

# AGENDA

## FINANCE COMMITTEE

4:30 p.m., Monday, August 8, 2016

COMMITTEE ROOM

Room 239, City Hall

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*COMMITTEE MEMBERS: Council Member Robert C. Clark, Chair  
Council Member Denise D. Adams, Vice Chair  
Council Member Vivian H. Burke  
Council Member Derwin L. Montgomery*

### GENERAL AGENDA

- G-1. CONSIDERATION OF AN ITEM RELATED TO FINANCIAL ASSISTANCE TO GOLER COMMUNITY DEVELOPMENT COPORATION:
  - a. RESOLUTION AUTHORIZING A LAND LEASE AT KIMBERLEY PARK AND FINANCIAL ASSISTANCE TO GOLER COMMUNITY DEVELOPMENT CORPORATION TO DEVELOP A HYDROPONICS/AQUAPONICS JOB TRAINING FACILITY (NORTH WARD). [*\$962,000*].
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, FOR THE FISCAL YEAR 2016-2017.
- G-2. RESOLUTION AUTHORIZING MODIFICATIONS TO A PREVIOUSLY APPROVED ECONOMIC DEVELOPMENT PROJECT WITH CATERPILLAR INC.
- G-3. CONSIDERATION OF ITEMS AUTHORIZING A LOAN TO THE HOUSING AUTHORITY OF WINSTON-SALEM FOR NEW HOPE MANOR (NORTHEAST WARD):
  - a. RESOLUTION AUTHORIZING A LOAN TO THE HOUSING AUTHORITY OF WINSTON-SALEM FOR NEW HOPE MANOR. [*\$1,700,000*].
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, FOR THE FISCAL YEAR 2016-2017.
- G-4. RESOLUTION AWARDDING CONTRACT FOR INVESTMENT CONSULTING SERVICES FOR THE CITY OF WINSTON-SALEM.

- G-5. CONSIDERATION OF AN ITEM RELATED TO THE ALLOCATION OF ADDITIONAL FUNDS FOR THE PATTERSON/GLENN AREA:
- a. RESOLUTION APPROVING THE ALLOCATION OF ADDITIONAL REVITALIZING URBAN COMMERCIAL AREA (RUCA) III MATCHING FUNDS FOR THE PATTERSON/GLENN AREA (NORTHEAST WARD). *[\$202,100]*.
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.
- G-6. RESOLUTION RESCINDING THE APRIL 18, 2016 RESOLUTION OF THE WINSTON-SALEM CITY COUNCIL EXPRESSING SUPPORT FOR THE ISSUANCE OF REVENUE BONDS TO FINANCE THE ACQUISITION, REHABILITATION AND EQUIPPING OF AN AFFORDABLE HOUSING DEVELOPMENT (ROLLING HILLS APARTMENTS).
- G-7. RESOLUTION APPROVING GRANTS FROM SUCCESSFUL OUTCOMES AFTER RELEASE (SOAR) CONTINGENCY FUNDING.

CONSENT AGENDAProperty Matters

- C-1. RESOLUTION AUTHORIZING THE ACQUISITION OF PERMANENT AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE WINSTON LAKE GOLF COURSE WATER LINE PROJECT BY DEED OR CONDEMNATION (NORTHEAST WARD).

Community and Economic Development

- C-2. RESOLUTION APPROVING A PUBLIC-PRIVATE PARTNERSHIP CONTRACT WITH WHITAKER PARK DEVELOPMENT AUTHORITY, INC. IN ACCORDANCE WITH N.C.G.S. 143-128.1C (NORTH WARD).
- C-3. RESOLUTION AUTHORIZING FUNDING TO HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC. FOR REHABILITATION OF A DUPLEX ON NORTH CHERRY STREET (NORTH WARD). [*\$65,000*].
- C-4. CONSIDERATION OF ITEMS RELATED TO THE BROWN ELEMENTARY SCHOOL SITE (EAST WARD):
- a. RESOLUTION TO RESCIND PERMANENT FINANCING FOR THE BROWN ELEMENTARY SCHOOL SITE.
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, FOR THE FISCAL YEAR 2016-2017.

