



# Howard County

## RECREATION & PARKS

**SUBJECT: CR 12-2017:**  
***Long Term Lease for Timbers at Troy Golf Course***

**TO:** Lonnie R. Robbins  
Chief Administrative Officer

**FROM:** John R. Byrd, Director  
Department of Recreation and Parks

**DATE:** January 30, 2017

The County Administration requests favorable support from the County Council for CR 12-2017 establishing a long term lease for the operation of the Timbers at Troy public golf course.

The Timbers of Troy Golf Course opened in 1996. It is owned by the County and part of the Recreation and Parks asset inventory. It has been managed by Kemper Sports Management (KSM) under a Management Contract since it opened, whereby the County pays all expenses plus a management fee. The contract and extensions will expire on July 1, 2017 or whenever the Lease is executed prior to that. The Department solicited proposals for a 30-year Long Term Lease (rather than a Management Contract) in the Spring of 2015 and one responsible bid was submitted by KSM. Over the last 18 months we have been in negotiations with KSM over the final terms of the lease and have reached mutual agreement on terms included in the attached Lease. The benefits of entering into this Lease include: Payment by KSM of the remaining debt service on the Course which is approximately \$3,399,000, (the exact amount will be calculated at the time of payment; the current County pay-off date would be 2023 with annual debt payments of \$560,000); an annual lease payment of 3% of gross revenue (approximately \$60,000 annually based on the last 3 years); all operating costs will be paid by KSM; capital improvements under \$35,000 will be paid by KSM.

Contracts are currently underway to renovate all sand traps, replace the irrigation system and repave the cart paths at County Expense.

I believe this public private partnership will mostly eliminate the financial burden on the County for the operation of the Course while still providing a valuable and affordable recreational asset to our golf playing residents.