



**RESOLUTION AUTHORIZING EXECUTION OF A LEASE AND AGREEMENT  
BETWEEN FORSYTH COUNTY AND TANGLEWOOD FARM, INC.  
FOR LEASE OF COUNTY OWNED PROPERTY  
(TANGLEWOOD PARK HORSE/MULE BARNS WITH STABLES,  
PASTURES, OFFICE, RESTROOMS, AND RIDING RINGS)  
(PARKS AND RECREATION DEPARTMENT)**

**WHEREAS**, the Parks & Recreation Director and staff have determined that the best method of using and operating the horse/mule barns with stables, pastures, office, restrooms, and riding rings at Tanglewood Park is to lease the facilities to an entity with experience in operating such facilities; and

**WHEREAS**, it is recommended by the Parks & Recreation Director and staff that the four (4) South horse barns with 45 stables, the South mule barn with 17 stables, the fenced-in pastures, the office at the bunk house, restroom facilities at the bunk house, two riding rings, and two (2) North horse barns with 43 stables and five (5) tack rooms, identified in the attached Lease and Agreement, be leased to Tanglewood Farm, Inc. for a term of five years at a minimum of eight hundred thirty and 00/100 dollars (\$830.00) per month and 15% of the yearly gross charges above \$60,000 for boarding horses at the leased South facilities, including stall rentals, maintenance, feed, pasture time and watering; an amount equal to twenty and 00/100 dollars (\$20.00) per stall per month for boarding and training horses at the leased North barns, with a minimum of two hundred twenty and 00/100 dollars (\$220.00) per month; and 10% of gross income for hayrides and carriage rides during the Tanglewood Festival of Lights, to increase by 2% each year, and other valuable consideration, pursuant to the provisions of N.C.G.S. 160A-272 and the attached Lease and Agreement; and

**WHEREAS**, the Forsyth County Board of Commissioners has determined that the horse/mule barns with stables, pastures, office, restrooms, and riding rings, which are the subject of this Resolution, will not be needed by Forsyth County for County purposes during the term of the proposed lease, except as provided and reserved in the Lease and Agreement; and

**WHEREAS**, Forsyth County provided thirty (30) days' public notice by publication of its intent to authorize this lease of County owned property as required by N.C.G.S. 160A-272.

**NOW, THEREFORE, BE IT RESOLVED** that the Forsyth County Board of Commissioners hereby determines that the horse/mule barns with stables, pastures, office, restrooms, and riding rings, which are the subject of this Resolution, will not be needed by Forsyth County for County purposes during the term of the proposed lease, except as provided and reserved in the Lease and Agreement.

**BE IT FURTHER RESOLVED** by the Forsyth County Board of Commissioners that the Chairman or County Manager and Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County and its Parks and Recreation Department, the attached Lease and Agreement between Forsyth County and Tanglewood Farm, Inc. for the lease of County owned property described therein for a

term of five years beginning July 1, 2016, at a minimum of eight hundred thirty and 00/100 dollars (\$830.00) per month and 15% of the yearly gross charges above \$60,000 for boarding horses at the leased South facilities, including stall rentals, maintenance, feed, pasture time and watering; an amount equal to twenty and 00/100 dollars (\$20.00) per stall per month for boarding and training horses at the leased North barns, with a minimum of two hundred twenty and 00/100 dollars (\$220.00) per month; and 10% of gross income for hayrides and carriage rides during the Tanglewood Festival of Lights, to increase by 2% each year, and other valuable consideration as outlined in the Lease and Agreement, subject to a pre-audit certificate thereon by the County Chief Financial Officer, where applicable, and approval as to form and legality by the County Attorney. The original contract is incorporated herein by reference.

Adopted this the 13<sup>th</sup> day of June 2016.

THIS LEASE AND AGREEMENT, made and entered into this 1<sup>st</sup> day of July, 2016 by and between Forsyth County, North Carolina, hereinafter referred to as the "County," and Tanglewood Farm, Inc. hereinafter referred to as the Lessee:

WITNESSETH

For the purpose and subject to the terms and conditions hereinafter set forth, the County does hereby lease unto the Lessee the following described property (the "Premises") located at Tanglewood Park in Forsyth County, North Carolina:

The four (4) South horse barns (45 stalls), the South mule barn (17 stalls), the fenced in pastures, the two riding rings located adjacent to the barns and the two North horse barns (43 stalls)(5 tack rooms), office at bunk house and restroom facility at the bunk house.