Environmental Health

- C-5. RESOLUTION ACCEPTING A NORTH CAROLINA CLEAN WATER STATE REVOLVING FUND LOAN FOR THE SOUTH FORK INTERCEPTOR, KERNERS MILL FORCE MAIN AND PUMP STATION IMPROVEMENTS. [*\$11,699,526*].
- C-6. RESOLUTION ACCEPTING A NORTH CAROLINA CLEAN WATER STATE REVOLVING FUND LOAN FOR THE SANITARY SEWER EVALUATION STUDIES AND COLLECTION SYSTEM REHABILITATION PROJECTS. [*\$12,861,396*].

Finance/Budget

- C-7. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2016-2017.

- C-8. CONSIDERATION OF ITEMS REGARDING REYNOLDS PARK ROAD BRIDGE REPLACEMENTS:
- a. RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR REYNOLDS PARK ROAD BRIDGE REPLACEMENT PROJECT - *Morton Thomas and Associates, Inc.* - \$527,033.66 (Estimated Amount).
  - b. RESOLUTION AUTHORIZING CONSTRUCTION CONTRACT FOR REYNOLDS PARK ROAD BRIDGE REPLACEMENT PROJECT - *Smith-Rowe, LLC* - \$3,321,112.06 (Estimated Amount).
- C-9. CONSIDERATION OF ITEMS RELATING TO CONTRACTS:
- a. RESOLUTION AWARDING CONTRACT FOR SIDEWALK CONSTRUCTION ALONG GERALD STREET (EAST WARD) - *Mayes Landscaping and Concrete, Inc.* - \$108,875 (Estimated Amount).
  - b. RESOLUTION AWARDING CONTRACT FOR HEPA FILTER MAINTENANCE - *EVO Corporation* - \$82,295 (Estimated Amount).
  - c. RESOLUTION AWARDING CONTRACT FOR THE PURCHASE AND INSTALLATION OF PLAYGROUND EQUIPMENT AT CRAWFORD PARK (NORTHEAST WARD) AND REYNOLDS PARK (SOUTHEAST WARD) - *Barrs Recreation, LLC* - \$199,546.65.
  - d. RESOLUTION AWARDING CONTRACT FOR FURNITURE AT THE LOWERY STREET BUILDING (EAST WARD) - *Delve Interiors, LLC* - \$214,003.52.
  - e. RESOLUTION AWARDING PURCHASE ORDER FOR AUDIO/VIDEO EQUIPMENT AND INSTALLATION AT THE LOWERY STREET BUILDING (EAST WARD) - *Clark-Powell Associates, Inc.* - \$107,146.03.
  - f. RESOLUTION AWARDING PURCHASE ORDER FOR SPEX FINGERPRINT SYSTEM UPGRADE - *Horiba Jobin Yvon, Inc.* - \$39,500.
  - g. RESOLUTION AWARDING PURCHASE ORDER FOR TANDEM AXLE DUMP TRUCKS - *White's Tractor and Truck Co., LLC* - \$1,357,716.
  - h. RESOLUTION AWARDING PURCHASE ORDER FOR FRONT LOADING REFUSE TRUCKS - *Piedmont Peterbilt, LLC* - \$482,856.
  - i. RESOLUTION AWARDING PURCHASE ORDER FOR REAR LOADING REFUSE TRUCK - *Piedmont Peterbilt, LLC* - \$159,619.
  - j. RESOLUTION AWARDING PURCHASE ORDER FOR SCOW BED DUMP

TRUCKS - *White's Tractor and Truck Co., LLC* - \$335,400.

- k. RESOLUTION AWARDED PURCHASE ORDER FOR RADIOS AND THE SALE OF TRADE-IN PROPERTY FOR THE CITY OF WINSTON-SALEM FIRE DEPARTMENT - *Motorola Solutions, Inc.* - \$32,884.20.
- l. RESOLUTION REJECTING ALL BIDS FOR RENOVATIONS TO FIRE STATION #7 (WEST WARD) AND FIRE STATION #9 (NORTHEAST WARD).

