THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: January 25, 2022

Subject: Lease with the DeWine Seeds -Silver Dollar Baseball LLC

Staff Resources: Chris Corl, General Manager HCCA
Jannice Ashley, Senior Assistant City Attorney
Ellen McKinnon, Real Estate Coordinator

Action Requested: Approve a resolution authorizing the City Manager to sign a lease agreement with DeWine Seeds -Silver Dollar Baseball LLC

Background:

- The City of Asheville has owned the property located at 30 Buchanan Place, known as McCormick Field, since 1984 and leases the property for operation as a minor league baseball stadium.
- The presence of a minor league baseball team is a positive contributor to quality of life for people and businesses within the City of Asheville.
- The economic Impact of the team is very positive for local business and is expected to exceed $10 million annually.
- The Tourists team also annually utilizes hundreds of local citizens as temporary seasonal workers.
- Having the team downtown contributes to the continuing revitalization of the South Slope, providing numerous l walkable options for pre and post game food & beverage and retail customers for downtown businesses.
- The most recent lease expired on December 31, 2021.
- In lieu of lease payments, the DeWine organization will continue to provide substantial in-kind services to include the staffing of the stadium, the care and maintenance of the field and the day to day operations of McCormick Field.
- The premises to be leased include the field, stadium, and front parking lot along Buchanan and McCormick, access will also be permitted for use of the storage area located near Mountainside Park.
- The enclosed map shows the areas that are covered by the lease.
- It should be noted that the lessee is prohibited from using the parking lot located off of Hunt Hill Place at Mountainside Park for operations and/or parking on game days. The one exception is that the area may be used to stage fireworks.
- Major League Baseball has implemented a significant reorganization recently, the Asheville Tourists are now affiliated with the Houston Astros professional baseball team.
- The proposed lease will cover up to a two year period.
- A shorter term lease is proposed in order to align with new expected standards from Major League Baseball Professional Development League which take affect, April 2024.
- Significant capital improvements will be required to meet new standards, staff will need this time to negotiate a long term (15 - 20 year) solution to capital maintenance at McCormick Field. Additionally this time will allow for creation of a more transparent game day operations plan relative to the impact on the surrounding neighborhoods.

Council Goal(s):

- Thriving Local Economy
- Well Planned & Livable City

Committee(s):

- None

Pro(s):

- DeWine Seeds-Silver Dollar Baseball, LLC is committed to keeping minor league baseball in Asheville.
- The presence of the Tourists team has a positive economic impact on the local economy

Con(s):

- The City is not receiving fair market rent for the facility.
- This lease should be renegotiated for a longer term when a long term plan for the facility & team is in place, prior to opening day, April 2024.

Fiscal Impact:

- DeWine Seeds-Silver Dollar LLC will pay the City $1 in annual lease payments, but as noted above, they will provide in-kind services to include staffing of the stadium and maintenance of the field and the day to day operations.

Suggested Motion:

- Motion to approve a resolution authorizing the City Manager to sign a lease agreement with DeWine Seeds-Silver Dollar LLC with a lease payment in the amount of one dollar annually.

Attachments:

- Resolution
- Map & Facilities

RESOLUTION NO. 22-_____

RESOLUTION AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF ASHEVILLE AND DEWINE SEEDS - SILVER DOLLAR BASEBALL LLC. ON CITY-OWNED PROPERTY AT 30 BUCHANAN PLACE

WHEREAS, N. C. Gen. Stat. 160A-272 authorizes the lease of City owned property for such terms and conditions as the council sees fit, for periods of up to 10 years; and

WHEREAS, the City of Asheville is the owner of real property located on Buchanan Place identified as PIN #96484785660000; and

WHEREAS, the City of Asheville agrees to lease to DeWine Seeds- Silver Dollar Baseball LLC., McCormick Field facilities for a term of up to two years; and

WHEREAS, DeWine Seeds-Silver Dollar Baseball LLC has agreed to provide in-kind services in exchange for a reduced rental payment of one dollar annually;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is hereby authorized to execute a Lease Agreement between the City of Asheville and DeWine Seeds-Silver Dollar Baseball, LLC for a portion of the land at 30 Buchanan Place, PIN #964847856600000. In addition, the City Manager is hereby authorized to execute any and all documents necessary to give effect to this resolution, subject to approval by the City Attorney, and compliance with applicable North Carolina law.

Read, approved and adopted this 25th day of January 2022.

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City Clerk Mayor

Approved as to form:

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City Attorney