



# WASHOE COUNTY

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## STAFF REPORT

BOARD MEETING DATE: May 10, 2022

**DATE:** April 8, 2022

**TO:** Board of County Commissioners

**FROM:** Eric Crump, Operations Division Director  
Community Services Department, 328-3625, [ecrump@washoecounty.gov](mailto:ecrump@washoecounty.gov)

**THROUGH:** Dave Solaro, Arch., P.E., Director, Assistant County Manager

**SUBJECT:** Recommendation to approve Amendment No. 2 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to amend the term effective June 23, 2020 through December 31, 2022, retroactive to January 1, 2022. Amendment No. 2 extends the current license and services agreement for MAZZ to operate the golf course while the transfer of the golf course from Washoe County to Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada if finalized. (Commission District 3.)

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### SUMMARY

Due to events associated with the closure of golf courses pursuant to a directive by Governor Sisolak in response to the COVID-19 pandemic Washoe County lost the golf course operator for the Wildcreek Golf Course. Washoe County has had a contractual relationship with MAZZ Golf Management at our Sierra Sage property, and Mike Mazzaferri provided a request to operate Wildcreek for the summer season 2020. Washoe County entered into a Golf Management License and Services agreement with MAZZ Golf on June 23, 2020 to operate and maintain the existing 9-hole par 3 golf course and limited holes on the former 18 hole course. Additionally, an amendment to the Golf Management License and Services agreement was approved that extended the term of the agreement, amended the payment terms and services provided by the County.

The Board of County Commissioners (Board) is being asked to consider Amendment No. 2 to the Golf Management License that would extend the agreement through December 31, 2022 (retroactive to January 1, 2022) and clarifies the frequency (monthly) of the payment to Washoe County. Based on demand for golf at Wildcreek, MAZZ Golf submitted an Unsolicited Proposal to the County. In April of 2021, The Board directed staff to begin stage two of the unsolicited proposal policy with First Tee of Northern Nevada. In September of 2021, the Board adopted a resolution declaring Washoe County's intent to convey Wild Creek Golf Course to First Tee of Northern Nevada, and in October 2021, the Board approved the purchase and sale between Washoe County and First Tee of Northern Nevada for the transfer of Wildcreek Golf Course. This Amendment No. 2 extends the current license and services agreement while the transfer can be finalized. During the term of this agreement, Washoe County will continue to provide the cost of utilities which would be the cost to the Washoe County Golf Enterprise fund without golf operations at the property to maintain the asset.

AGENDA ITEM # \_\_\_\_\_

**Washoe County Strategic Objective supported by this item:** Economic Impacts:  
Support a thriving community

**PREVIOUS ACTION**

On October 12, 2021 – The Board held a Public Hearing to: (1) consider objections to Resolution of Intent to Convey (R21-056) and approved the purchase and sale between Washoe County and the Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada, a corporation for public benefit under NRS chapter 82, for the transfer of the property commonly known as the Wildcreek Golf Course on Sullivan Lane in Sparks, Nevada (APN 027-011-09) (approximately 110.72 acres) as authorized in NRS 244.284.

On September 14, 2021 – The Board adopted a resolution declaring Washoe County's intent to convey to the Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada, a corporation for public benefit under NRS chapter 82, the property commonly known as the Wildcreek Golf Course on Sullivan Lane in Sparks, Nevada (APN 027-011-09).

On April 13, 2021 – The Board directed staff to begin stage two of the unsolicited-proposal policy with First Tee of Northern Nevada.

On January 5, 2021 – The Open Space and Regional Park Commission recommended the Board of County Commissioners direct staff, with the District Attorney's Office assistance, to begin stage two of the unsolicited-proposal policy by completing all necessary documents including leases and a term sheet for the proposal from MAZZ Golf Management for continuation of golf operations at Wildcreek Golf Course.

On April 13, 2021, the Board approved Amendment No. 1. to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to: 1) Amend the term and license fee effective June 23, 2020 through December 31, 2021, retroactive to November 15, 2020, and to amend the payment terms from MAZZ Golf Management to Washoe County from 50% of gross profits earned to 50% of net profits earned; and 2) Amend the services and facilities to be provided by County by ending the provision of one part-time temporary irrigation specialist to assist with irrigation and ground maintenance effective November 15, 2020.

On June 23, 2020, the Board approved a Golf Management License and Services - Wildcreek Golf Course with MAZZ Golf Management to operate and maintain Wildcreek Golf Course commencing June 23, 2020 through November 15, 2020, for the operation, management and maintenance of the Wildcreek Golf Course. Washoe County will pay for the utilities and one part-time irrigation specialist which is the cost to Washoe County for maintenance and upkeep of the asset without golf operation, and the Parties will split one-half of any profits.

On December 10, 2019, the Board approved a Professional Services Agreement between Knott & Linn Golf Design Group, LLC and Washoe County for Professional Golf Course Design Services for the re-design of the Wildcreek Golf Course [in the amount of \$125,000].