General Government

- C-10. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES - *June 13, 2016.*



**City Council – Action Request Form**

**Date:** July 27, 2016

**To:** The City Manager

**From:** Derwick L. Paige, Assistant City Manager

**Council Action Requested:**

Approve Resolution authorizing a land lease at Kimberley Park and financial assistance to Goler Community Development Corporation to develop a hydroponics/aquaponics job training facility.

**Summary of Information:**

Goler Community Development Corporation (Goler) has been working with the City of Winston-Salem to develop a hydroponics/aquaponics job training facility. This facility would help train and provide employment opportunities for hard to place individuals as well as provide fresh fruits and vegetables to a food desert in the community. Other objectives for this project include: 1) provide a sustainable economic development investment in an underserved area; 2) establish an entrepreneurial center to provide opportunities that otherwise would not be possible for these individuals; and 3) create a healthy nutrition center for the community where individuals receive training to grow, process, and prepare the food.

Based upon extensive state and national research, Goler has identified several community partners including H.O.P.E. (Help Our People Eat), Forsyth Technical Community College, Piedmont Triad Regional Workforce Development Board, Minister’s Conference of Winston-Salem and Vicinity, North Carolina State University, and WS/FCS that could collaborate with them on this project. H.O.P.E. is a local non-profit agency that partners with the interfaith community to prepare and transport nutritious meals on Sunday to children in neighborhoods with the highest food insecurity. They also deliver fresh produce to these families and provide training programs on a healthy diet and recipes. They are currently looking to develop a permanent location using grant and foundation funds that they have received.

A site of approximately 3.0 acres has been identified on the southwest corner of Kimberley Park near the intersection of Northwest Crawford Place and Pittsburgh Avenue that meets the needs of the above described project. The attached resolution authorizes the City to enter into a 25-year lease with Goler to utilize a portion of Kimberley Park for this facility. The lease could be renewed for up to three 25-year extensions based upon the approval of the City Council.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____

**Remarks:**

The authority to lease the property is granted to the City by NCGS 160A-272, 266, and 279 (2014), which allows the City to lease real property for terms greater than 10 years by following the procedures for private negotiation and sale of real property to entities carrying out a public purpose. NCGS 160A-279 requires the City to attach to any such conveyance of real property covenants or conditions that will assure that the property will be put to public use. In consideration for the covenants and restrictions placed within the lease agreement requiring the use of the property for a public purpose, the lease rate will be one dollar (\$1) per year.

In November 2001, the Mayor and City Council adopted a resolution requiring that the sale of any City-owned parkland be considered by the Recreation & Parks Commission and the City-County Planning Board. Per this requirement, a public hearing was held by the Recreation & Parks Commission on July 5, 2016 and the City-County Planning Board on July 13, 2016. Goler has also presented the proposal at several neighborhood meetings in the area and received positive support for the project.

To assist with the project, Goler is also requesting up to \$962,000 to assist with this project. This assistance would be authorized by N.C.G.S. 160A-456 given the project is located within the City's designated NRSA (Neighborhood Revitalization Strategy Area).

Of the City funds being requested, \$100,000 would be for predevelopment costs associated with engineering, architectural, attorney fees, fencing, grading and retaining wall; \$385,000 would be for project construction, capital equipment associated with the project and consulting fees, and the remaining \$477,000 would be for administrative/operational and marketing costs for the first two years of operation. The City would monitor the use of these funds to ensure that they are disbursed in accordance with Council's authorization. Any other construction funds for this project would be provided by Goler or H.O.P.E. It is anticipated that the campus could employ up to five individuals, but just as important, provide healthy food access to several hundred children and families per week.

The City's financial participation in this project would be a one-time grant as described above and all operational costs beyond the first two years would be the responsibility of Goler and its partners with the City having no ongoing costs associated with the operations.

If approved by Council, the City's financial participation for the costs associated with the construction and capital equipment for the project would come from the 2014 General Obligation Economic Development Bonds. The language in that bond authorization states *"to pay the capital costs of acquiring land or rights-of-way in land for economic development projects in the City, including the development of Merschel Plaza, constructing improvements on such land to facilitate its use for economic development purposes."*

The administrative/operational funds would be provided over two years and come from the Economic Development Fund. These funds would be provided contingent upon Goler completing and submitting a comprehensive business plan for approval.

