

City Council – Action Request Form

Date: March 14, 2023

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

From: Ben Rowe, Assistant City Manager

Council Action Requested:

Resolution Approving Amendments to the Civitan Lease and Use Agreements with Winston-Salem State University (East Ward)

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: Promote Travel and Tourism

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

In October 2004, former Winston-Salem State University (WSSU) Chancellor Harold Martin made presentations to the City Council's Finance and Community Development/Housing/General Government Committees regarding the University's interest in acquiring Civitan Park for the construction of their new athletic fields as part of their move to NCAA Division I. In April 2006, the City Council approved a resolution approving the lease of Civitan Park to Winston-Salem for a term of 33 years. Under the provisions of the lease, WSSU invested in improvements to Civitan Park, including a practice football field, a half football practice field, an NCAA eight-lane regulation track, softball field, a storage/restroom building, parking, and a practice baseball field. The University did not construct the softball and baseball fields. WSSU paid the City an initial amount of \$15,000 to develop recreation open space on the east side of Martin Luther King, Jr. Drive. In addition, WSSU paid an annual rent of \$5,200, with the amount to be adjusted 3% each year. WSSU is scheduled to pay the City \$8,344 in annual rent in April.

The lease also provides priority access to the City to any parking enhancements constructed by the University at the park as long as the access by the City does not conflict with the University's

Committee Action:

Committee

Action

For

Against

Remarks:

use of their facilities. The lease allows public access to some parts of the park, except the football fields, at least 50% of daylight hours based on annual average.

During construction of Research Parkway, WSSU allowed the use of the Anderson Center parking lot for overflow parking for events at Bowman Gray Stadium, including Bowman Gray Racing events. Construction of the roadway eliminated access to Civitan Park for overflow parking. Prior to the 2022 Bowman Gray Racing season, University officials communicated to City staff that the Anderson Center lot would not be available for overflow parking. To address this shortage, the City activated Forest Park, which is located south of the stadium on Tower Street, for overflow parking.

Over the past year, University officials have shared concerns about the condition of their athletic facilities, including damage resulting from public use of the facilities. They also identified major maintenance needs for the track, football fields, and restroom building.

The 2023 Bowman Gray Racing season begins on Saturday, April 22. City officials recently have received concerns from the racing community about the availability of parking for the upcoming season. To address these concerns, City staff have approached WSSU officials to discuss amendments to the Civitan Park lease and use agreements that would assist the University with addressing the maintenance issues with their athletic facilities and provide overflow parking at the Anderson Center lot.

The following provisions would be included in the proposed amendments to the lease and use agreements:

- The City would reduce the annual rent payment from the current amount of \$8,344 to \$1 per year. Over the remaining term of the agreement, this reduction could provide \$181,572 in savings to WSSU.
- The City would grant back the remaining balance of the rent payments made by WSSU, which currently totals \$78,882.16.
- The amendments would require that WSSU use the savings from the reduced rent and the remaining balance for maintenance and repairs to their athletic facilities at Civitan Park.

In consideration of these financial benefits, the City and WSSU would enter into an agreement allowing the City to use the Anderson Center parking lot as overflow parking year-round for Bowman Gray Stadium events, including Bowman Gray Racing, if capacity is available. The City would be responsible for post-event cleanup of the Anderson Center lot, including payment to the cleaning contractor. The City and WSSU would negotiate an extension of the City's use of the Anderson Center lot at the end of the term of the Civitan Park lease and use agreements.

The attached resolution approves the amendments to the lease and use agreements as described above and authorizes the City to enter into a separate agreement with Winston-Salem State University regarding the Anderson Center parking lot. In addition, the attached amendment to the FY 2022-2023 project budget ordinance appropriates the remaining balance of \$78,882.16 in rent payments made by WSSU to date.