On November 12, 2019, the Board approved a Right of Entry Agreement retroactive to November 4, 2019, between Washoe County and the Washoe County School District for the relocation and reconstruction of the existing Orr Ditch located on a portion of the

Wildcreek Golf Course [Washoe County School District to pay Washoe County \$240,000 for restoration of the property]; and authorized the Community Services Department Operations Division Director to sign the Right of Entry Agreement.

On November 12, 2019, the Board approved a Grant of Easement between Washoe County (Grantor) and Sierra Pacific Power Company d/b/a NV Energy (Grantee) to construct, operate, add, modify, maintain and remove communication facilities and electric line systems for the distribution and transmission of electricity consisting of poles, cables and other appurtenances (Utility Facilities) and service boxes/meter panels, equipment and fixtures (Additional Utility Facilities) upon, over, under and through Grantor's property, a portion of APNs 027-011-07 and 035-080-04, more commonly known as the Wildcreek Golf Course in Sparks, Nevada.

On February 12, 2019, the Board adopted a resolution approving a cooperative agreement between Washoe County, the Washoe County School District and the Reno-Sparks Convention and Visitors' Authority for the transfer of portions of Wildcreek Golf course on Sullivan Lane in Sparks, Nevada, comprising the parcels of Parcel Map No. 5369, and rights and obligations related to those parcels including: personal property, water rights, rights to an effluent agreement, rights to a golf management agreement and a ditch maintenance agreement

On January 15, 2019, in a regular open meeting, by a majority vote of its members, the Board adopted a resolution of intent and, on the basis of the recitals stated therein and all the evidence and testimony on the record of the meetings of the Board, declared it is in the best interests of Washoe County and its citizens to convey Parcel 2 (a portion of the Wildcreek Site) to the School District, and thereby declared its intent to do so.

On May 1, 2017, the Board approved at a concurrent meeting a letter of intent to cooperate in the planning, development and construction of new high school on a portion of the Wildcreek Site.

## **BACKGROUND**

Washoe County has title to Wildcreek Golf Course and related improvements at 3500 Sullivan Lane in Sparks. The Reno-Sparks Convention and Visitor's Authority (RSCVA) developed and operated Wildcreek Golf Course, but the RSCVA's modern focus on attracting overnight visitors to Washoe County lodging properties through tourism marketing, convention sales and facility operation does not include the operation of golf courses and the RSCVA transitioned its property interest in the Wildcreek Site to the Washoe County School District for public benefit and use. The Washoe County School District identified the Wildcreek Site as a desirable site for a new high school given the proximity to student populations and necessary infrastructure and the needs of the School District. The School Project will be constructed on 87.02 acres of land.

On September 12, 2018 a parcel map was recorded in Washoe County dividing a 212.22 acre parcel into 3 parcels as follows: Parcel 1 (14.50 acres), Parcel 2 (87.02 acres) and Parcel 3 (110.72 acres). Legal title to parcels 1 and 3 are currently held by Washoe County. When all the necessary approvals are obtained, Parcel 3 would be transferred to First Tee for the Project and Parcel 1 would be retained by Washoe County.

With the acceptance of an Unsolicited Proposal from MAZZ Golf Management and First Tee the Board directed staff to begin negotiations for an agreement to move forward with

the proposal which would allow First Tee to utilize the property for charitable and affordable golf purposes, which shall generally be open to the public.

Operation of a golf course for charitable and affordable golf purposes means:

1. The operation of one hundred percent (100%) of the property as a golf course, including operating, managing and supervising daily play, golf shop, food and beverage services for golfers and golf-related events, driving range and putting practice greens, hosting events and banquets, maintenance facilities, club house and infrastructures on the property, providing lessons, choosing and maintaining all play and maintenance equipment, advertising and promoting public play, and the sale of merchandise and services, and
2. Making the golf course available to the public for a cost less than private golf courses in Washoe County, Nevada.

Currently the best opportunity for both First Tee and Washoe County to provide affordable golf at this location is to transfer or sell the property to First Tee with a purchase and sale agreement that captures the requirements for use of the property to be for charitable and affordable golf purposes. In addition to the proposal to transfer the property for charitable and affordable golf purposes, during the initial sale of a portion of the golf course property to the Washoe County School District for construction of the new Hug High School, the Board and City Council of the City of Sparks desired to ensure that the remaining property was utilized as open space, either a golf course, or regional open space. A proposal through the sale process is to include in the transfer documents a reversionary clause that ensures that if First Tee is unsuccessful in providing golf at this location, the property reverts to the County. The proposed language is:

In the event title reverts to Grantor, Grantor shall designate the Property, in perpetuity, as a public park, open space area, and/or golf course for the benefit of the general public, whose use is intended to accommodate pedestrian access and nonmotorized vehicle access, including bicycles, with the exception of Grantor-authorized vehicular access for maintenance.

First Tee is considered a corporation for public benefit and NRS 244.284 allows the County to convey property if the property is actually used for charitable or civic purposes. Additionally, the unsolicited proposal process is utilized for instances where the county is not able to provide a service to the community. The proposal from First Tee was deemed to be in the best interest of the public golfers of Washoe County to generate a feasible plan that will ensure continuation of much needed affordable golf in our community. The public benefit of having a facility of this type in our community that offers affordable golf and a substantial teaching element are a real benefit. First Tee teaches young people ages 7-17 life skills including honesty, respect, confidence, and sportsmanship through the game of golf.

**NRS 244.284 Lease or conveyance of real property of county to corporation for public benefit.**

1. In addition to the powers conferred by [NRS 450.500](#), the board of county commissioners may:
  - (a) Lease any of the real property of the county for a term not exceeding 99 years; or
  - (b) Convey any of the real property of the county, except property of the county that is operated or occupied by the county fair and recreation board, without consideration,
    - ↳ if such real property is not needed for the public purposes of the county and is leased or conveyed to a corporation for public benefit, and the property is actually used for charitable or civic purposes.

2. A lease or conveyance pursuant to this section may be made on such terms and conditions as seem proper to the board of county commissioners.
3. If a corporation for public benefit to which property is conveyed pursuant to this section ceases to use the property for charitable or civic purposes, the property automatically reverts to the county.
4. As used in this section, "corporation for public benefit" has the meaning ascribed to it in [NRS 82.021](#). (Added to NRS by [1963, 690](#); A [1969, 218](#); [1975, 571](#); [2001, 1710](#); [2003, 918](#))

The terms and conditions for the transfer are stated in the purchase and sale agreement that sets forth that the property will be used for charitable or civic purposes. Under the proposed purchase and sale agreement:

- First Tee will operate a golf course for charitable and affordable golf purposes, which means (i) the operation of one hundred percent (100%) of the property as a golf course, including operating, managing and supervising daily play, golf shop, food and beverage services for golfers and golf-related events, driving range and putting practice greens, hosting events and banquets, maintenance facilities, club house and infrastructures on the property, providing lessons, choosing and maintaining all play and maintenance equipment, advertising and promoting public play, and the sale of merchandise and services, and (ii) making the golf course available to the public for a cost less than private golf courses in Washoe County, Nevada.
- First Tee will pay Washoe County \$10.00.
- A restrictive covenant as set forth in the Grant, Bargain, Sale, Deed with a reverter stating – "In the event title reverts to Grantor, Grantor shall designate the Property, in perpetuity, as a public park, open space area, and/or golf course for the benefit of the general public, whose use is intended to accommodate pedestrian access and nonmotorized vehicle access, including bicycles, with the exception of Grantor-authorized vehicular access for maintenance".
- Washoe County is currently working with the Washoe County School District on a boundary line adjustment between parcels to increase the area of the parcel being transferred to First Tee. It is the intent of all parties to have the new parcel map completed prior to closing.
- Washoe County is working with the Bureau of Land Management for the purchase of +/- 40 acres of APN 035-080-04 to be purchased with funds received from the Washoe County School District for the sale of property and water rights associated with the new Proctor Hug High School to be combined by boundary line adjustment to APN 027-011-09. It is the intent of the parties to have the new parcel map completed prior to closing.
- Washoe County continues to operate and maintain a portion of the Orr Ditch pursuant to an existing agreement with the Orr Ditch Water and Extensions Company.
- Washoe County will enter into an agreement with the City of Sparks for effluent water supply to the Golf Course utilizing water rights associated with the golf course.
- Remaining funds associated with the sale of land and water rights from the Washoe County School District will be utilized at a 1:1 match for fundraising efforts by First Tee for improvements necessary for reconfiguration of the golf course for their needs.

Amendment No. 2 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management will allow for the operation of Wildcreek Golf Course until the purchase and sale agreement between Washoe County and First Tee of Northern Nevada is finalized and fully executed.

### **FISCAL IMPACT**

If the amendment is approved, the 50% of the net profits earned will be deposited into the Golf Fund (520), Wildcreek Golf Course - Operations (680100). The revenue will support the services and facilities that are responsible of the County as outlined in section 7 of the Agreement:

- 7.1 Keep and maintain major structures of the clubhouse, and maintenance shops in a good state of repair. "Major" maintenance or repair includes roof, HVAC and street to building sewer, gas and water lines.
- 7.2 Assume full responsibility and expense for all electric, gas and water utilities including repairs, sewer, intrusion alarm monitoring including repair, and internet service.

### **RECOMMENDATION**

It is recommended that the Board of County Commissioners approve Amendment No. 2 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to amend the term effective June 23, 2020 through December 31, 2022, retroactive to January 1, 2022. Amendment No. 2 extends the current license and services agreement for MAZZ to operate the golf course while the transfer of the golf course from Washoe County to Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada if finalized.

### **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be. "Move to approve Amendment No. 2 to Golf Management License and Services - Wildcreek Golf Course between Washoe County and MAZZ Golf Management to amend the term effective June 23, 2020 through December 31, 2022, retroactive to January 1, 2022. Amendment No. 2 extends the current license and services agreement for MAZZ to operate the golf course while the transfer of the golf course from Washoe County to Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada if finalized."