The attached resolution authorizes the City Manager to enter into a lease agreement with Goler and authorizes Goler to sub-lease up to 50% of the property for other public uses such as those described herein. In addition, the resolution authorizes the City's financial participation in the project of up to \$962,000.

# Memorandum



Recreation and Parks  
Department

P. O. Box 2511  
Winston-Salem, NC 27102  
CityLink 336.727.8000  
Fax 336.748.2066

**TO:** City/County Planning Board Staff  
**FROM:** Timothy A. Grant, Director of Recreation and Parks  
**DATE:** July 7, 2016  
**SUBJECT:** Disposition of Park Property

Goler Community Development Corporation (Goler) has been working with the City of Winston-Salem to develop a hydroponics/aquaponics job training facility. This facility would help train and provide employment opportunities for hard to place individuals as well as provide fresh fruits and vegetables to a food desert in the community. Other objectives for this project include: 1) provide a sustainable economic development investment in an underserved area; 2) establish an entrepreneurial center to provide opportunities that otherwise would not be possible for these individuals; and 3) create a healthy nutrition center for the community where individuals receive training to grow, process, and prepare the food.

Based upon extensive state and national research, Goler has identified several community partners including H.O.P.E. (Help Our People Eat), Forsyth Technical Community College, Piedmont Triad Regional Workforce Development Board, Minister's Conference of Winston-Salem and Vicinity, North Carolina State University, and WS/FCS that could collaborate with them on this project. H.O.P.E. is a local non-profit agency that partners with the interfaith community to prepare and transport nutritious meals on Sunday to children in neighborhoods with the highest food insecurity. They also deliver fresh produce to these families and provide training programs on a healthy diet and recipes. They are currently looking to develop a permanent location using grant and foundation funds that they have received.

A site of approximately 3.0 acres has been identified on the south side of Kimberley Park that meets the needs for the project. Goler is asking the City to enter into a 25 year lease which would allow Goler to utilize a portion of Kimberley Park for this facility. The lease could be renewed for up to four 25-year extensions based upon the approval of the City Council.

In November 2001, the Mayor and City Council adopted a resolution requiring that the sale of any City-owned parkland be considered by the Recreation & Parks Commission and the City-County Planning Board. The Recreation and Parks Commission unanimously approved the concept at their July 5<sup>th</sup> meeting and recommends approval.

Timothy A. Grant  
Timothy A. Grant



> request a service > report a problem  
> make a suggestion

City Council: Mayor Allen Joiner; Vivian H. Burke, Mayor Pro Tempore, Northeast Ward; Denise D. Adams, North Ward; Dan Besse, Southwest Ward; Robert C. Clark, West Ward; Molly Leight, South Ward; Wanda Merschel, Northwest Ward; Derwin L. Montgomery, East Ward; James Taylor, Jr., Southeast Ward; City Manager: Lee D. Garrity



Bryce A. Stuart Municipal Building  
 100 E. First Street  
 P.O. Box 2511  
 Winston-Salem, NC 27102  
 CityLink 311 (336.727.8000)  
 Fax 336.748.3163

**TO:** Mayor Allen Joines and Members of the City Council  
**FROM:** A. Paul Norby, Director of Planning  
**DATE:** July 20, 2016  
**SUBJECT:** Planning Board Review of a Proposed Lease Agreement with Goler Community Development Corporation (CDC) and Help Our People Eat (HOPE) to install a hydroponics/aquaponics job training facility for property located at the northeast corner of Pittsburgh Avenue and Northwest Crawford Place within Kimberley Park.  
**CC:** Lee Garrity, City Manager  
 Tim Grant, Director, Recreation and Parks

At their July 14 meeting, the Planning Board considered a proposed lease agreement with Goler Community Development Corporation (CDC) and Help Our People Eat (HOPE) to install a hydroponics/aquaponics job training facility for property located at the northeast corner of Pittsburgh Avenue and northwest Crawford Place within Kimberley Park. The site consists of approximately 3 acres of land.

