

RESOLUTION NO. 2025 – _____

A RESOLUTION TO AUTHORIZE THE CONVEYANCE OF THE CITY-OWNED PROPERTY LOCATED AT 10 W. SOUTH STREET TO ADVANCE POLICY OBJECTIVES OF THE CITY OF RALEIGH THROUGH THE DEVELOPMENT OF A HOTEL TO SUPPORT THE OPERATIONS OF THE RALEIGH CONVENTION CENTER

WHEREAS, the City of Raleigh owns a parcel of land addressed as 10 W. South Street, PIN 1703668320 (the “Property”); and

WHEREAS, the City desires to convey certain property interests in the Property to an entity affiliated with Omni Hotels & Resorts (the “Omni Entity”) to facilitate construction and operation of a hotel to support the operations of the Raleigh Convention Center; and

WHEREAS, the financial success of the Raleigh Convention Center, including its planned expansion, has been demonstrated to require the location of additional hotel rooms in close proximity to the facility; and

WHEREAS, Session Law 2015-253 provides that the City may convey real property through private negotiations upon findings of the City Council that such sale “will advance or further any Council adopted economic development, transportation, urban revitalization, community development, or other City policy” and the City Council hereby makes such a finding.

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

1. The City is hereby authorized to convey the Property to the Omni Entity for the development of a 600-key hotel, together with other hotel and public amenities, to support the operations of the Raleigh Convention Center (the “Project”). The conveyance shall be for a purchase price of the fair market value of \$419.90 per square foot, with the final consideration set at closing based on a survey of the property interest to be conveyed, currently anticipated to be approximately 46,317 square feet. This authorization includes conveyance of any lesser interest in the Property, such as a lease, until the fee simple transfer of the Property, which shall occur no later than 6 months following the issuance of a certificate of occupancy for the Project.
2. The City is hereby authorized to enter into a lease with an entity affiliated with Omni Hotels & Resorts for City-owned condominium units constructed as part of the Project for purposes of unifying the operation of the Project for a term of approximately 40 years at a lease rate of \$1.00 per year.
3. The City Manager and the Mayor are authorized to execute, on behalf of the City, the necessary instruments to document the transaction contemplated herein, including the development and construction of the Project, including any agreements, applications (including those to quasi-judicial boards of the City), maps, or other necessary instruments to facilitate the conveyance of the property interests described above and the development of the Project.

4. This resolution shall supersede and replace Resolution 2024-632.

Adopted:

Effective:

Distribution: City Manager's Office – Adams-David, Raleigh
City Attorney's Office - McDonald, Poole, Richardson
City Clerk's Office
Finance – Bradsher
Convention Center – Painter
Planning and Development – Young, Bowers, Recchie