To have and to hold the above described premises unto the Lessee, subject to the following terms and upon the conditions set forth, which shall be covenants of the Lease and Agreement.

1. Terms and Rent: As consideration the Lessee shall pay to the County the following amounts:
  - a. An amount equal to 15% of the yearly gross charges above \$60,000, without regard to collection, for boarding horses at the leased South Facilities, and a minimum of \$830.00 per month. Boarding includes stall rentals, maintenance, feed, pasture time and watering.
  - b. An amount equal to \$20.00 per stall per month occupied in the North barns for boarding and training of horses, with a minimum payment of \$220.00 per month. Boarding includes stall rentals, maintenance, feed, pasture time and watering.
  - c. An amount equal to 10% of gross income for hayrides and carriage rides during the Tanglewood Festival of Lights. The minimum monthly payments shall increase by 2% on July 1 of each year. All amounts owed the County shall be paid in advance by the 15<sup>th</sup> of each month. Any amounts which are not calculable until the end of the month are due no later than 15 days after the last day of each month.

The term of the Lease and Agreement shall be for five (5) years, beginning July 1, 2016, and continuing through June 30, 2021, unless sooner terminated as provided herein. Lessee shall notify the County in writing at least 180 days in advance of June by 2021 of its desire to renew the lease or not to renew it.

The Lease and Agreement cannot be subleased, assigned or transferred. The Lessee shall keep adequate records to verify gross charges for boarding horses at the leased facilities, and the County shall have the right to review said records at all reasonable times. If the County holds a special event during the term of this lease which requires parking area for vehicles beyond that available, the leased pasture will be made available by the Provider for overflow parking. In addition, should the entire park be rented for a special event, none of the provisions of this lease and agreement shall be implemented in a manner to interfere with such special event rental. Park management

will use its best efforts to minimize the impact although the impact may be substantial. None of the terms of this lease shall be interpreted to prevent or interfere with the installation of the sewer system or the pump station which will be located in a leased pasture.

2. Other Areas: Non-exclusive use. Use of the facilities by the Lessee will be non-exclusive and shall be at the Lessee's own risk:
  - a. Park horse trails
  - b. Flat track
  - c. Parking area around stables
  - d. Stable road
  - e. The County/Tanglewood road system
3. The Lessee shall perform the following services:  
Provide boarding, grazing, training, public trail/horse riding for an hourly fee, and riding instruction under the lease agreement for the use and benefit of the County patrons. Lessee may charge patrons reasonable fees for such services. If other related horse services are to be provided within the County or other areas authorized by the Parks & Recreation Director the term of said "horse services" shall be negotiated by the parties, including but limited to place, time, specific arrangements, compensation, etc. Trail riding will not be offered to the general public at the North stables.
4. All services of the Lessee shall be of high quality, and the Lessee shall continuously maintain cleanliness of the leased premises and other areas used by Lessee.
5. The Lessee shall be responsible for all expense associated with telephone service cost, pest control, and electric service within the leased area. All pets, including but not limited to Lessee's pets and the pets of Lessee's invitees, will be kept under direct control by the Lessee. All pets must be on leashes. In no instance will non-equestrian animals remain on the Premises in the absence of the Lessee. The County will be responsible for normal water service cost. The County will be responsible for major annual maintenance of the dirt tracks. Basic and daily maintenance required to prepare track surfaces for training or races shall be the responsibility of Lessee.
6. For the purpose of the Lease and Agreement, sublease or assignment will not be interpreted to disallow individuals who rent stalls from caring for their personal horses. Individuals who care for the horses of others, however, must be responsible to the Lessee and the Lessee must be responsible for all activities at the leased area. Lessee will be issued 2 access cards to the main entrance gate to Tanglewood for access to the stable 24 hours per day.
7. The County or its representatives shall have access at all reasonable times to the leased premises for the purpose of verifying compliance with the conditions of the Lease and Agreement.
8. The Lessee shall maintain, at its expense, the following liability insurance: Not less than \$2,000,000 General Aggregate Liability limit, per occurrence. Lessee shall submit a copy of his personal car insurance policy and sign a hold harmless form if he does not have sufficient number of employees to be required to have Workman's Comprehensive coverage. The form of which must be approved by the Forsyth County's Risk Manager, and shall provide such insurance certificates as may be required by the Risk Manager in order to verify compliance with this condition.
9. Lessee does hereby agree to indemnify, hold harmless and defend the County, their officers, agents, and employees against all claims, actions, lawsuits, and demands made by anyone for any damages, loss, or injury of any kind which may arise out of the performance of this Agreement. The obligation to defend shall include all costs related to defending such claim, including, but not limited to, reasonable attorney's fees.