The Planning Board heard no opposition to this proposal at their public hearing, and after considering the proposal, the Planning Board voted to recommend approval of it.

Attached is the Planning Board staff report, minutes, and context map that the Planning Board used in its consideration. Please feel free to contact me if you have any questions concerning the Planning Board's recommendation.

**City Council:** Mayor Allen Joines; Vivian H. Burke, Mayor Pro Tempore, Northeast Ward; Denise D. Adams, North Ward; Dan Besse, Southwest Ward; Robert C. Clark, West Ward; Molly Leight, South Ward; Wanda Merschel, Northwest Ward; Derwin L. Montgomery, East Ward; James Taylor, Jr., Southeast Ward; City Manager; Lee D. Garrity

**Forsyth County Commissioners:** Richard V. Linville, Chairman; Glória D. Whisenhunt, Vice Chair; Mark Baker; Walter Marshall; David R. Plyler; Bill Whiteheart; Everette Witherspoon; County Manager: Dudley Watts, Jr.

**City-County Planning Board:** Arnold G. King, Chair; L. Wesley C... .., AIA, Vice-Chair; Clarence R. Lamb, Jr.; Darryl Little; Barry A. Lyons; Lynne Mitchell; Paul W. Mullican; Brenda J. Smith; Allan Younger

**CITY-COUNTY PLANNING BOARD  
STAFF REPORT**

**REQUEST:** To establish a lease agreement between Goler Community Development Corporation (Goler), HOPE (Help Our People Eat) and the City of Winston-Salem to develop and operate a hydroponics/ aquaponics job training facility on approximately 3.0 acres of property located within Kimberley Park.

**ANALYSIS:** The proposed request would establish a lease agreement between the petitioner and the City Of Winston-Salem for a period of 25 years. The associated improvements to Kimberley Park property are outlined in the attached memo from Tim Grant. The Recreation and Parks Commission approved the concept at their July 5th meeting and recommends approval.

The property is zoned IP. The proposal, based on the description below along with the proposed programming through the Recreation and Parks Department, would fit within the Government Offices, Neighborhood Organization and Post Office use, which is permitted within the IP zoning district. Both Goler and HOPE operate as non-profits focusing on social, economic and educational endeavors within the community, consistent with the definition in the UDO for the use.

The urban garden will provide fresh fruit and vegetables to people in the community by utilizing a hands on approach to understanding and cultivating produce. The Kimberley park community is located in a "food desert" meaning there is not convenient access to fresh food and this is one of the ways of addressing the problem. The community will decide its level of involvement which could range from volunteering to grow their own personal plot to being the recipient of the produce that comes from the garden. Traditional and more innovative methods such as hydroponics/aquaponics and raised beds techniques will be utilized to grow the produce. The intent is to allow both adults and youth to learn more about preparing healthy meals and to potentially provide part-time jobs for those that are interested. The majority of the produce will be given away but a small percentage may be sold to ensure the sustainability of the program.

Planning staff has reviewed the information supplied by Recreation and Parks regarding this request and is supportive of the lease.

**STAFF RECOMMENDATION: Approval**

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**CITY-COUNTY PLANNING BOARD  
PUBLIC HEARING MINUTES  
DISPOSITION  
OF CITY PARK LAND  
JULY 14, 2016**

Aaron King presented the staff report.

**PUBLIC HEARING**

FOR: None

Tim Grant, Director of Recreation and Parks

- This particular request is an opportunity to create a partnership with the Martin Luther King Recreation center and be able to involve people from that community.
- It is designed to provide better eating habits and to learn how to grow and cook healthy food.
- There is an existing parking lot for the Larry Little fitness course and they are looking into adding a second parking lot and the only requirement would be to do a rerouting of the Larry Little fitness course.

Michael Suggs, 545 North Trade St, Winston-Salem, NC, 27101

- This has been a great collaborative effort between HOPE and the City of Winston-Salem.
- This project will address one of the severe food deserts in our community as well as create new jobs.
- We are excited about this and this is some relatively revolutionary type of farming.

