



**City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS**

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Legislative File No: 2010-0545

TO: Mayor and City Council Members
FROM: Vern Pixley, Vice-President
DATE: December 8, 2010
SUBJECT: Amendment to Lease Agreement with Golf Concepts, Inc.

Pine Trace provides an annual income stream to the City based on gross revenues from golf operations as well as catering and events. The Pine Trace operation has consistently delivered a high quality product to our residents and visitors that utilize this community resource.

The Pine Trace Committee formally met with Pine Trace Management earlier this year to discuss our continued partnership. In a review of the lease agreement, the committee and the administration propose to amend the current lease language, which runs through midnight, December 31, 2025.

This proposed change to the existing lease agreement provides for a concession which will allow a reduction in expenses for the organization, and the potential of additional investment that will ultimately benefit the City through additional revenues and lease income. The proposed language mirrors similar lease agreements with other municipalities in similar relationships.

In an effort to grow revenues, in a challenging golf environment, through additional activity on the golf course as well as the restaurant and catering facilities; as well as enhancing the experience for our residents the attached schedule of incentives will be offered through 2011.