

**STATE OF ALABAMA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
STATE LANDS DIVISION**

**ANNOUNCEMENT OF PUBLIC AUCTION
FOR THE LEASE AND OPTION TO PURCHASE
STATE LAND LOCATED IN BALDWIN COUNTY, ALABAMA**

Notice is hereby given pursuant to Code of Alabama, 1975, Section 9-15-70 et seq. that a **Public Auction** for a lease with an option to purchase state property (hereinafter "Lease and Purchase Option Agreement") described below located in Baldwin County, Alabama will be conducted by the Alabama Department of Conservation and Natural Resources (ADCNR) State Lands Division (SLD) in the Tensaw Theater at 5 Rivers - Alabama Delta Resource Center, located at 30945 Five Rivers Boulevard, Spanish Fort, Alabama 36527 on **April 17, 2025 at 10:00 AM**. Bidding will begin promptly at this time. It is the sole responsibility of interested bidders to arrive sufficiently in advance of this start time.

Also pursuant to the above referenced Code Sections, officers and employees of the Department of Conservation and Natural Resources, as well as members of their families, shall be excluded from bidding on any property described herein.

A parcel of land and improvements thereon located at 31115 - 5 Rivers Boulevard, Spanish Fort, AL 36527 as depicted on the Parcel Map consisting of approximately 70.3 acres more or less (hereafter "Property").

All bids will be for the amount of consideration for obtaining an exclusive option to purchase the Property (hereinafter "Option Amount"). The Public Auction will begin at a **minimum bid of \$500,000 as the Option Amount** for the option to purchase the Property during the term of and pursuant to the Lease and Purchase Option Agreement. Specification of a minimum bid amount to be considered does not suggest acceptance of any bid which may equal or exceed that amount. No bid below the applicable minimum bid will be accepted.

Each bidder shall present with the bid a **bid deposit** in the form of a certified or cashier's check (**NO PERSONAL CHECKS ACCEPTED**) in the amount of \$100,000 made payable to the State Lands Division. If a high bidder fails to immediately present such bid deposit satisfactory to the SLD, bidding may resume at the discretion of the SLD.

A successful bidder must complete the transaction by execution of the Lease and Purchase Option Agreement and delivery of both the First Year Annual Payment and the Option Amount within thirty (30) days of an award or forfeit the submitted bid deposit (pursuant to Section 9-15-76). The successful bidder's bid deposit will be applied to the First Year Annual Payment. The successful bidder's Option Amount will be applied to the purchase price if the option to purchase is exercised.

The successful bidder shall reimburse the State Lands Division for appraisal costs (\$11,250) and advertisement fees incurred for this notice.

An award issued as a result of this Public Auction will be subject to all provisions contained in the sample Lease and Purchase Option Agreement including, but not limited to, the following:

- 1) Reservation of all oil, gas and mineral rights in addition to rights associated with pore space during the Agreement period. Any oil, gas, and other mineral rights that ADCNR may own will be conveyed by quit claim deed at Purchase Closing.
- 2) The Agreement and any conveyance will be subject to all easements, covenants, reservations, and restrictions on or affecting the Property.
- 3) The Agreement term will be up to 10 years.
- 4) During the Agreement term, the annual rental payments will be paid in advance. The First Annual Payment of **\$468,000** being due upon Lessee's execution of the Agreement and each subsequent Annual Payment being due upon the anniversary of the Agreement's Effective Date. The amount of Annual Payment due shall increase each year by 2%.
- 5) Lessee shall maintain the Property in good condition, making all necessary repairs/maintenance (other than structural repairs/maintenance) and return the Property to Lessor in as good or better condition than at the time of the Agreement's Effective Date. Lessee shall also be responsible for the payment of taxes, insurance, utilities, non-structural repairs/maintenance, and all costs associated therewith. Lessor will cover costs of structural maintenance/repair.
- 6) During the term of the Agreement, Lessee shall only use and occupy the Property for education, recreation, meeting, event, and other associated uses.
- 7) The Property may not be subleased without prior written consent from Lessor, and Lessor's consent may be withheld for any reason.
- 8) No improvements to or alterations of the Property shall be made without prior written consent of Lessor. Lessor will specifically permit Lessee to erect a fencing or gates for purposes of Lessee securing access to the Property. The location and materials used for fencing shall be submitted to Lessor for approval, such approval shall not be unreasonably withheld. Lessee will not commence installation of fencing or gates prior to receipt of written approval from Lessor.
- 9) Lessor shall have the right to access the Property during term of the Agreement without notice for purposes of inspection, repair,

maintenance, security, safety, and emergency needs. Lessee shall provide access keys/codes to Lessor and ensure emergency access of first responders.