Marty Tennille, 844 Glen Echo Trail, Winston-Salem, NC 27106

- HOPE is a nonprofit that's been in existence for about two and a half years. We deliver meals every Sunday to 1000 children and adults.
- Why our facility will have an area where we usually assemble the meals, there will be a multipurpose room that can also be used as a class room.
- Novant Health will be teaching diabetic nutrition classes and we will be having cooking classes in the neighborhood for the kids and adults.
- There is a meeting coming up with Habitat for Humanity and fifteen other nonprofit organizations that are working in the neighborhood. The Center for Smart Financial Choices will be teaching classes on grocery shopping.

Derwick Paige, Assistant City Manager

- This was presented to me a year and a half ago by Council Member Denise Adams and we have been in discussion with Goler for about a year.

- We took City Council to Raleigh in 2015 and looked at some of the similar operations there and have taken the best practices we've seen to develop partnerships.
- As far as the lease, it will be a 25 year lease with up to three additional 25 year lease terms upon the approval of City Council.
- There have been three neighborhood meetings with residents from the Kimberley Park area. They have been supportive and excited about the concept.

AGAINST: None

**WORK SESSION**

During discussion by the Planning Board, the following points were made:

Melynda Dunigan asked if the neighborhood had a meeting about the new placement. Derwick Paige stated that it was shown Monday night and they were fine with it.

Melynda Dunigan asked if there's been any attempt to replace this lost recreation area with other parkland. Derwick Paige said that we are not losing it; we will still own the parkland and it will be used for a mixture of HOPE and recreation purposes. It will still have some type of public purpose. In the 2014 bond, one million dollars was approved for parkland acquisition so we do have funds available which we did not have previously to look at doing new parkland acquisition.

Melynda Dunigan asked if for some reason this project were to fold, what would be the disposition of the land, would they be able to sublease it and can they use it for something other than aquaponics? Derwick Paige stated that under the lease agreement, they will be able to sublease up to fifty percent of the land. Thus Goler is going to be entering into a sublease with HOPE up to fifty percent of the land but it still has to be for a public purpose. That becomes a provision that a public purpose is the only way in which we would allow the land to be subleased.

Melynda Dunigan stated that she is concerned about the potential for this to be a precedent for leasing land on other parks in the City. Is there a way to prevent other groups from wanting to do their own projects elsewhere and then that eating up our parkland? Derwick Paige answered that this actually is not a precedent, I can think of at least three others; the Old Hickory Council for the Boys Scouts, Southbound Model Railroaders and the First Tee at other city parks. As long as there is a public purpose as determined by the City Council and it benefits the community, are the critical considerations in this type of decision.

MOTION: Clarence Lambe moved approval of the proposal.

SECOND: Paul Mullican

VOTE:

FOR: Melynda Dunigan, Arnold King, Clarence Lambe, Darryl Little, Paul Mullican, Brenda Smith, Allan Younger

