

FORSYTH COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: NOVEMBER 24, 2014 AGENDA ITEM NUMBER: 7

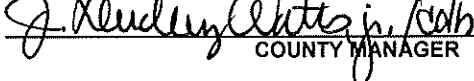
SUBJECT: RESOLUTION AUTHORIZING EXECUTION OF A PROPOSAL TO LEASE AND LEASE AGREEMENT BETWEEN FORSYTH COUNTY AND THE STATE OF NORTH CAROLINA FOR USE OF COUNTY OWNED PROPERTY TO HOUSE A N.C. FOREST SERVICE OFFICE (NORTH CAROLINA COOPERATIVE EXTENSION SERVICE)

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

See attached

ATTACHMENTS: YES NO

SIGNATURE:  COUNTY MANAGER DATE: November 20, 2014

**RESOLUTION AUTHORIZING EXECUTION OF A PROPOSAL TO LEASE
AND LEASE AGREEMENT BETWEEN
FORSYTH COUNTY AND THE STATE OF NORTH CAROLINA
FOR USE OF COUNTY OWNED PROPERTY TO HOUSE A
N.C. FOREST SERVICE OFFICE
(NORTH CAROLINA COOPERATIVE EXTENSION SERVICE)**

WHEREAS, Forsyth County owns the Forsyth County Agricultural Building located at 1450 Fairchild Drive, Winston-Salem, N.C. in which it leases 288.75 square feet of office space located in Room 102 to the State of North Carolina for use by the N.C. Department of Agriculture And Consumer Services to house a N.C. Forest Service Office at an annual rental of \$2,378 payable in equal monthly installments; and

WHEREAS, the current lease will expire November 30, 2014 and the State desires to execute a new three-year lease agreement with Forsyth County from December 1, 2014 through November 30, 2017, under the same terms and conditions; and

WHEREAS, the above-described property will not be needed by Forsyth County during the term of the proposed new lease; and

WHEREAS, pursuant to the provisions of N.C.G.S. 160A-274, Forsyth County is authorized to lease any interest in real property to another governmental unit upon such terms and conditions as it deems wise.

NOW THEREFORE, BE IT RESOLVED by the Forsyth County Board of Commissioners that the Chairman or County Manager and the Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, a new three-year Proposal to Lease and Lease Agreement with the State of North Carolina, for use by the N.C. Department of Agriculture and Consumer Services to house a N.C. Forest Service Office, in the above-described space at the annual rental of \$2,378, payable in equal monthly installments, subject to a pre-audit certificate thereon by the Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney. The original Proposal to Lease and Lease Agreement are attached hereto and incorporated herein by reference.

Adopted this the 24th day of November 2014.

THE STATE OF NORTH CAROLINA SHALL NOT BE RESPONSIBLE FOR ANY EXPENSES INCURRED BY THE PROPOSER IN THE PREPARATION OF THIS PROPOSAL. FAXED PROPOSALS ARE NOT ACCEPTABLE.

PROPOSAL TO LEASE TO THE STATE OF NORTH CAROLINA - PO-28 8-11-14

1. NAME OF LESSOR: Forsyth County/NC Cooperative Extension Service
 2. LESSOR'S AGENT: Mark Tucker

INDICATE EACH LESSOR'S BUSINESS CLASSIFICATION AS APPLICABLE:
 A. PROPRIETORSHIP B. PARTNERSHIP C. CORPORATION x D. GOVERNMENTAL E. NON-PROFIT F. ***(HUB) HISTORICALLY UNDERUTILIZED BUSINESSES G. OTHER:

MAILING ADDRESS: 1450 Fairchild Drive
 CITY: Winston Salem ZIP: 27105
 PHONE#: 336-767-8213 FAX#: 336-767-3557
 E-MAIL:

3. SPACE LOCATION:(including building name, floors involved & suite or room numbers unless entire floor)
 Forsyth County Agricultural Building, Room 102 (Multipurpose room)

