



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JUNE 17, 2025

DEPARTMENT: CITY MANAGER

FROM: LISA MURPHY, ASSISTANT CITY MANAGER

TITLE: AGREEMENT WITH FUTURE CITIZENS FOUNDATION DBA THE FIRST TEE OF MONTEREY COUNTY RELATED TO THE TWIN CREEKS GOLF COURSE

RECOMMENDED MOTION:

A motion to approve a resolution authorizing the Mayor to sign an agreement between the City of Salinas and the Future Citizens Foundation (dba The First Tee of Monterey County) related to the Twin Creeks Municipal Golf Course Sublease to extend the term for one (1) year through June 30, 2026, with an option to extend the term for an additional five (5) years.

EXECUTIVE SUMMARY:

The Agreement between the City and Future Citizens Foundation will expire on June 30, 2025. Authorizing the Agreement for one additional year under the same terms and conditions, with an option to extend the term for an additional five (5) years, will allow the City and the Future Citizens Foundation to continue discussions regarding the future of the property and associated programs.

BACKGROUND:

The Twin Creeks Golf Course was built in FY 98/99 and was operated by the City of Salinas until 2004 when the City leased it to the Monterey Peninsula Foundation and its related foundation, the Future Citizens Foundation, doing business as The First Tee of Monterey County (TFTMC). The Lease Agreement was amended in 2012 to reduce the rent based on hardship to continue operations by the TFTMC. In 2015, TFTMC and the City renegotiated the terms and conditions of the Lease Agreement for a second time, which significantly reduced the lease payments and extended the lease for an additional 20 years until June 30, 2025. The 2015 City Council Agenda Report is attached for further details.

The City and TFTMC have been engaged in discussions regarding the future of the golf course and associated programs. These discussions are still ongoing with the hope of reaching an agreement in the near future. Because discussions have not been concluded, staff recommends extending the existing lease for one additional year under the same terms and conditions including the annual rent of \$60,000. Under the extension, TFTMC will have one option to extend the term of the Sublease for an additional five (5) years upon written notice provided to the City at least six

(6) months before the expiration of the one-year extension. However, discussions continue so there is the possibility that an updated extension may be presented at the Council meeting for consideration.

CEQA CONSIDERATION:

Not a Project. The City Council’s consideration and approval of the proposed Memorandum of Understanding is not a project subject to environmental review under the California Environmental Quality Act (CEQA). CEQA Guidelines Section 15378. In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes, The Government Code §84308/ Levine Act does apply to this project.

STRATEGIC PLAN INITIATIVE:

The extension of this lease supports the Council Strategic “Infrastructure” goal to “Continue to Invest in recreational and public facilities to support our community” as well the “Youth and Seniors” goal to “Improve , expand and develop youth and senior facilities and programs”. ..

DEPARTMENTAL COORDINATION:

The City Manager’s office coordinated this report with the City Attorney’s office.

FISCAL AND SUSTAINABILITY IMPACT:

The City receives \$60,000 in annual rent payments from this lease agreement.

Fund	Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page	Last Budget Action (Date, Resolution)
n/a	n/a	n/a	n/a	n/a	n/a	n/a

ATTACHMENTS:

Resolution
Original Lease Agreement
2012 Agreement
2015 Agreement
2025 Amended Lease Agreement
May 26, 2015 Staff Report