

Source

Mike Hood

RAH

TO: City Council
FROM: City Manager and Staff



DATE: March 12, 2007

RE: Columbia Youth Basketball Association Memorandum of Understanding

Fiscal Impact

YES

NO

Other Info.

Summary: A Public Hearing was held by the City Council on January 16, 2007 regarding the four proposals received by the City for the use of the land located adjacent to the ARC. At the conclusion of the meeting, staff was directed to develop a Memorandum of Understanding with the Columbia Youth Basketball Association (CYBA) regarding their proposal for use of the property. The proposal included the CYBA raising the necessary funds to construct a multi-court indoor, multi-use recreation building capable of housing up to 8 basketball courts. The funds, when raised, would be donated to the City for the purposes of constructing the facility which would be owned and operated by the City. Following several meetings between staff and the CYBA, a draft Memorandum of Understanding has been prepared for Council consideration and review.

Discussion: A draft Memorandum of Understanding between the City of Columbia and the Columbia Youth Basketball Association for a proposed facility to be located on city owned land adjacent to the ARC has been negotiated by Park and Recreation Department staff. The draft Memorandum of Understanding addresses the main concerns expressed by City Council at the January 16, 2007 meeting. In addition to these concerns, it also incorporates the framework which would allow CYBA to raise the necessary money for the facility as well as general operational principles once the facility is constructed. It is anticipated that if the fund raising campaign is successful, this non-binding Memorandum of Understanding will be replaced with a formal, binding agreement between the two parties at the time the funds are donated to the City. Key points under the Memorandum of Understanding include:

- A. Columbia Youth Basketball Association is a not for profit organization organized to promote youth sports activities through the operation of its youth basketball program for the youth of the community. The CYBA is co-sponsored by the Columbia Parks & Recreation Department.
- B. The City is the present owner of approximately 19 acres of real estate located in and around the Activity & Recreation Center (ARC) at 1701 W. Ash, Columbia, Missouri.
- C. The CYBA proposes to raise funds privately in order to fund the construction of a multi-court, indoor multi-use recreation building to serve the youth basketball and other recreational needs of the City and the

CYBA. The goal for fundraising by CYBA is \$4 million to cover the cost of the facility and essential FFE (furniture, finishing, and equipment).

- D. CYBA has a two year window, from the time of this Memorandum of Understanding, to raise the necessary funds. Should the CYBA not reach the \$4 million goal at the end of the two year period, the CYBA and the City may chose to extend, modify, or end the Memorandum of Understanding.
- E. The CYBA would raise the funds necessary for the Facility and donate them to the City for the construction of a facility on the site.
- F. As the facility will be owned by the City, the City will apply for tax credits for the project through the Missouri Department of Economic Development. The tax credits, if received, will be used by the CYBA to assist in soliciting donations for the project.
- G. The City will pay for the necessary parking and road improvements to the site as well as provide and maintain the landscaping for the Facility.
- H. The facility would be designed by the City with input from CYBA. The design of the facility will have an exterior look which will be complimentary to the ARC and the facilities surrounding the area and will be subject to the approval of the City Council.
- I. The Facility will contain space for eight (8) basketball courts that will be multi-purpose in nature. Additional space for concessions, office space, meeting space and restrooms will be provided.
- J. The Facility will serve as a game facility for CYBA and serve in a limited capacity as a practice venue for its teams.
- K. CYBA will partner with the **Rising Stars Sports Association** (RSSA), a not-for-profit 501 (c) (3) youth organization which plans and organizes sports leagues, sport camps, tournaments and stresses community involvement to the youth of the program. RSSA will share the court time and space allocated to CYBA.
- L. The City and the CYBA will develop an annual schedule of use of the facility by the CYBA/RSSA with a guaranteed minimum amount of court time as agreed upon in the Memorandum of Understanding. The use schedule will provide both the City and CYBA/RSSA reasonable use opportunities throughout the year. Specifically, the City shall have sufficient court space and time to significantly expand adult sports programs while continuing to support and encourage the youth sports programs currently co-sponsored with CYBA.

M. The City shall assume all maintenance, operating (staffing, utilities, etc.) and custodial costs associated with the building.

Staff has actively worked with the CYBA and the RSSA in the development of this draft Memorandum of Understanding and believes that it reflects the commitments of both the City and the CYBA to this project.

Recommended Council Action: If the Council concurs that the City should proceed with the Memorandum of Understanding with the Columbia Youth Basketball Association, staff should be directed to prepare a resolution authorizing the agreement.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into on this ____ day of March, 2007, by and between the City of Columbia, Missouri ("City"), a municipal corporation, and Columbia Youth Basketball Association ("CYBA"), a Missouri not-for-profit corporation.

RECITALS

- A. Columbia Youth Basketball Association is a Missouri not-for-profit corporation organized to promote youth sports activities through the operation of its youth basketball program for the youth of the community.
- B. City owns approximately 19 acres of real estate located in and around the Activity & Recreation Center (ARC) at 1701 W. Ash, Columbia, Missouri (the "Site").
- C. CYBA proposes to raise funds privately in order to fund the construction of a multi-court, indoor multi-use recreation building (the "Facility") to serve the youth basketball and other recreational needs of City and CYBA.
- D. City proposes to assume all maintenance, operating (staffing, utilities, etc.) and custodial costs associated with the building.