STREET ADDRESS CITY COUNTY ZIP CODE
 1450 Fairchild Drive, Winston Salem NC 27105

4. ATTACH FLOOR PLAN TO SCALE SHOWING THE SIZE AND LAYOUT OF SPACE OFFERED)

5. GROSS SQUARE FOOTAGE BEFORE NET USAGE COMPUTED
 A. OFFICE 288 B. WAREHOUSE C. OTHER

6. All proposals must be submitted on the basis of net square footage as defined on reverse side of this sheet and in Specifications (PO-27)

A. DESIRED PROPOSAL (See PO-27 Items VI and XII-A)

TYPE OF SPACE	TOTAL NET SQ. FT.	ANNUAL RENTAL	ANNUAL RENT PER SQ. FT.	UTILITIES	JANITORIAL SERVICES	REQUIRED CLIENTELE PARKING SPACES
OFFICE	288	2378		YES	YES	
WAREHOUSE	mb					
OTHER						
TOTALS	288	2378	XXXX	XXXX	XXXX	XXXX

Lessor will provide (2) employee parking spaces in above proposal at no additional charge to the State. (See explanation in PO-27 Item VI - Parking)

Comments:
ERRORS BY PROPOSERS IN CALCULATING NET SQUARE FOOTAGE WILL REDUCE THE ANNUAL RENTAL WITHOUT CHANGING THE PROPOSED RATE PER SQUARE FOOT IN THE PROPOSAL

B. OPTIONAL ALTERNATE PROPOSAL NO. 1 (See PO-27 ITEMS VI AND XII-B)
 (FOR PROPOSALS NOT INCLUDING UTILITIES AND/OR JANITORIAL SERVICES)

TYPE OF SPACE	TOTAL NET SQ. FT.	ANNUAL RENTAL	ANNUAL RENT PER SQ. FT.	UTILITIES	JANITORIAL SERVICES	
WAREHOUSE						
OTHER						
			XXXX	XXXX	XXXX	

Lessor will provide () clientele parking spaces and () employee parking spaces
 Comments:

7. LEASE TERM: 3 YEARS BEGINNING DATE: Dec 1, 2014 through November 30, 2017

8. RENEWAL OPTIONS, IF ANY: None TERMS AND CONDITIONS:

NOTE: RATES THAT INCLUDE INDETERMINABLE PERCENTAGE INCREASES, SUCH AS UNCAPPED CPI INCREASES ETC., ARE NOT ACCEPTABLE DURING EITHER THE INITIAL TERM OR ANY RENEWAL PERIOD(S)

The State of North Carolina supports the use of products and materials having recycled content in renovation and construction. Will the proposed building provide facilities for handling materials to be recycled such as waste paper and cardboard? YES NO

THE PROPOSED BUILDING MUST BE COMPLETELY FREE OF ANY HAZARDOUS ASBESTOS OR HAZARDOUS LEAD PAINT THROUGHOUT THE STATE'S TENANCY.

Is the proposed building free of hazardous asbestos? YES NO
 Is the proposed building free of hazardous lead paint? YES NO

DEPARTMENT: DIVISION:
 CITY: SQUARE FEET: AGENT:
 CUT-OFF FOR RECEIVING PROPOSALS IS 4:00 PM DATE:

RECEIVED

SEP 19 2014

LESSOR: Forsyth County, NC Cooperative Extension Service		
9. ADDITIONAL INFORMATION (Including any deviations from furnished specifications)		
10. Does this space comply with local and State Building safety and zoning codes specifically including OSHA provisions for the handicapped, and applicable sections of the State Building Code Volumes I-V?		
YES	NO	PARTIALLY
EXPLAIN IF OTHER THAN "YES" IS CHECKED ABOVE:		
11. This proposal is made in compliance with the specifications furnished by the NC Department of Agriculture. I realize that the State reserves the right to reject this proposal for any reason it deems warranted. This proposal is good until _____ I ACKNOWLEDGE AND FURTHER AFFIRM THAT I am aware of and familiar with the Americans with Disabilities Act of 1990 (42 United States Code, Section 12101 et seq.) and if the above firm is awarded the contract, it will comply with the provisions of said Act.		
I AM AWARE THAT THERE WILL BE NO NEGOTIATION OF THE PER SQUARE FOOT PRICE THAT I HAVE PRESENTED IN THIS PROPOSAL. I am further aware that annual per square foot rental rate(s) which include indeterminable percentage increase(s) such as uncapped Consumer Price Index increases etc., are not acceptable during either the initial term or any renewal period(s):		
*** <i>(HUB) HISTORICALLY UNDERUTILIZED BUSINESSES (HUB) CONSIST OF MINORITY, WOMEN AND DISABLED BUSINESS FIRMS THAT ARE AT LEAST FIFTY-ONE PERCENT OWNED AND OPERATED BY AN INDIVIDUAL(S) OF THE AFOREMENTIONED CATEGORIES. ALSO INCLUDED IN THIS CATEGORY ARE DISABLED BUSINESS ENTERPRISES AND NON-PROFIT WORK CENTERS FOR THE BLIND AND SEVERELY DISABLED.</i>		
Printed Name of Lessor _____		
Signature of Lessor _____		Date _____
MAILING / DELIVERY INSTRUCTIONS		
To be considered this proposal must be received by the State Property Office prior to 4:00 PM on the cutoff. No faxed proposals will be accepted. PHONE: 919-807-4650		
<u>Delivery Address if Delivered In Person:</u> Director, State Property Office, Room 4055, Administration Building, 116 West Jones Street, Raleigh, North Carolina		
<u>Mailing Address if Sent Through Mail Service:</u> State Property Office, ¹¹⁶ 1321 Mail Service Center, Raleigh, North Carolina 27699-1321 ¹¹⁶ 116		
ENVELOPE SHOULD BE MARKED:		
(a) Lease proposal Enclosed		
(b) Cutoff Date for Receiving Proposals		
(c) Name of State Agency involved.		
NOTE: Net square footage is a term meaning the area to be leased for occupancy by State Personnel and/or equipment. To determine net square footage:		
1. Compute the inside area of the space by measuring from the normal inside finish of exterior walls or the roomside finish of fixed corridor and shaft walls, or the center of tenant separating partitions.		
2. Deduct from the Inside area the following:		
*a. Toilets and lounges		
*b. Entrance and elevator lobbies		
*c. Corridors		
d. Stairwells		
e. Elevators and escalator shafts		
f. Building equipment and service areas		
g. Stacks, shafts, and <u>interior columns</u>		
h. Other space not usable for State purposes		
*Deduct if space is not for exclusive use by the State. <u>Multiple State leases require a, b, and c to be deducted.</u> The State Property Office may make adjustments for areas deemed excessive for State use.		
DEPARTMENT:	DIVISION:	
CITY:	SQUARE FEET:	AGENT:
CUT-OFF FOR RECEIVING PROPOSALS IS 4:00 PM		DATE:
FORM (PO-28)		(2005)

Contract #2015-0250-00: NC Forest Service - Proposal To Lease

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

11/6/2014

Date


Director of Finance

LEASE AGREEMENT

STATE OF NORTH CAROLINA

COUNTY OF _____

THIS LEASE AGREEMENT, made and entered into this the ____ day of _____, 20____, by and between **FORSYTH COUNTY**, hereinafter designated as Lessor, and the **STATE OF NORTH CAROLINA**, through the North Carolina Department of Agriculture & Consumer Services, hereinafter designated as Lessee;

WITNESSETH:

THAT WHEREAS, authority to approve and execute this lease agreement was delegated to the Department of Administration by resolution adopted by the Governor and Council of State on the 1st day of September, 1981; and amended on September 8th, 1999 and April 1, 2003.

