

Resolution #20-0449
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**RESOLUTION AUTHORIZING REVISIONS TO THE AGREEMENT WITH
WINSTON-SALEM STATE UNIVERSITY FOR THE LEASE OF SPACE
IN UNION STATION**

WHEREAS, in November 2019, the Mayor and City Council approved an agreement with Winston-Salem State University (WSSU) to lease approximately 8,000 square feet on the second level of Union Station for \$80,000 per year for 10 years; and

WHEREAS, WSSU would lease the space for the following activities: passport acceptance agency, print shop/limited postal service, one-stop operation for enrollment management, campus tours, and admissions; and

WHEREAS, part of WSSU's plan to provide limited postal service includes their utilization of the ticket booth space on the third level (street level) of Union Station. The original lease agreement did not include this space; and

WHEREAS, at the Finance Committee meeting on December 14, 2020, Council Members discussed whether the space on the third floor should be utilized to provide space for small businesses trying to get established in the community; and

WHEREAS, as a result, the committee recommended keeping the original agreement in place with the University leasing 8,000 square feet on the second level; and

WHEREAS, initial cost estimates for the upfit of the second level totaled \$815,000, well above the City's not-to-exceed commitment of \$300,000; and

WHEREAS, City and WSSU staff have reduced the estimated cost of the project through value engineering, decreasing the cost from \$815,000 to \$642,483; and

WHEREAS, WSSU has committed to providing \$225,000 toward the upfit of the second level, in addition to providing the furniture and fixtures for the space; and

WHEREAS, in order to move this project forward, City staff recommend increasing the City's not-to-exceed amount from \$300,000 to \$450,000 for a total estimated project cost of \$675,000, when WSSU's contribution is included; and

WHEREAS, all other provisions in the original lease agreement remain unchanged.

NOW, THEREFORE BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem, upon the recommendation of the Finance Committee, hereby authorize revisions to the agreement with Winston-Salem State University to increase the City's not-to-exceed contribution from \$300,000 to \$450,000 for a total estimated project cost of \$675,000, when WSSU's contribution of \$225,000 is included.

BE IT FURTHER RESOLVED that all other provisions in the original lease agreement remain unchanged.

BE IT FURTHER RESOLVED that the City Manager and City Clerk hereby are authorized to execute the agreement on behalf of the City, with the City Attorney's approval as to form and legality.