



Legislation Text

File #: 17-898, **Version:** 1

TO: Mayor and Commissioners
FROM: Suzanne Fisher, Director of Parks and Recreation
THROUGH: Mark R. Lauzier, City Manager
DATE: February 20, 2018

AMENDMENT 3 TO THE AGREEMENT BETWEEN THE CITY OF THE DELRAY BEACH AND PLAYERS INTERNATIONAL MANAGEMENT, INC.

Recommended Action:

Motion to approve Amendment 3 to the Agreement between the City of Delray Beach and Players International Management, Inc.

Background:

The City of Delray Beach entered into an agreement with Players International Management, Inc. (PIM) on March 6, 2007, which granted PIM the non-exclusive rights to use the City of Delray Beach's tennis facilities for tennis events until September 30, 2012, with the right to renew for two additional five-year terms.

Both parties entered into Amendment #1 on January 10, 2012 to allow the Agreement to be renewed for three additional five (5) year terms and one additional three (3) year term. Amendment #2 was made between the City of Delray Beach and PIM on October 22, 2012. This Amendment detailed that PIM shall be required to hold a minimum of four (4) events each year. PIM hosts USTA and/or ITF junior tennis tournaments at the Delray Beach Tennis Center. The proposed schedule of 2018 events is as follows, and attached:

January 20 - 22, 2018 - Delray Beach Open Jr. Championships. This is a USTA event with Girls 14 & Under and Boys 14 & Under divisions.

February 17 - 18, 2018 - Delray Beach Challenge. This event features collegiate clubs throughout the state competing in a round-robin format.

February 24 - 25, 2018 - Longines Future Tennis Aces. This is a televised event that features Girls and Boys 12 & Under divisions.

April 28 - May 5, 2018 - Delray Beach International Federation Championships. This event is and International Tennis Federation Event (ITF) for Girls and Boys 18 & Under division.

May 5 - 7, 2018 - PIM Open. This is a USTA National event that hosts the Girls and Boys 14 & Under divisions.

May 19 - 21, 2018 - YellowTennisBall.com Jr. Championships. This is a USTA event which features the Girls and Boys 12 & Under division play.

July 15 - 22, 2018 - USTA National Clay Court Championships. This is the highest level (1) USTA amateur event in the country. Over 75-plus NCAA college coaches attend annually. This event is televised.

August 25 - 27, 2018 - Summer Smash Sectional Championships. This is the largest USTA

Florida Sectional event in the state and features Boys 18 & Under, 16 & Under, 14 & Under, and 12 & Under divisions.

September 1 - 3, 2018 - Summer Smash Sectional Championships. This is the largest USTA Florida Sectional event in the state and features Girls 18 & Under, 16 & Under, 14 & Under, and 12 & Under divisions.

September 22 - 24, 2018 - Sunshine State Open. This is a USTA National Event for Girls and Boys 12 & Under, as well as Girls and Boys 14 & Under divisions.

October 6 - 8, 2018 - Columbus Day Open. This is a USTA National Event for Girls and Boys in the 12 & Under, 14 & Under, 16 & Under, and 18 & Under divisions.

Both parties would like to execute the three (3) year renewal as noted in Amendment #1, however inadvertently failed to execute prior to the ending term of the first renewal term on September 30, 2017. The term of this renewal will be for the three (3) year term, starting October 1, 2017 and ending September 30, 2022.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from 001-75-780-575.49-60 in the amount of \$208,650.

The tournaments provided by PIM as part of this agreement attract nationally ranked youth tennis players and their families over a period 30+ days annually to Delray Beach to engage in highly competitive tennis tournaments. This usage of the Tennis Center provides direct economic impact to area businesses (restaurants, hotels, etc.) as tournament play is bracketed and matches take place throughout the day, thus enabling players and their families to enjoy not only the amenities at the Delray Beach Tennis Center, but also throughout Delray Beach.

Economic Impact of PIM Youth Tennis Events in Delray Beach 2016-2017 (Received from Palm Beach Sports Commission)

Total estimated room nights for PIM Youth Tennis events: 4,592+

Total Estimated Economic Impact of PIM Youth Tennis for Delray: \$2,500,000+
(with TV media included: \$5 million)

List of all Tennis Events 2016-2017 with room nights and estimated economic impact

***Delray Beach Open Junior Tournament**, Jan. 21-23 150 room nights, \$175,000

***Longines Future Tennis Aces**, Feb. 25-26, 20 room nights, Economic Impact \$6,080

***Delray Beach ITF**, April 29-May 6, 461 room nights, Economic Impact, \$300,500

***Yellowtennisball.com Junior Championships**, May 20-22, 232 room nights, Economic Impact, \$287,000

***USTA Memorial Day Open**, May 26-29, 279 room nights, Economic Impact, \$211,000

***USTA Boys 16 & 18, July 16-23**, 2,011 room nights, Economic Impact: \$1,075,200

(Also has Tennis Channel coverage for the finals)

Note: 2017-2018 tracked 2,743 room nights for a greater economic impact and shows expansion of this event

***USTA Summer Smash Sectionals**,

Aug. 26-27

Sept. 2-4,

277 room nights, Economic Impact, \$205,260

***USTA Columbus Day open**, Oct. 10-12, 447 room nights, Economic Impact, \$321,185

Estimated economic impact for 2018 events is attached.

Timing of Request:

This is time sensitive as the first renewal term expired on September 30, 2017.