WHEREAS, the Department of Administration has delegated to the Department of Agriculture the authority to execute this lease agreement by a memorandum dated the 26th day of March, 1982; and

WHEREAS, the parties hereto have mutually agreed to the terms of this lease agreement as hereinafter set out,

NOW THEREFORE, in consideration of the rental hereinafter agreed to be paid and the terms and conditions hereinafter set forth, Lessor does hereby let and lease unto Lessee and Lessee hereby takes and leases from Lessor for and during the period of time and subject to the terms and conditions hereinafter set out certain space in FORSYTH County, North Carolina, more particularly described as follows:

Being 288.75 sq. ft. of office space located at Room 102, Forsyth County Agricultural Building, 1450 Fairchild Drive. Winston Salem, NC 27105.

THE TERMS AND CONDITIONS OF THIS LEASE AGREEMENT ARE AS FOLLOWS:

The Lessee agrees to pay the aforesaid rental to Lessor at the address specified, or, to such other address as the Lessor may designate by a notice in writing at least fifteen (15) days prior to the due date.

1. The term of this lease shall be for a period of **three (3) years** commencing on the **1st day of December, 2014**, or as soon thereafter as the leased premises are ceded to the Lessee and terminating on the **30th day of November, 2017**.
2. The Lessee shall pay to the Lessor as rental for said premises the sum of Two thousand three hundred and seventy eight Dollars (**\$2,378**) per annum, which sum shall be paid in equal monthly installments of One hundred and ninety eight dollars and 16/100 (**\$198.16**) to be payable at least fifteen (15) days prior to the due date.

3. Lessor agrees to furnish to the Lessee, as a part of the consideration for this lease, the following services and utilities to the satisfaction of the Lessee:
 - a. Heating facilities, air conditioning facilities, adequate electrical facilities, adequate lighting fixtures and sockets, hot and cold water facilities, and adequate toilet facilities.
 - b. Lessor to provide required fire extinguishers and servicing, pest control, and outside trash disposal including provision for the handling of recyclable items such as aluminum cans, cardboard and paper.
 - c. Parking
 - d. Maintenance and cleaning of fire extinguishers, lawns, shrubbery, sidewalks and parking areas (including snow removal), disposal of trash and common areas are required.
 - e. The leased premises are generally accessible to persons with disabilities. This shall include access into the premises from the parking areas (where applicable), into the premises via any common areas of the building and access to an accessible restroom.
 - f. Any fire or safety inspection fees and storm water fees, and land transfer tax/fees will be paid by the Lessor.
 - g. The number of keys to be provided to State for each lockset shall be reasonably determined by the State prior to occupancy, at no cost to the State.
 - h. All utilities except telephone.
4. During the lease term, the Lessor shall keep the leased premises in good repair and tenantable condition, to the end that all facilities are kept in an operative condition. Maintenance shall include, but is not limited to furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case Lessor shall, after notice in writing from the Lessee in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of the Lessee's employees, property, or invitees, it shall then be lawful for the Lessee in addition to any other remedy the Lessee may have, to make such repair at its own cost and to deduct the amount thereof from the rent that may then be thereafter become due hereunder. The Lessor reserves the right to enter and inspect the leased premises, at reasonable times, and to make necessary repairs to the premises.
5. It is understood and agreed that Lessor shall, at the beginning of said lease term as hereinabove set forth, have the leased premises in a condition satisfactory to Lessee, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the leased premises will be used by Lessee.
6. The Lessee shall have the right during the existence of this lease, with the Lessor's prior consent, to make alterations, attach fixtures and equipment, and erect additions, structures or signs including a security system in or upon the leased premises. Such fixtures, additions, structures or signs so placed in or upon or attached to the leased premises under this lease or any prior lease of which this lease is an extension or renewal shall be and remain the property of the Lessee and may be removed therefrom by the Lessee prior to the termination of this lease or any renewal or extension thereof, or within a reasonable time

thereafter. The Lessee shall have no duty to remove any improvement or fixture placed by it on the premises or to restore any portion of the premises altered by it. In the event Lessee elects to remove his improvements or fixtures and such removal causes damage or injury to the demised premises, Lessee will repair only to the extent of any such damage or injury.

