

**RESOLUTION AUTHORIZING THE LEASE OF CERTAIN CITY-OWNED PROPERTY IDENTIFIED AS TAX PIN 6835-08-9447, 6835-08-9264, 6835-18-0214, 6835-18-0106, 6835-18-0120, 6835-08-0014, AND 6835-18-0054 UNDER THE PROVISIONS OF N.C.G.S. 160A-269**

**WHEREAS**, the City is the owner of vacant parcels identified as Tax PIN 6835-08-9447, 6835-08-9264, 6835-18-0214, 6835-18-0106, 6835-18-0120, 6835-08-0014, and 6835-18-0054, Forsyth County Tax Map (hereinafter the "Property"), and said parcels are surplus to the City's needs; and

**WHEREAS**, the City has received an offer to lease said Property identified in Exhibit A and advertise it for upset bids all in accordance with N.C.G.S. 160A-269; and

**WHEREAS**, WS Amphitheatre LLC (hereinafter the "Lessee"), 500 W. 5<sup>th</sup> Street, Suite 1800, Winston-Salem, NC 27101, has submitted an offer to lease the Property subject to the following terms:

- (a) The term of the lease shall be thirty (30 years), at a rate of \$1,000 per month for the first five years and thereafter increasing annually per the Consumer Price Index (CPI). Based on rent of \$1,000 per month for the first five years and an assumed 3% annual CPI increase for years 6 through 30, the estimated total lease consideration is \$519,189.99, with actual rent after year five to be determined by the CPI adjustment formula in the lease.
- (b) The Property shall be used to facilitate the operation of a commercial venue where activities or events, either for passive-enjoyment or active recreation, are held predominantly in an open-air or semi-open environment with an outdoor seating capacity of 1,000 or more (hereinafter, a "Large Outdoor Entertainment Venue") within the Winson Overlay District.

(c) Lessee further guarantees that a minimum of five (5) jobs shall be created and maintained as a result of the operations of the Large Outdoor Entertainment Venue facilitated by the lease.

(d) Lessee guarantees that the Property shall be restored to its original condition upon the expiration or termination of the lease, unless an alternative arrangement is mutually agreed upon by both parties.

**WHEREAS**, no warranty of merchantability, fitness for a particular purpose, or condition is made by the City relating to the lease of the property and the property is leased "As Is/Where Is and With All Faults".

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and the City Council of the City of Winston-Salem, following a public hearing by the City/County Planning Board and upon the recommendation of both the Recreation and Parks Commission and Committee of the Whole, hereby authorize the lease of the property herein referenced, and shown in Exhibit A, and also identified as Tax PIN 6835-08-9447, 6835-08-9264, 6835-18-0214, 6835-18-0106, 6835-18-0120, 6835-08-0014, and 6835-18-0054, Forsyth County Tax Map, to WS Amphitheatre, LLC under the provisions of N.C.G.S. 160A-269; that the City Clerk shall cause a notice of proposed sale, containing a general description of the property, amount and terms of the offer, and a notice that within ten days any person may raise the bid by not less than ten percent of the first \$1,000 and five percent of the remainder, be published, without further authorization of the City Council, shall re-advertise the offer at the increased bid; and this procedure shall be repeated until no further qualifying bids are received, at which time the City

Council may accept the offer and sell the property to the highest bidder or reject any and all offers.

**BE IT FURTHER RESOLVED**, in the event that no raised bid is received, the offer set forth above is hereby accepted, and the City Manager is hereby authorized to execute the Lease Agreement with WS Amphitheatre LLC or its assigns as stated herein, with the City Attorney approving as to form and legality.

**BE IT FURTHER RESOLVED**, that as a condition to the lease of the property approved herein, Lessee shall execute a lease with the City within 180 days from the date of approval of this resolution, and if Lessee fails to do so, approval of the lease shall expire, and Lessee's deposit shall be refunded.