

RESOLUTION NO. 2010-027

Adopted by the Sacramento City Council

January 19, 2010

APPROVING THE SIXTH AMENDMENT TO CITY LEASE AGREEMENT 98-114 BETWEEN CITY OF SACRAMENTO AND THE FIRST TEE OF GREATER SACRAMENTO (TFTGS) AND PROMISSORY NOTE FROM TFTGS

BACKGROUND

- A. On June 30, 1998, the City Manager was authorized and directed by Council Resolution No. 98-350 to execute Lease Agreement No. 98-114 with SAY Golf for the operation and management of William Land Golf Course.
- B. On November 24, 1998, the City Manager was authorized and directed by Council Resolution 98-586 to execute an amendment (Amendment No. 1) to Lease Agreement 98-114 transferring title of golf course equipment from the City to SAY Golf.
- C. On October 21, 2003, an amendment (Amendment No. 2) to Lease Agreement No. 98-114 was approved by Council Resolution 2003-736 changing the boundaries of the leased property on William Land Park Golf Course to accommodate continuation of the William Land Jogging Path.
- D. On January 27, 2004, the City Manager was authorized and directed by Council Resolution 2004-041 to execute an amendment (Amendment No. 3) to Lease Agreement 98-114 that addressed golf course management, ADA Compliance, and security at William Land Golf Course.
- E. March 29, 2005, the City Manager was authorized and directed to execute an amendment (Amendment No. 4) to extend the term of City Agreement No. 98-114 through the year 2024 (contingent on receipt of State Grant).
- F. On November 8, 2005, the City Manager was authorized and directed by Council Resolution 2005-811 to execute an amendment (Amendment No. 5) to Lease Agreement 98-114 recognizing capital improvements completed to-date, eliminating 1.0 Golf Course Supervisor position and implementing a minor reduction in administrative fees.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Execute the Sixth Amendment to City Agreement Number 98-114 with TFTGS to accept the delivery of a promissory note in the amount of \$140,049 by TFTGS for the payment of principal owed to the City under Agreement Number 98-114 and waiving interest owed in an amount totaling \$16,025.

- Section 2. Establish a CIP (M17400100) for William Land Golf Course improvements and allocate \$15,000 of the annual \$25,000 administrative fee paid to the City by TFTGS to the new Capital Improvement Project (CIP) for repairs to William Land Golf Course.
- Section 3. Establish the necessary expenditure budgets within the William Land Golf Course project (Fund: 2603) in an amount equal to \$15,000 on an annual basis over the term of the agreement.

Table of Contents:

- Exhibit A Sixth Amendment to Agreement No. 98-114
Exhibit B Promissory Note

Adopted by the City of Sacramento City Council on January 19, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

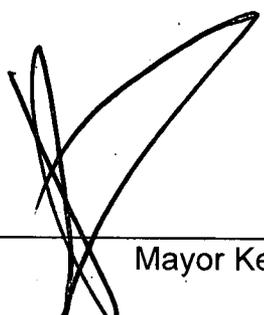
Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk



Mayor Kevin Johnson



***98-114-6**

With: SAY Golf
Title: Sixth Amendmnt to
Operating Agmt # 98-114
Authorization: Reso 2010-027

PROMISSORY NOTE

\$140,049.03

Sacramento, California
Date: As of January 20, 2010

FOR VALUE RECEIVED, the undersigned, the Sacramento Area Youth Golf Association (SAY Golf), a 501 (c)(3) nonprofit public benefit corporation, d.b.a. The First Tee of Greater Sacramento (TFTGS) ("Payor"), promises to pay to the CITY OF SACRAMENTO ("Payee"), or order, at Golf Division, Attn: Doug Parker, 1030 15th Street, Suite 220, Sacramento, California 95814-2604, or at such other place as the holder hereof may from time to time designate in writing, the sum of ONE-HUNDRED FORTY THOUSAND, FORTY-NINE DOLLARS AND 3/100 CENTS (\$140,049.03), payable in installments due and payable as follows:

<u>INSTALLMENT</u>	<u>DUE DATE</u>	<u>AMOUNT</u>
1	May 1, 2010	\$ 2,918.00
2	June 1, 2010	\$ 2,918.00
3	July 1, 2010	\$ 2,918.00
4	August 1, 2010	\$ 2,918.00
5	September 1, 2010	\$ 2,918.00
6	October 1, 2010	\$ 2,918.00
7	May 1, 2011	\$ 2,918.00
8	June 1, 2011	\$ 2,918.00
9	July 1, 2011	\$ 2,918.00
10	August 1, 2011	\$ 2,918.00
11	September 1, 2011	\$ 2,918.00
12	October 1, 2011	\$ 2,918.00
13	May 1, 2012	\$ 2,918.00
14	June 1, 2012	\$ 2,918.00
15	July 1, 2012	\$ 2,918.00
16	August 1, 2012	\$ 2,918.00
17	September 1, 2012	\$ 2,918.00
18	October 1, 2012	\$ 2,918.00
19	May 1, 2013	\$ 2,918.00
20	June 1, 2013	\$ 2,918.00
21	July 1, 2013	\$ 2,918.00
22	August 1, 2013	\$ 2,918.00
23	September 1, 2013	\$ 2,918.00
24	October 1, 2013	\$ 2,918.00
25	May 1, 2014	\$ 2,918.00
26	June 1, 2014	\$ 2,918.00
27	July 1, 2014	\$ 2,918.00

<u>INSTALLMENT</u>	<u>DUE DATE</u>	<u>AMOUNT</u>
28	August 1, 2014	\$ 2,918.00
29	September 1, 2014	\$ 2,918.00
30	October 1, 2014	\$ 2,918.00
31	May 1, 2015	\$ 2,918.00
32	June 1, 2015	\$ 2,918.00
33	July 1, 2015	\$ 2,918.00
34	August 1, 2015	\$ 2,918.00
35	September 1, 2015	\$ 2,918.00
36	October 1, 2015	\$ 2,918.00
37	May 1, 2016	\$ 2,918.00
38	June 1, 2016	\$ 2,918.00
39	July 1, 2016	\$ 2,918.00
40	August 1, 2016	\$ 2,918.00
41	September 1, 2016	\$ 2,918.00
42	October 1, 2016	\$ 2,918.00
43	May 1, 2017	\$ 2,918.00
44	June 1, 2017	\$ 2,918.00
45	July 1, 2017	\$ 2,918.00
46	August 1, 2017	\$ 2,918.00
47	September 1, 2017	\$ 2,918.00
48	October 1, 2017	\$ 2,903.03

1. At the option of the holder hereof, this Note shall become immediately due and payable, without further notice or demand, upon the occurrence at any time of any of the following events:
 - (a) Default in the payment of any installment due hereunder which is not cured within five days;
 - (b) The filing by Payor of a voluntary petition for bankruptcy or if the Payor is named as a debtor under an involuntary petition for bankruptcy;
 - (c) Payor institutes any proceeding under any bankruptcy or insolvency laws relating to the relief of debtors; or
 - (d) Payor makes an assignment for the benefit of its creditors.

2. If this Note is not paid when due, whether at maturity or by acceleration, Payor, and every guarantor and endorser of this Note, and every person who assumes the obligations of this Note, promise to pay all costs of collection, including, but not limited to, reasonable attorneys' fees (incurred by the Sacramento City Attorney's Office and/or outside counsel) whether or not suit is filed hereon.

Additionally, the holder hereof shall be entitled to reimbursement for all attorneys' fees and costs incurred in enforcing any judgment arising from or out of this Note, whether incurred by the Sacramento City Attorney's Office or outside counsel, which shall not merge into said judgment and may be added to the judgment and substantiated by supplemental cost bill.

3. Payor, every guarantor and endorser of this Note, and every person who assumes the obligations of this Note, waive presentment, demand, protest, notice of protest, notice of dishonor, notice of nonpayment, and notice of any kind with respect to this Note or any guarantee of it.
4. Installments shall be payable in lawful money of the United States.
5. This Note may not be changed or terminated orally, but only by an agreement in writing signed by the party against whom enforcement of such change or termination is sought.
6. This Note may be prepaid at any time without penalty.
7. If Payor fails to make any payments when due under this Note, it shall be in default of City Agreement number 98-114 ("Agreement"), and the City shall enjoy all rights incident to a default under the Agreement.
8. The rights, duties, and obligations of Payor and Payee hereunder shall be binding upon and inure to the benefit of their respective successors, representatives, receivers, trustees, and assigns, if any.

"PAYOR"

Sacramento Area Youth Association, d.b.a.
The First Tee of Greater Sacramento, a
501 (c)(3) nonprofit corporation

By: Michael L. Gilligan
MICHAEL L. GILLIGAN, Board President

Attest on: _____ (date)

Dawn Bullwinkel, Assistant City Clerk