7. If the said premises be destroyed by fire or other casualty without fault of the Lessee, this lease shall immediately terminate and the rent shall be apportioned to the time of the damage. In case of partial destruction or damage by fire or other casualty without fault of the Lessee, so as to render the premises untenable in whole or in part, there shall be an apportionment of the rent until the damage has been repaired. During such period of repair, Lessee shall have the right to obtain similar office space at the expense of Lessee or the Lessee may terminate the lease by giving fifteen (15) days written notice to the Lessor.
8. Lessor shall be liable to Lessee for any loss or damages suffered by Lessee which are a direct result of the failure of Lessor to perform an act required by this lease, and provided that Lessor could reasonably have complied with said requirement.
9. Upon termination of this lease, the Lessee will peaceably surrender the leased premises in as good order and condition as when received, reasonable use and wear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or by circumstances over which Lessee had no control or for which Lessor is responsible pursuant to this lease, excepted.
10. The Lessor agrees that the Lessee, upon keeping and performing the covenants and agreements herein contained, shall at all times during the existence of this lease peaceably and quietly have, hold, and enjoy the leased premises free from the adverse claims of any person.
11. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender thereof shall be valid unless in writing and signed and agreed to by both parties.
12. Any hold over after the expiration of the said term or any extension thereof, shall be construed to be a tenancy from month to month, and shall otherwise be on the terms and conditions herein specified, so far as applicable: however, either party shall give not less than sixty (60) days written notice to terminate the tenancy.
13. The parties to this lease agree and understand that the continuation of this lease agreement for the term period set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of the Lessee responsible for payment of said rental. The parties to this lease also agree that in the event the agency of the Lessee or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of rents are insufficient to continue the operation of its local offices on the premise leased herein, it may choose to terminate the lease agreement set forth herein by giving Lessor written notice of said termination, and the lease agreement shall terminate immediately without any further liability to Lessee.

14. Prohibition on Gifts. North Carolina General Statute §133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any employee of Lessee of any gift from anyone with a contract with Lessee, or from any person seeking to do business with Lessee. By execution of this Lease, Lessor attests, for its entire organization, including its employees or agents, that it is not aware that any such gift has been offered, accepted, or promised by any employees of its organization.
15. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows: To the Lessor at Forsyth County Agricultural Building, 1450 Fairchild Road, Winston Salem, NC 27105 and the Lessee at **NCD&CS, Property and Construction Division, ATTN: Real Property Agent, 1001 Mail service Center, Raleigh, NC 27699-1001**. Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.
16. If lack of ADA compliance creates an operational problem for the Lessee, the Lessee reserves the right to terminate this lease upon ninety (90) days prior written notice to the Lessor of the intent to terminate, with no further liability to the Lessee
17. The leased premises are accessible to persons with disabilities. This shall include access into the premises from the parking areas (where applicable), into the premises via any common areas of the building and access to an accessible restroom.

IN TESTIMONY WHEREOF, this lease has been executed by the parties hereto, in duplicate originals, as of the date first above written.

LESSEE: STATE OF NORTH CAROLINA

BY: _____
G. Kent Yelverton, P. E.
Director, Property and Construction

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, A Notary Public in and for the County and State aforesaid, do hereby certify that G. Kent Yelverton personally came before me this day and acknowledged the due execution by him of the foregoing instrument as Director of Property and Construction Division for the North Carolina Department of Agriculture and Consumer Services, in accordance with the authority vested in him and for the purposes therein expressed.

WITNESS my hand and Notarial Seal, this the _____ day of _____ 2014.

Notary Public

Print Name

My Commission Expires:

LESSOR: _____

By: _____
Signature

Print Name and Title

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, A Notary Public in and for the County and State aforesaid, do hereby certify that _____, personally came before me this day and acknowledged the due execution of the foregoing instrument therein expressed.

WITNESS my hand and Notarial Seal, this the _____ day of _____ 20__.

Notary Public

Print Name

My Commission Expires:
