

City Council – Action Request Form

Date: January 9, 2023

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

From: Ben Rowe, Assistant City Manager
Travis Cockerham, Real Estate Administrator

Council Action Requested:

Resolution Approving a Sublease Agreement Between the City and Winston-Salem Sister Cities & Winston-Salem Ambassadors for the Retail Space Located at 420 N. Cherry Street (North Ward)

Strategic Focus Area: Economic Vitality and Diversity

Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

On April 16, 2012, City Council approved the sale of the Cherry-Marshall Parking Deck to LAZ Parking Realty Investors, LLC (LAZ), located in the 400 block of Cherry and Marshall Streets. LAZ agreed to lease back to the City the retail spaces located at 414 and 420 N. Cherry Street for 20 years at no charge. The City currently utilizes the space located at 414 for Winston-Salem’s Police Department Bike Patrol unit and the space at 420 for a sublease to Winston-Salem Sister Cities (WSSC). WSSC is a non-profit City affiliate, which promotes cultural awareness and business opportunities with the sister cities it supports. Currently, the WSSC occupies the retail space located at 420 N. Cherry Street in a month-to-month lease basis for one dollar, (\$1.00) per year.

Winston-Salem Ambassadors (WSA), a non-profit organization that creates awareness and educational programs promoting local businesses and non-profit organizations, approached the City about a potential location in a City-owned building. In order to maximize utilization of the space for public benefit, staff proposes a new sublease with both WSSC and WSA as co-lessees of the retail space located at 420 N. Cherry Street. The sublease terms will continue on a month-to-month lease basis for one dollar, (\$1.00) per year. The new sublease period will begin on March 1, 2023 with a five-year term limit, not to exceed February 28, 2028

Committee Action:

Committee	<u>Finance 1/9/23</u>	Action	<u>Approved</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

Staff has determined that the subleased space will not be needed by the City for the duration of lease period and is supportive of the new sublease agreement.

The City's Property and Facilities Management Department will freshen the space with new paint and ensure that all building systems are functional prior to the two organizations occupying the space.

The attached resolution authorizes a sublease with WSSC/WSA as co-lessees, as described herein and as approved by the City Attorney.