to three (3) one-year Renewal Terms. The Commencement Date was August 14, 2020. The Lease contemplates a conversion of the Initial Term from one (1) year to ten (10) years ending on August 13, 2030. In addition, the Renewal Terms would convert to up-to two (2) five (5) year Renewal Terms starting on August 14, 2030.
3. Capital Improvements/Repairs. First Tee is obligated to make a minimum of \$500,000 of capital

improvement/repair work to the Site in the first three (3) years of the Lease term, including bringing the property into ADA compliance and removing all identified dead trees.

4. Participation of Minority, Women and Disabled Owned Business Enterprises. First Tee agreed to use good faith efforts to meet the following Economic Opportunity Plan (“EOP”) participation ranges:
  - > Capital Improvements- 18-22% MBE and 12-16% WBE
  - > Operations and Maintenance- 15-20% MBE and/or 15-20% WBE
  - > Concessions and Catering - 10-15% MBE and/or 10-15% WBE
5. Maintenance. First Tee is responsible for all Site maintenance, upkeep and repair/improvements.
6. Rent. \$1 per year in exchange for Site upkeep and all operational costs.
7. Community Use. First Tee will provide appropriate clubhouse meeting room space and golf instruction programs for the community on a regular basis.
8. No City Financial Obligation. Nothing in the Lease Agreement obligates the City to appropriate or spend money at any time or for any reason.