



City of Smyrna

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Issue Sheet

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Agenda Date: 11/21/2016

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Status: Agenda Ready

In Control: City Council

File Type: Authorization

Agenda Number: A.

WARD:

COMMITTEE:

\$ IMPACT:

Agenda Title:

Approval to amend the concession and franchise agreement between the City of Smyrna and Gonna Fly Now, LLC for the Fox Creek Golf Club property and authorize the Mayor to sign and execute all related documents.

ISSUE: Amendment will extend the concession and franchise agreement for 35 years (until May 2051). The franchisee will pay the City an annual base concession fee of \$20,000 per year (to be paid in two equal installments of \$10,000 on or before July 1 and January 1 of each year). Additionally, the Franchisee will pay to the City a fee based on the number of rounds played on the Premises during each 12 month period of the extended term in amount of \$0.25 per number of rounds played in excess of 30,000 rounds.

BACKGROUND: The existing agreement officially expired on May 31, 2016. As a result of the private financial investment being made in the improvements to the Fox Creek Golf Course, the City of Smyrna was approached, and following negotiations, is presenting a proposed franchise agreement which extends the agreement until May 31, 2051 (35 years). Compensation to the City of Smyrna is outlined above.

RECOMMENDATION/REQUESTED ACTION: Approval