

COMMISSION MEMORANDUM

TO: Honorable Mayor Philip Levine and Member of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: July 26, 2017

SUBJECT: **DISCUSSION REGARDING POSSIBLE USE OF FLAMINGO PARK TENNIS COURTS DURING THE INTERNATIONAL TENNIS FEDERATION TOURNAMENTS SCHEDULED FOR OCTOBER-NOVEMBER 2017**

ANALYSIS

On September 2, 2015, Commissioner Steinberg sponsored a discussion regarding a potential tennis event in North Beach. The intention was to create a calendar of premium tennis events in Miami Beach which would help to establish the City as a tennis and sporting capital in South Florida.

On March 9, 2016, the Commission passed a motion endorsing the concept of an agreement with Creative Artists Management (CAA), partnered with Florida Tennis Promotions (FTP), and the International Tennis Federation (ITF) whereby the City would commit \$100,000 toward production of the event.

On September 14, 2016, the Commission adopted a Resolution approving an agreement between the City and Florida Tennis Promotions to secure, host, and produce a series of International Tennis Federation events in 2017, 2018, and 2019, with the agreement commencing upon execution, and authorizing annual funding in the amount of \$100,000 subject to budget appropriation.

The initially discussed scope of the International Tennis Foundation (ITF) activations in Miami Beach was limited to the North Shore Tennis Courts (NSPYC) to be supplemented by public City courts in North Beach as well as neighboring municipalities. Initial conversations with the NSPYC Contractor indicated that the City would negotiate some manner of compensation for lost revenue.

The City contract with our Contractor responsible for managing both North Shore Park and Youth Center Tennis Courts and Flamingo Park tennis courts provides that the City may, if deemed that it would be in the best interest of the City, reserve the right to utilize the Center for City produced tennis related special events and/or other City-produced special event productions. In such cases, the City will coordinate with the Contractor, and would need to consider the impact of lost revenue on the Contractor.

The loss of revenue associated with use of all NSPYC courts for the duration of two weeks is \$30,283.71.

As part of the Agreement between the City of Miami Beach and Florida Tennis Promotions, the City shall provide to FTP with free or discounted venue for the Event. As part of the ongoing discussions with FTP, the City has agreed that the associated costs with the use of

NSPYC courts will be waived for the duration of the tournament.

The event producer has confirmed that in addition to the courts being used at NSPYC, the use of the courts at the Flamingo Courts will also be required.

The loss of revenue associated with use of the Flamingo Courts is as follows:

13 courts for 12 hours and 4 remaining courts strictly for instruction; over the course of two weeks: \$18,081

13 courts for 12 hours and 4 remaining courts with no instruction; over the course of two weeks: \$33,763

Staff has also raised the option of relocating some of the contractor's programming and private lessons to allow the contractor to utilize some of the City of Miami Beach neighborhood courts.

After further discussion with the event producer, the organization is willing to pay \$4,250.00 toward the court costs associated with the use of 13 courts at Flamingo Courts for the 11 days of the tournament.

CONCLUSION

Administration seeks direction on the scope of potential use of Flamingo Courts for ITF tournaments; potential displacement of regular community use of the Flamingo Courts; and potential revenue rental loss for Flamingo Court Management.