



Department Source: Parks and Recreation

To: City Council

From: City Manager & Staff

Council Meeting Date: May 17, 2021

Re: Agreement with Veterans United Relating to the Use of the Fairgrounds property

## Executive Summary

The Parks and Recreation Department is requesting Council authorization to replace the existing agreement with Veterans United Home Loans (VU) for use of the Boone County Fairgrounds property, with a new agreement. This new agreement will provide limited public use and maintain primary use of the property by VU for major events. The new agreement will mirror the original agreement in terms of expiration periods, rent payments, security deposit, and building uses. There is an addendum to the agreement that provides for annual rent to increase by \$10,000 to assist with utility payments. VU shall have access to the property from October 1 to December 31 of each year for their events and may utilize the property at other times, pending availability. The City shall be able to use the property for other events without having to execute an agreement with VU. The agreement is effective upon approval by Council and signature of the City Manager.

## Discussion

On May 4, 2020, Council approved the transfer of approximately a 135-acre tract commonly known as the County Fairgrounds property from Boone County to the City of Columbia for use as "public recreation purposes." The existing leases between Veterans United and UPS were transferred to the City at that time.

The agreement continued with those existing leases through December 31, 2022, as well as continued use of 23 acres of property for the Boone County Fair for 10 days per year. With the exception of the Boone County Fair, public use has been limited. And as a private business, it was difficult for Veterans United to allow public events through their insurance coverage. Veterans United and Parks and Recreation staff began working on a new agreement that would allow limited public events, yet maintaining primary access to the property by VU.

This legislation cancels the existing Veterans United lease and establishes a new lease with the following key points.

1. The term of the Agreement shall terminate on the same date of December 31, 2022. The new agreement allows for automatic renewal for a period of one year unless either party decides to terminate the lease.
2. The annual rent will be \$40,000 per year, which represents the existing rent of \$30,000 plus an additional \$10,000 to assist with utility expenses.
3. Existing security deposit of \$10,000 with transfer to the new Agreement.
4. The property involved includes the same buildings as before: Coliseum, Sapp Building and the main parking areas.



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

5. VU shall have possession of the property for their events from October 1 to December 31 of each year.
6. Utilities shall be placed in the name of the City of Columbia and shall be paid by the Parks and Recreation Department. P&R shall read the meters on Sept 30 and Jan 1 and the use of utilities for Oct-Dec shall be paid by VU.
7. VU shall coordinate with Parks and Recreation for available dates during the rest of the year, pending availability.
8. The City will allow VU to store tables, chairs and other property in a storage area designated by the City in the Coliseum on the property.
9. The original lease with VU allowed use of the Coliseum by the Boone County Sheriff's Department for public safety K-9 training activities. This training was also allowed in the transfer of the property by Boone County to the City and will be allowed to continue pending mutually agreeable times.
10. VU shall continue to be able to restrict parking by UPS for a 14-day period in December of each year. UPS will be required to relocate their vehicles to another site.
11. VU shall provide to the City proof of required liability insurance and name the City of Columbia as an additional insured under that policy.
12. Agreement includes processes in case of major damage to the building and how repairs shall be made in order to insure that the facility is usable by all parties and if not, outlines the process for termination.

This agreement will allow City to utilize the property for City projects and events without having to negotiate and execute a separate agreement with VU for each event, while still preserving to VU the dates, times and areas for their usage, without interference by the City.

P&R staff anticipates conducting events on the site and allowing for rentals in order to offset the additional cost of utilities.

## Fiscal Impact

Short-Term Impact: Approximately \$2,200 per month in utilities.

Long-Term Impact: NA

## Strategic & Comprehensive Plan Impact

### Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



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## Legislative History

Date	Action
1/6/20	B390-19: Authorizing a memorandum of understanding with Boone County, Missouri relating to the transfer of ownership of the County Fairgrounds Property located east of Highway 63 and Oakland Gravel Road. <a href="https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4280714&amp;GUID=C3C142B4-EA4E-4D69-9FE2-95A78DDDE0D7&amp;Options=&amp;Search=">https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4280714&amp;GUID=C3C142B4-EA4E-4D69-9FE2-95A78DDDE0D7&amp;Options=&amp;Search=</a>
5/4/20	Authorizing a contract for transfer of real estate with Boone County, Missouri related to the County Fairgrounds Property located east of Highway 63 and Oakland Gravel Road. <a href="https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4420014&amp;GUID=01D2C4BA-D0E5-4843-8B6E-EB2779B1F924&amp;Options=&amp;Search=">https://gocolumbiamo.legistar.com/LegislationDetail.aspx?ID=4420014&amp;GUID=01D2C4BA-D0E5-4843-8B6E-EB2779B1F924&amp;Options=&amp;Search=</a>

## Suggested Council Action

Passage of the resolution authorizing a new agreement with Veterans United Home Loans, relating to the use of the property known as the Boone County Fairgrounds.