



Agenda Action Form Overview

The Board is requested to receive this update from the Durham Convention and Visitors Bureau (DCVB) and ask any questions they wish about how the DCVB is planning to spend the funds the County is transferring to them for 101 E. Morgan St.

Background/Justification

Durham County purchased the building at 101 E. Morgan St. in August 1994 for \$536,500 using certificates of participation that were paid down over a twenty year time period. The County purchased it for DCVB use because it was unclear if DCVB's legal status enabled it to own real property. DCVB entered into a long-term lease arrangement with the County, and lease payments from the DCVB were essentially equivalent to what twenty year's worth of mortgage payments (principal and interest) would have been on the building. DCVB also paid for all of the maintenance required over the 22 years they occupied the building (before their 2016 move to the W. Main St. offices).

On Nov. 14, 2011, the BOCC agreed to convey ownership of the building to DCVB since they had essentially already paid us for it. Due to ongoing legal questions, however, that conveyance was never finalized. During later discussions, there was general agreement that because DCVB never received the benefit of building ownership (i.e. the money they would have received upon selling it when they moved to their current W. Main St. location), the County would compensate them for the building by direct payment. At their Sept. 6, 2016 meeting, the BOCC agreed to pay the DCVB an amount equivalent to the current appraised value of the building, which at that time was \$1,021,641. This amount would be made through three payments over three years. The DCVB, in return, was to come back and provide a report of what they intended to do with the funds, which is the purpose of this agenda item.

Policy Impact

There is no policy impact tied to this update except insofar as strategic expenditure of these funds by the DCVB can have important impacts on various sectors of our local economy.

Procurement Background

N/A

Fiscal Impact

There is no additional, direct fiscal impact beyond payment of funds the County has already agreed to pay and begun paying. Indirectly, as already stated, the activities of the DCVB have a wide range of economic impacts on our community.

Recommendation

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