UNDERSTANDING

NOW, THEREFORE, the parties propose the following:

- 1. *Purpose.* The purpose of this Memorandum of Understanding is to set forth the general expectations of City and CYBA in order to enter into good faith negotiations with respect to the development and subsequent operation of the Facility on such terms and conditions as may be acceptable to City, CYBA and the Rising Stars Sports Association ("RSSA").
- 2. *CYBA Fundraising.* CYBA will raise funds towards the construction of the Facility. City will assist CYBA where possible including providing site schematics, facility guidance and general knowledge. CYBA will ask the City of Columbia New Century Fund, Inc. to serve as a vehicle for some of the donations for the Facility. The goal for fundraising is \$4 million and will cover the cost of the facility, essential Furniture, Finishing and Equipment (defined as items associated with the courts such as scoreboards, bleachers, basketball goals) and the connection of utilities. The funds raised for the Facility, will be given to City for the express purpose of building the Facility. City will furnish items such as office equipment and furniture, concession equipment, etc.
- 3. *Tax Credits.* City will pursue the possibility of tax credits for this Facility from the Missouri Department of Economic Development.
- 4. *CYBA Fundraising Time Period.* CYBA will have two (2) years from the signing of this memorandum to raise the necessary funds to develop the Facility. If CYBA does not

reach its goal at the end of the two (2) year period, City and CYBA may enter into discussions to:

- a. Evaluate the amount of money pledged and raised and decide whether a scaled down Facility will meet the needs of both parties.
 - b. Extend the amount of time CYBA has to reach its goal.
 - c. End the memorandum of understanding between City and CYBA.
5. *CYBA Naming Opportunities.* The Columbia City Council shall name the facility but shall consider naming recommendations suggested by CYBA. CYBA may name specific areas of the Facility after principal donors, subject to approval of the Columbia Parks & Recreation Department.
6. *Facility Design Considerations and Requirements.* The Facility shall follow the general intent of the master plan for the site. The Facility will have an exterior look that will be complimentary to the ARC and the facilities surrounding the area and will be subject to the approval of City. The Facility will be designed to accommodate up to eight (8) basketball courts (50-feet by 80-feet) that are multi-purpose and could accommodate other uses. The Facility will also include space for offices and storage, a concession area and restrooms. The Facility's design will be coordinated by City with input from CYBA. The Facility will be fully ADA accessible. City intends to provide parking, roads, landscaping and a storm water detention pond. The overall design should keep in mind the farmers' market that will be located on the site.
7. *Operation of the Facility.* The Facility will be owned and operated by City. City will be responsible for establishing the hours of operation, scheduling, maintenance and upkeep of the facility.
8. *Shared Use of the Facility.* City and CYBA/RSSA will develop an annual calendar each year. The Facility shall be available for use by City, CYBA and RSSA as follows:
- A. *CYBA:*
 - i. Practices: November 1 through mid-March
 1. Five courts, weeknights
 - ii. League Games: 4th Saturday of December through mid-March
 1. Seven courts, 8 a.m. – late afternoon
 2. Four courts on Sundays, Noon – 5 p.m.
 - iii. Summer Leagues: Mid-May through July 31
 1. Six courts, three nights per week
 - iv. Tournaments
 1. Eight Tournaments per year
 2. First tournament usually over the Christmas break
 3. Remainder of tournaments at mutually agreed upon dates

- a. RSSA share the 8 dates with CYBA
 - 4. Friday evening – Sunday afternoon format where possible
 - 5. Majority of the courts Fridays and Saturdays
 - 6. Generally four courts on Sunday with most play done by late afternoon
 - 7. CYBA/RSSA will be allowed to charge a gate admission for tournaments.
 - v. Building Rental Fees
 - 1. CYBA/RSSA will pay the following customary fees for:
 - a. Scheduled Practices – No charge subject to court availability.
 - b. Scheduled Games Rates as prescribed by City Fee Ordinance: Current Rates:
 - i. \$1.35 per game Activity Fee per child
 - ii. \$0.45 per game capital User Fee per child
 - iii. \$1.80 per game total per child
 - iv. Subject to City Fee Ordinance review each year
 - c. Tournaments
 - i. League Tournaments
 - 1. CYBA/RSSA tournaments will pay the appropriate fee as prescribed by the City Fee Ordinance
 - 2. CYBA/RSSA will have a preferred fee as compared to other tournaments. The fee will be determined prior to the Facility opening.
 - 3. Fee will be based upon either an hourly or daily rental fee per court.
 - ii. Open Tournaments (out of town teams)
 - 1. Pay established rental fees
- B. RSSA:
 - i. Practices:
 - 1. November 1 – March 31 - Share court times allocated to CYBA
 - 2. April through August - Three courts, Two nights per week
 - ii. Tournaments
 - 1. RSSA shares the eight tournament dates allotted to CYBA
 - 2. Mutually agreed upon dates
- C. City:
 - i. City retains the right to program this facility as it sees fit during all other hours of operation.

9. *Concession Operations*

- a. City will offer concessions for sale in the Facility. All proceeds will be used to assist the Facility in reaching its revenue goals.

- b. CYBA/RSSA may sell non-food items such as t-shirts subject to the approval of City.
10. *Advertising Opportunities*
- a. City and CYBA/RSSA will develop an advertising policy and a revenue splitting program for the Facility. City will retain right of refusal for advertisers.
11. *Non-Binding Memorandum of Understanding.* This Memorandum of Understanding evidences the intention and desire of City and CYBA to commit their time and financial resources to negotiate in good faith towards the development of the youth basketball venue to be located on the Site as generally described herein. This Memorandum of Understanding is not a binding agreement upon City or CYBA. The legal agreements reflecting the Project shall be set forth in definitive agreements subsequently negotiated, authorized and entered into by City and CYBA. Either City or CYBA shall have the ability to terminate such negotiations at any time. Each party shall bear its own expenses in connection with the negotiation of such definitive agreements.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year above first written.

CITY OF COLUMBIA, MISSOURI

By: _____
H. William Watkins, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Fred Boeckmann, City Counselor

COLUMBIA YOUTH BASKETBALL
ASSOCIATION

By: _____
Wendell Coonce, President

ATTEST:
