

City Council – Action Request Form

Date: September 9, 2019

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Evan Raleigh, Assistant City Manager
S. Kirk Bjorling, Real Estate Administrator

Council Action Requested:

Resolution Authorizing the Sale of Certain City-owned Property at 549 and 621 Brookwood Business Park Drive Under the Upset Bid Procedure (N.C.G.S. 160A-269) (Northeast Ward)

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: Recruit and Retain Employers

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On April 15, 2019, the City Council authorized the sale of two lots in the Brookwood Business Park to Combs Wholesale Produce Company (Combs) for \$388,080. Combs' due diligence testing has revealed that the soil on the site is unusable for construction and will need to be moved and recompacted. The cost of soil moving and recompaction is estimated at \$220,000. Combs has requested that the sale price be lowered by this same \$220,000 cost to \$168,080. A proposal has been negotiated with Combs to lower the sale price by half this amount to \$278,080. Combs has no other contingencies and is prepared for an expedited closing with the City's acceptance of this offer.

The two lots are known as 549 Brookwood Business Park Drive and further identified as Lot #1, Tax PIN 6836-67-9794, and 621 Brookwood Business Park Drive and further identified as Lot #2, Tax PIN 6836-68-5022. The two lots total 10.78 acres. The tax value for 549 Brookwood Business Park Drive is \$75,100, and the tax value for 621 Brookwood Business Park Drive is \$164,600, for a total tax value of \$239,700 for the two parcels.

Committee Action:

Committee	Finance 9/9/2019	Action	Approval
For	Unanimous	Against	

Remarks:

Combs Wholesale Produce Company, 850 Trade Street NW, Winston-Salem, NC 27101, has submitted a revised offer of \$278,080 along with the required 5% bid deposit to purchase the property. Combs anticipates constructing a new building of up to approximately 80,000 square feet on the property to serve the needs of their wholesale produce business. The sale would serve to increase the tax base of the City of Winston-Salem and increase opportunities for employment.

Under the provisions of N.C.G.S. 160A-269, the City Secretary shall cause a notice of proposed sale, containing a general description of the property, the amount and terms of the offer, and a notice that within 10 days of the notice any person may raise the bid by not less than 10% of the first \$1000 and 5% of the remainder, to be published, and without further authorization of the Mayor and 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 Mayor and City Council may accept the offer and sell the property to the highest bidder or reject any and all offers. In the event that no upset bid is received, the property will be sold to Combs or its assigns without further City Council action. If raised bids are received, City Council confirmation is required.

The attached resolution authorizes the sale of Tax PIN 6836-67-9794 known as 549 Brookwood Business Park Drive and Tax PIN 6836-68-5022 known as 621 Brookwood Business Park Drive for \$278,080 to Combs Wholesale Produce Company or its assigns as herein stated under the upset bid procedure.