10. Areas of Tanglewood Park other than the Premises shall not be utilized by the Lessee without proper daily permits or permission. Access to the dirt tracks will be allowed only at the point designated by the Parks & Recreation Director in writing.
11. The Lessee shall be responsible for the cleanliness and good order of the leased premises and other non-leased facilities during their use by the Lessee, and all damages beyond ordinary wear and tear will be at Lessee's expense. The Lessee shall return the leased premises at the end of the lease term in as good a condition as when received, ordinary wear and tear excepted.
12. The Lessee shall comply with all applicable laws, ordinances, and regulations, including Park regulations, health regulations, safety and Fire Marshal's regulations, and shall obtain all required licenses and permits. The Parks and Recreation Director will make available to the Lessee copies of Tanglewood regulations, but in any event all applicable Tanglewood regulations, whether written or verbal shall apply to the Lessee. The Tanglewood Park regulations are incorporated herein by reference. Lessee shall ensure that the noise level is kept to a reasonable level such that it doesn't interfere with any other Park activities.
13. The County may terminate the Lease and Agreement for breach of any of the provisions contained therein.
14. The Lessee shall supply at his own expense, all electric light bulbs, ballast, and fuse replacements required during the period of the lease. Supplies for restroom building operation and cleanliness will also be a responsibility of the Lessee.
15. The Lessee shall provide all equipment to be used in the operations of the stable and horse ring facilities. Manure removal to a spreading area is the responsibility of the Lessee. A spreading area will be designated. Utilization of a designated debris area may be done as directed by the Parks and Recreation Director. Manure odor or pollution issues are the responsibility of the Lessee. Manure will not be allowed to accumulate.
16. The large ring on the west side of the road by the mule barn will be available at the Parks & Recreation Director's request for use by outside groups who wish to hold a horse show. At least two weeks' notice will be given prior to the special event and every attempt will be made to coordinate this special activity through the Lessee.
17. Any improvements to the leased area by the Lessee shall become the property of the County and shall remain undisturbed at the expiration or termination of the lease. Any improvements must be approved in writing by the Parks and Recreation Director before work commences.
18. Although the Lessee is responsible for the general orderliness of the restrooms and the stable road, these facilities shall be available for use by the general public. In no manner will the road be blocked. Abandoned vehicles or junk will not be allowed on the premises.
19. All services rendered by the Lessee shall be of high quality and all fees charged for those services shall be within a reasonable range of the charges that prevail in the community for comparable services and must be approved prior to implementation or revision by the Parks & Recreation Director.
20. For the purpose of the Lease and Agreement there are no covenants or understandings which are not included herein.
21. In the event the Park has other special projects or events which encompass or involve the Premises, the Premises shall be made available at the Parks & Recreation Director's discretion including but not limited to the Festival of Lights.
22. This Agreement is governed by North Carolina law, except that provisions relating to choice of law shall not apply.

23. Lessee is responsible to fill any holes in pasture or other leased areas to prevent horses from stepping into holes and injuring themselves. The County is responsible for mowing, if needed, any pasture land leased. Lessee is also responsible for making minor repair to pasture fencing. Replacement of pasture fencing is the responsibility of the County.
24. Lessee shall place a sign on the office at the bunk house noting that it is the Horse/Stable Office for the public to access for the stable information, horse rentals, and other equestrian information and services.
25. Lessee is responsible for the daily cleanliness of the restrooms, however, any vandalism to the restrooms or repairs shall be the County's responsibility. Restroom should be open 7 days/week, year-round, during normal park hours.
26. Lessee shall keep the trails used for guided horse rides cleared of any fallen tree limbs, trash, etc. However, any fallen large trees, creek/river flood damage shall be the County's responsibility on the trail. Lessee must promptly report tree fall/damage on trails or in pasture.
27. There are plans to pave a new path/road in the stable area. Lessee shall not obstruct this new asphalt path. Location of path could be behind the cinder block stable from Shelter #2 to the stable road and/ or along the main entrance road into Tanglewood, immediately adjoining the cinder block stable.
28. Lessee, including his employees, shall be supportive of the County and Tanglewood Park and uphold the good reputation of Tanglewood Park.
29. Termination:
  - a. Lessee may terminate this Agreement upon 180 days prior written notice to the County.
  - b. The County may terminate this Agreement upon 30 days prior written notice to Lessee upon any of the following circumstances.
    1. The County has determined that the Property regularly used and managed by Lessee is in such disrepair or poor condition that it is unsuitable or unsafe for use; or
    2. Lessee has failed to or refused to repair, maintain or present the Property regularly used and managed by Lessee in a clean and professional manner, as determined by the County; or
    3. Lessee has otherwise breached this Agreement or violated a local state or federal law, unless Termination is based on a provision below; or
    4. Lessee fails to pay the County and such payment is more than seven (7) days past due. Should the County serve Lessee with a notice to terminate pursuant to this subsection, Lessee may request that the County reconsider terminating this agreement, at any time prior to the date of termination, upon showing the County that Lessee has cured the basis of the termination and that the basis of termination shall not repeat itself; or
  - c. The County may terminate this agreement immediately upon the following circumstances:
    1. An officer, manager, employee or agent of Lessee consumes alcohol or any illegal controlled substance at Tanglewood stables site; or
    2. An owner, officer or manager of Lessee is charged with a crime relating to the use or possession of an illegal or controlled substance or a violent crime or firearm possession; or
    3. An officer, manager, employee or agent to Lessee allows or acquiesces in the use or possession of any other illegal control substance by any participant in a Lessee program or event; or

