



Board of Commissioners Meeting Agenda Item Submittal

Item To Be Considered: Swansboro Historical Association Lease

Board Meeting Date: December 12, 2022

Prepared By: Paula Webb, Town Manager

Overview: The Swansboro Historical Association (SHA) proposes to continue utilizing approximately 4,052 square feet seven (7) days/week at 502 Church Street for the historic museum. The current lease arrangement is for \$1/year for one (1) year. The lease is set to expire on December 31, 2022.

Background/Recommendation:

The SHA has been leasing the facility since 2016. Communications in the file prior to 2016 indicate a recommendation by a former Manager that the Town lease the facility to SHA for a period of 3 years at \$1/year until the Heritage Museum could progress enough to at least fund utility expenses and develop a 5-year operational plan. Hurricane Florence damage and COVID-19 delayed SHA from progressing and developing that plan. The Town is also in receipt of the NPS Emergency Supplemental Historic Preservation Fund Grant. Project details for this grant are quite extensive and could possibly require vacating the facility to complete the work.

It would be my recommendation to continue leasing the facility for an additional year at \$1/year.

Background Attachment(s): 1. NCGS 160A-272
2. Resolution 2022-R11

Recommended Action: Motion to adopt Resolution 2022-R11 approving the lease as described above and upon other such terms as the Town Manager determines to be in the best interests of the Town and authorizes and directs the Town Manager to execute, at the appropriate time, any instruments necessary to consummate such lease agreement.

Action: _____

§ 160A-272. Lease or rental of property.

(a) Any property owned by a city may be leased or rented for such terms and upon such conditions as the council may determine, but not for longer than 10 years (except as otherwise provided in subsection (b1) of this section) and only if the council determines that the property will not be needed by the city for the term of the lease. In determining the term of a proposed lease, periods that may be added to the original term by options to renew or extend shall be included.

(a1) Property may be rented or leased only pursuant to a resolution of the council authorizing the execution of the lease or rental agreement adopted at a regular council meeting upon 30 days' public notice. Notice shall be given by publication describing the property to be leased or rented, stating the annual rental or lease payments, and announcing the council's intent to authorize the lease or rental at its next regular meeting.

(b) No public notice as required by subsection (a1) of this section need be given for resolutions authorizing leases or rentals for terms of one year or less, and the council may delegate to the city manager or some other city administrative officer authority to lease or rent city property for terms of one year or less.

(b1) Leases for terms of more than 10 years shall be treated as a sale of property and may be executed by following any of the procedures authorized for sale of real property.

(c) Notwithstanding subsection (b1) of this section, the council may approve a lease without treating that lease as a sale of property for any of the following reasons:

(1) For the siting and operation of a renewable energy facility, as that term is defined in G.S. 62-133.8(a)(7), for a term up to 25 years.

(2) For the siting and operation of a tower, as that term is defined in G.S. 146-29.2(a)(7), for communication purposes for a term up to 25 years.

(3) For the operation and use of components of a wired or wireless network, for a term up to 25 years; provided, however, that the lease is entered into with a private broadband provider or a cooperative in connection with a grant agreement pursuant to G.S. 143B-1373 and is for a discrete and specific project located in an unserved area of an economically distressed county seeking to provide broadband service to homes, businesses, and community anchor points not currently served.

(d) Notwithstanding subsection (a) of this section, any lease by a city of any duration for components of a wired or wireless network shall be entered into on a competitively neutral and nondiscriminatory basis and made available to similarly situated providers on comparable terms and conditions and shall not be used to subsidize the provision of competitive service. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 26; 2009-149, ss. 2, 3; 2010-57, s. 2; 2010-63, s. 2(b); 2011-150, s. 1; 2014-120, s. 34; 2015-246, s. 9; 2018-5, s. 37.1(c).)

RESOLUTION (2022-R11)
AUTHORIZING THE TOWN TO ENTER INTO A LEASE FOR ONE YEAR PURSUANT
TO N.C. GEN. STAT. § 160A-272

WHEREAS, N.C. Gen. Stat. §160A-272 authorizes a town to enter leases of one year upon resolution of its council adopted at its regular meeting; and,

WHEREAS, the Board of Commissioners of the Town of Swansboro is convened in a regular meeting; and

WHEREAS, the Town of Swansboro owns the property located at 502 Church St, Swansboro, upon which is located the Town's previous Town Hall. Within that building (the "Premises"), there is an office area that the Town currently does not have use for; and

WHEREAS, the Swansboro Historical Association, Inc. ("Association") has requested that the Town of Swansboro lease a portion (Exhibit A, Area B) of the Premises for use as the Swansboro Area Heritage Center; and,

WHEREAS, the Town of Swansboro is amenable to leasing a portion (Exhibit A, Area B) of the Premises to the Association for twelve (12) months at a rental rate of \$1.00 per year and upon such other terms as the Town Manager determines to be in the best interests of the Town.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Town of Swansboro approves the lease of a portion (Exhibit A, Area B) of the Premises to the Association for twelve (12) months a rental rate of \$1.00 per year and authorizes and directs the Town Manager to execute, at the appropriate time, any instruments necessary to consummate the lease agreement with the Association.

This the 12th day of December 2022.

TOWN OF SWANSBORO

By:

John Davis, Mayor

Attest:

Alissa Fender, Town Clerk

