



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: October 12, 2021

DATE: September 22, 2021

TO: Board of County Commissioners

FROM: David Solaro, Assistant County Manager
dsolaro@washoecounty.gov

THROUGH: Eric Brown, County Manager

SUBJECT: Public Hearing to: (1) consider objections to Resolution of Intent to Convey (R21-056); and (2) possible action to approve 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; and (3), if approved, First Tee will be required to operate the golf course for charitable or civic purposes for the community on terms specified in the purchase and sale agreement and related documents, and if the property ever ceases being so used, it will revert automatically to Washoe County; (4), the balance of the funds associated with the Wildcreek Golf Cost Center (680100) on the actual date of transfer be utilized as a 1:1 match for fundraising efforts by First Tee for improvements necessary for reconfiguration of the golf course for their needs; and (5) authorize the County Manager to execute any and all required documents necessary for the property transfer. (Commission District 3.)

SUMMARY

On September 14, 2021, the Board of County Commissioners (Board) adopted Resolution R21-056, 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 transfer of the property commonly known as the Wildcreek Golf Course on Sullivan Lane in Sparks, Nevada (APN 027-011-09).

The Board will consider objections at the public hearing, duly noticed in the Reno Gazette Journal, and will consider a Purchase and Sale Agreement between Washoe County and the Northern Nevada Youth Golf Foundation, d/b/a First Tee of Northern Nevada, to operate the golf course for charitable or civic purposes for the community on terms specified in the purchase and sale agreement and related documents, and if the property ever ceases being so used, it will revert automatically to the Washoe County.

Strategic Objective supported by this item: Safe, secure and healthy communities.

AGENDA ITEM # _____

PREVIOUS ACTION

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 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 and matters properly related thereto.

On January 15, 2019 the Board approved a resolution declaring Washoe County’s intent to convey to the Washoe County School District a portion of the property commonly known as the Wildcreek Golf Course on Sullivan Lane in Sparks, Nevada

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. Through a license agreement, the operation and maintenance of the golf course is performed by MAZZ Golf Management, LLC.

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.

FISCAL IMPACT

Washoe County will be required to pay the property transfer tax in the approximate amount of \$5,849 from the Golf Fund (520), Wildcreek Golf Cost Center (680100). The actual amount will be determined by the Washoe County Recorder’s Office at the time the deed is recorded.

Additionally, it is recommended that the estimated balance of the funds associated with the Wildcreek Golf Cost Center (680100) be utilized as a 1:1 match for fundraising efforts by First Tee for improvements necessary for reconfiguration of the golf course for their needs.

RECOMMENDATION

It is recommended the Board of County Commissioners: (1) consider objections to Resolution of Intent to Convey (R21-056); and (2) approve 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; and (3) First Tee will be required to operate the golf course for charitable or civic purposes for the community on terms specified in the purchase and sale agreement and related documents, and if the property ever ceases being so used, it will revert automatically to Washoe County; and (4), the balance of the funds associated with the Wildcreek Golf Cost Center (680100) on the actual date of transfer be utilized as a 1:1 match for fundraising efforts by First Tee for improvements necessary for reconfiguration of the golf course for their needs; and (5) authorize the County Manager to execute any and all required documents necessary for the property transfer.

POSSIBLE MOTION

Should the Board agree with the staff recommendation, a possible motion would be, “Move to (1) consider objections to Resolution of Intent to Convey (R21-056); and (2) approve 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; and (3) First Tee will be required to operate the golf course for charitable or civic purposes for the community on terms specified in the purchase and sale agreement and related documents, and if the property ever ceases being so used, it will revert automatically to Washoe County; and (4), the balance of the funds associated with the Wildcreek Golf Cost Center (680100) on the actual date of transfer be utilized as a 1:1 match for fundraising efforts by First Tee for improvements necessary for reconfiguration of the golf course for their needs; and (5) authorize the County Manager to execute any and all required documents necessary for the property transfer.”