4. Lessee fails to maintain in full force and effect the insurance required hereinabove.

30. Destruction of or Damage to Property:

If the property is totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall be terminated as of the date of such destruction. Lessee is responsible for insuring its personal property stored on the property, and the County shall not be responsible for any damage or loss to Lessee's property.

31. Miscellaneous:

The section heading contained in the Agreement are for reference purposes only and shall not affect the meaning or interpretation of the terms and conditions hereto. This Agreement is intended to set forth the entire understanding between the parties, and it supersedes and cancels any prior agreement, representation, or communications, whether verbal or written, between the parties hereto relating to the transaction herein contemplated.

Lessee shall not be treated as an employee of the County with respect to the service performed hereunder as it pertains to federal or state tax, unemployment or workmen's compensation. Lessee understands that neither federal, nor state, nor payroll tax of any kind shall be withheld or paid by the County on behalf of Lessee or the employees of Lessee. Lessee further understands and agrees that Lessee is fully responsible for the payment of any and all taxes arising from the payment of monies under this Agreement.

Lessee shall not be treated as an employee of the County with respect to the services performed hereunder for purpose of eligibility for, or participation in, any employee pension, health, or other fringe benefits plan of the County.

The County shall not be liable to Lessee for any expenses paid or incurred by Lessee unless otherwise agreed in writing.

Lessee shall supply, at its sole expense, all equipment, tools, material and/or supplies required to provide contracted services unless otherwise agreed in writing.

Lessee has no authority to enter into contracts or agreements on behalf of the County.

Lessee declares that it has complied with all federal, state and local laws regarding business permits, certificate, and licenses that may be required to carry out the services to be performed under the Agreement.

It is the expectation of Forsyth County that Lessee will comply, and Lessee agrees to comply, with all applicable federal immigration laws in its hiring and contracting practices relating to the service covered by this contract involving County funds, as outlined in the Resolution adopted by the Forsyth County Board of Commissioners at its regular meeting on October 23, 2006.

32. Standard Behavior:

Where this Agreement gives either party the discretion to act, it is assumed that each party is acting in good faith and in a reasonable manner.



33. Notices:

All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. Certified mail, return receipt requested, postage paid.

Notice to Lessee shall be delivered or sent to the following address:

Mike Dowd  
Tanglewood Farm, Inc.  
P.O. Box 1024  
Clemmons, NC 27012

Notice to Landlord shall be delivered or sent to the following address:

Michael B. Anderson, Director  
Parks & Recreation Department  
Forsyth County Government Center  
201 N. Chestnut Street Winston-Salem, NC 27101

All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

34. Entire Agreement:

This Lease contains the entire agreement of the parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein shall be of any force or effect. This Lease may not be modified except by the writing signed by all the parties hereto.

IN WITNESS WHEREOF, the County and the Lessee have set their hands and seals as of the day and year first above written.

Forsyth County, North Carolina

By: \_\_\_\_\_  
J. Dudley Watts, Forsyth County Manager

ATTEST:

\_\_\_\_\_  
Clerk to the Board

(SEAL)

Tanglewood Farm, Inc.

By: Michael Dowd  
Michael Dowd, President

