



Cover Memorandum/Staff Report

File #: 19-1209

Agenda Date: 12/10/2019

Item #: 7.K.

TO: Mayor and Commissioners
FROM: Lynn Gelin, City Attorney
DATE: December 10, 2019

APPROVAL OF RESOLUTION 215-19 OF THE CITY OF DELRAY BEACH, FLORIDA, APPROVING AMENDMENT NO. 6 TO THE AGREEMENT BETWEEN THE CITY OF DELRAY BEACH AND MATCH POINT, INC.

Recommended Action:

Motion to Approve Resolution 215-19 approving Amendment No. 6 to the Agreement between the City of Delray Beach and Match Point, Inc., finding that approval of said Amendment is in the best interests of the City and that waiver of competitive requirements is appropriate.

Background:

On October 12, 2005, the City entered into an Agreement with Match Point, Inc. for Match Point's use of the City's Municipal Tennis Center to host its annual Association of Tennis Professionals ("ATP") tennis tournament. ("Agreement"), also known as the Delray Beach Open. The original Agreement between the City and Match Point has been previously amended five times.

In 2016, a dispute arose between the City and Match Point concerning the validity of the Agreement which resulted in the City filing an action for declaratory relief (Palm Beach County Case No. 502016CA002812). Settlement of that matter is conditioned on approval of this Amendment.

The number of ATP tournaments around the world is limited and, in fact, the City of Delray Beach is the smallest host city on the ATP World Tour. The services provided by Match Point are unique and have generated millions of dollars to the local economy for the past twenty years.

This Amendment No. 6 modifies the original agreement between the City and Match Point in the following ways:

- a. Annual Contribution to Match Point will be \$1,699,673.00. Payments will be made in monthly installments (\$141,639.42) for the remainder of the agreement. The escalator provision has been removed;
- b. Annual Contribution to Match Point for the ATP Champions Tour will be \$443,369.00. The escalator provision has been removed; and
- c. Television production and distribution for the event will be a minimum of seven days and a minimum of 50 hours of airtime.

City Attorney Review:

Approved as to form and legal sufficiency.