- 10) Lessee agrees to host annually a weekend event (at no cost to Lessee other than operation costs) on the Property which will be open to the public without an admission charge. Lessee otherwise may charge admission at Lessee's discretion. In the event Lessee takes possession prior to May 1, 2025, Lessee agrees that the event hosted for the 2025-26 Agreement year, will be the City of Spanish Fort's 2025 Annual Woods & Water Festival.
- 11) Lessee shall maintain, at its own cost and expense for the duration of the Agreement, Commercial General Liability Insurance with limits of liability not less than \$5,000,000 combined single limit for any one occurrence, and Business Automobile Liability Insurance covering owned, non-owned, and hired vehicles with limits of liability not less than \$1,000,000 combined single limit for any one occurrence, and Workers Compensation Insurance, and Protection & Indemnity Insurance with minimum limits of \$5,000,000 per occurrence.
- 12) Lessor shall have the right to terminate the Agreement upon a material breach of the Agreement by Lessee including, but not limited to, nonpayment of an Annual Payment amount, failure to provide access, failure to maintain Property in good condition, failure to maintain insurance, or failure to use the Property for the purpose granted. Lessee shall have the opportunity to cure, including opportunity to exercise the purchase option, as set forth in the Agreement.
- 13) Lessee shall have the exclusive option to purchase the Property for **\$8,500,000** ("Purchase Price") at any time prior to expiration or termination of the Agreement. Lessee will provide Lessor no less than 90 days written notice of an intent to exercise the option to purchase. Both the paid Annual Payment amounts and the Option Amount shall be credited to the Purchase Price at Purchase Closing. In the event Purchase Closing is not achieved, the Option Amount shall be forfeited.
- 14) Upon exercise of the option to purchase, both parties will make a good faith effort to achieve Purchase Closing within 90 days of Lessee's delivery of said notice. If Lessee elects to exercise the option to purchase, Lessee will be responsible for necessary survey costs related to development of legal description.
- 15) Neither the Property nor any interest therein, including but not limited to the option to purchase and lease interest, shall be assigned, transferred, mortgaged, or otherwise encumbered at any time prior

Purchase Closing without the prior written consent of Lessor. Lessor's consent may be withheld for any reason.

If ADA accommodations are needed, please contact Delicia Baker at (334) 242-3484. Requests should be made as soon as possible but at least seven (7) days prior to the Public Auction.

The State does not guarantee title to the Property herein advertised or otherwise warrant or guarantee the condition of the Property or any of the improvements. All bidders should satisfy themselves as to the State's title, accuracy of acreage offered, tract condition, and tract accessibility.

This Public Auction and transfer of property Interest is conducted pursuant to the provisions of the Alabama Land Sales and Leasing Act (Act No. 95-280), codified at Sections 9-15-70 et seq., and/or other laws of the State of Alabama governing this transaction whether or not included in this announcement. The State reserves the right to reject any or all bids and further reserves the right to negotiate a higher sale price with the highest bidder. In the event a successful bidder fails to complete the transaction, the State further reserves the right to negotiate with the next highest qualifying bidder.

ADCNR does not discriminate on the basis of race, color, religion, age, sex, national origin, disability, pregnancy, genetic information, or veteran status in its hiring or employment practices nor in admission to, access to, or operations of its programs, services, or activities.

Unless specifically provided otherwise in a subsequent corrective advertisement, the terms and conditions as stated in this announcement shall be controlling over this transaction.

Potential bidders seeking to access the Property for the purposes of inspection may contact Mark Wetzel with SLD at (251) 586-7656. Such requests should be made sufficiently in advance of the Public Auction and will be considered in accordance with staff availability. Potential bidders may obtain a copy of the sample Lease and Purchase Option Agreement and the Parcel Map at <https://www.outdooralabama.com/public-notice/land-sales-and-leasing-act>.



Patricia Powell McCurdy
State Lands Director

March 13, 2025

Date

APPROVED LEGAL

