

**Item Title:** Lease of Raleigh Durham Airport Authority Property known as Lake Crabtree County Park

**Specific Action Requested:**

**That the Board of Commissioners authorizes the County Manager to execute a lease (along with any other supporting documentation) for Raleigh Durham Airport Authority property known as Lake Crabtree County Park, subject to terms and conditions acceptable to the County Attorney.**

**Item Summary:**

**Purpose:** The Board of Commissioners approves all County real estate transactions.

**Background:** On March 5, 1985, Wake entered into a lease agreement with the Raleigh-Durham Airport Authority (RDUAA) for the development and operation of Lake Crabtree County Park. The lease term was 40 years at \$1 per year with the lease agreement set to terminate on June 30, 2025. The lease was amended in 1994 adding an additional 148 acres to allow expansion of the Park's trail system.

The County notified RDUAA in March 2024 of our interest and intent to extend the lease term. Since then, County and RDUAA staff have engaged in negotiations regarding revised lease terms for the property and the Wake County Board of Commissioners provided feedback at its February 10, 2025, work session. The lease has been finalized with staff requesting approval at today's meeting.

The lease covers 69.87 acres in three tracts. The annual lease rate for the property is \$214,488 and escalates 3.0% per year over the 20-year term of the lease; there is an option for two additional 10-year renewals.

**Strategic Plan:** This action supports routine County operations.

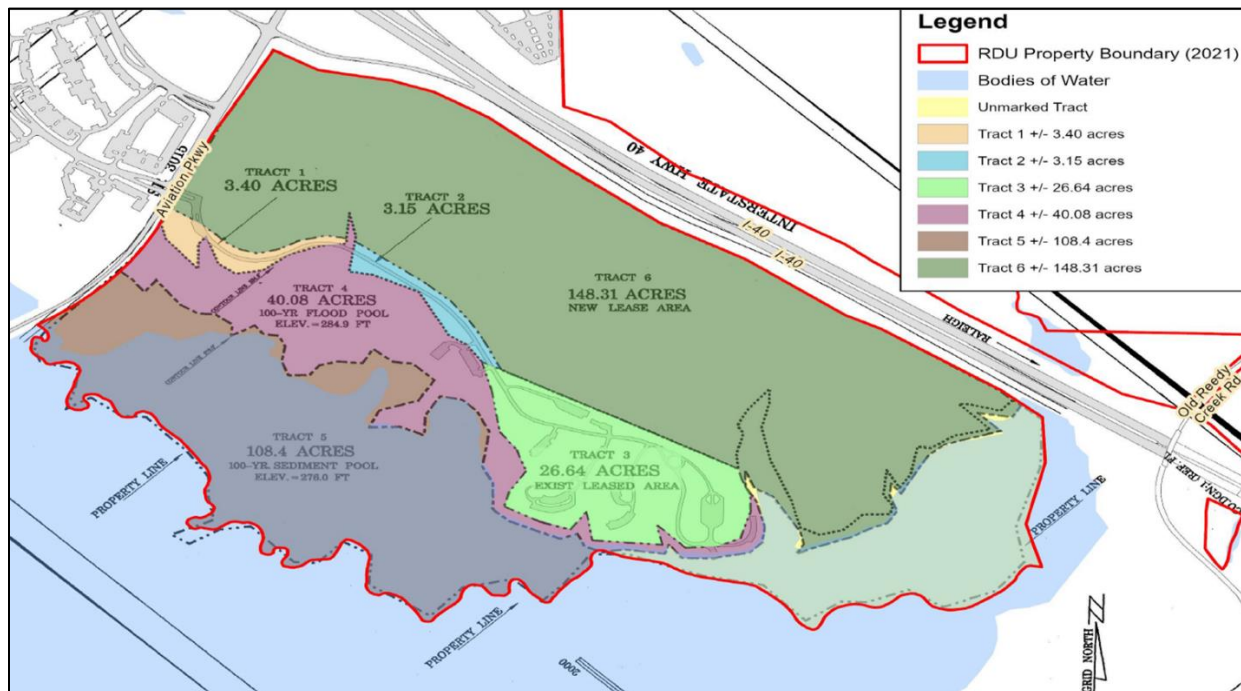
**Fiscal Impact:** The cost of the lease is included in the Community Services Fiscal Year 2026 operating budget. No additional appropriation is requested.

**Additional Information:**

On March 5, 1985, Wake entered into a lease agreement with the Raleigh-Durham Airport Authority (RDUAA) for 33.191 acres (Tracts 1,2 and 3 on map below) for the development and operation of a public recreation facility known as Lake Crabtree County Park. Additional RDUAA property associated with the permanent flood pool for Site 23 of the

Crabtree Creek Flood Control Project (Tracts 4 and 5 on the map below) was also allowed to be utilized for the park. The lease term was 40 years at \$1 per year; the lease agreement is set to terminate on June 30, 2025.

The original lease was amended in February 1994, adding an additional 148 acres (Tract 6 on map below) to allow expansion of the Park's trail system, specifically mountain bike trails. The lease term was 5 years at \$1 per year; the amendment has been reauthorized numerous times over the years and is still in effect.



Subject to and in accordance with the terms and conditions of the lease, Wake County provided formal written notice to RDUAA in March 2024 of its intent to extend the lease, including all tracts.

In April 2024, RDUAA noted a desire to develop Tract 6 to raise additional revenue for the Airport, and in July 2024 RDUAA issued a Request for Information (RFI), inviting proposals for public-private investment to create a destination that “not only generates revenue and compatible recreational amenities but also resonates with the community...”

County and RDUAA staff have engaged in negotiations regarding the lease terms for the property. Staff updated the Board of Commissioners at its February 10, 2025 work session, and were provided feedback on the lease.

The lease has been finalized with staff requesting approval at today's meeting. The proposed lease covers Tracts 2, 3 and 4 on the above map, totaling 69.87 acres. The annual lease rate for the three tracts is \$214,488 and will be incorporated into Community Services' FY 2026 budget. The County will retain ingress/egress over Tracts 1 and 6 as needed to maintain access to Tracts 2, 3, 4 in addition to access needed to connect the park to the 151-acre tract (286 parcel) to the north of I-40 that the County currently leases from RDUAA.

The lease rate escalates 3.0% per year over the 20-year term of the lease; there is an option for two additional 10-year terms. Additionally, on the 5th anniversary of the lease commencement date, and every 5 years thereafter, in lieu of the 3% rent increase, the annual rent increase may be adjusted based on FMV of the property if the parties obtain a certified MAI appraisal. Both RDUAA and the County are authorized to hire their own MAI appraisers.

The Open Space and Parks Advisory Committee (OSAPAC) has been briefed on this issue numerous times and shared their collective feelings in a letter to the Board of Commissioners dated September 5, 2024. Due to dynamic nature of negotiations regarding the lease, the committee has not specifically weighed in on the current proposed lease and its terms.

**Attachments:**

1. Presentation
2. Minutes from the Board of Commissioners' Work Session, February 10, 2025