AGAINST: None

EXCUSED: None

A. Paul Norby, FAICP  
Director of Planning and Development Services





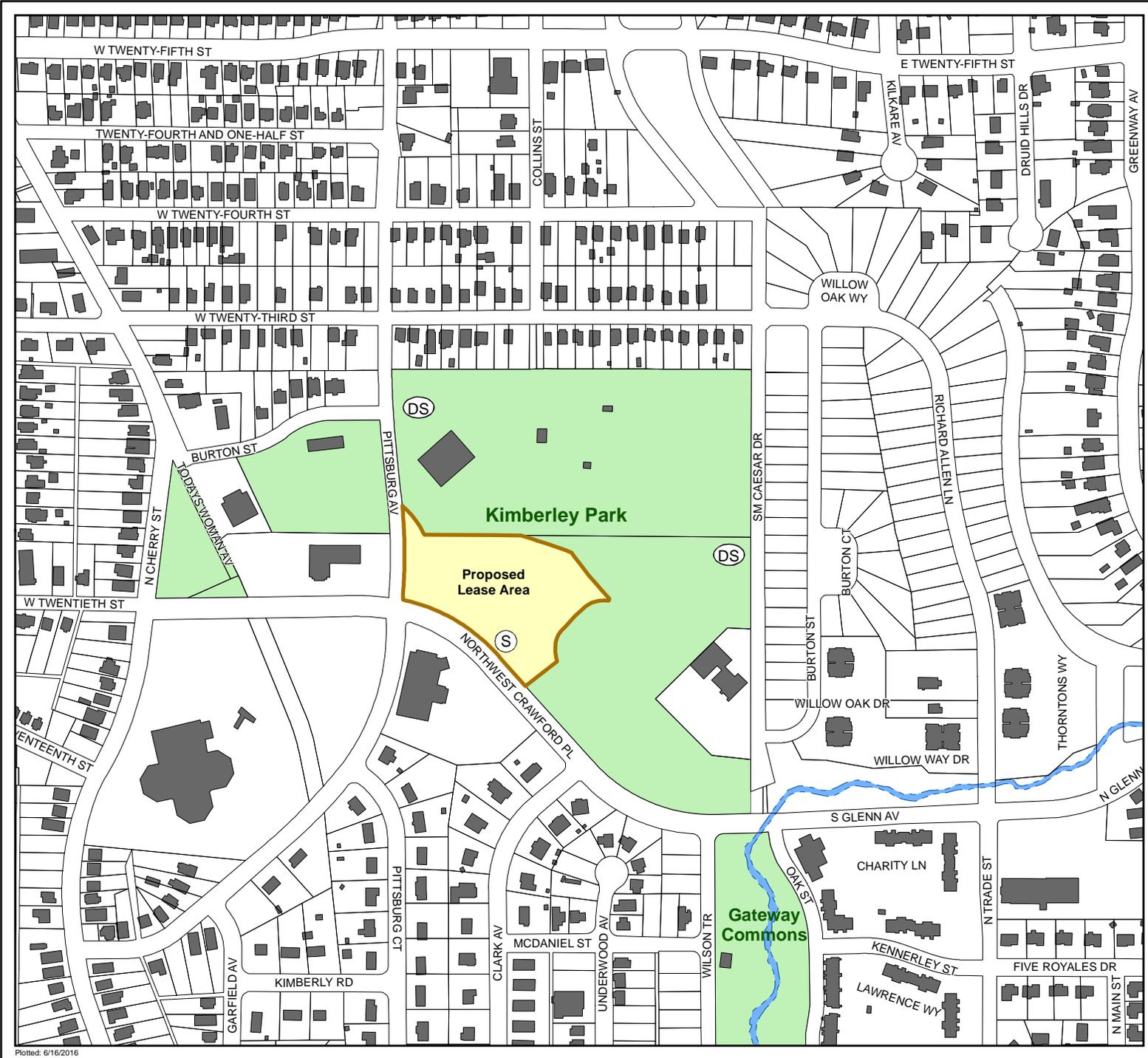
**Proposed Disposition  
of City Park Land**  
**City of Winston-Salem  
(within Kimberley Park)**

Portion of PINs:  
6836-04-7329 and  
6836-03-7855



Scale: 1" represents 400'  
July 14, 2016





**Proposed Disposition  
of City Park Land  
City of Winston-Salem  
(within Kimberley Park)**

Portion of PINs:  
6836-04-7329 and  
6836-03-7855



Scale: 1" represents 400'  
July 14, 2016



**RESOLUTION AUTHORIZING A LAND LEASE AT KIMBERLEY PARK AND FINANCIAL ASSISTANCE TO GOLER COMMUNITY DEVELOPMENT CORPORATION TO DEVELOP A HYDROPONICS/AQUAPONICS JOB TRAINING FACILITY**

**WHEREAS**, Goler Community Development Corporation is a 501(3) organization that specializes in urban real estate development, economic entrepreneurship and employment development, and quality of life initiatives for families throughout Winston-Salem; and

**WHEREAS**, Goler is interested in developing a hydroponics/aquaponics job training facility to help train hard to place individuals as well as provide fresh fruits and vegetables to a food desert in the community; and

**WHEREAS**, Goler has identified a site of approximately 3.0 acres on the southwest corner of Kimberley Park near the intersection of Northwest Crawford Place and Pittsburgh Avenue that meets their needs, and is requesting a 25-year lease with up to three 25-year extensions to utilize a portion of Kimberley Park for the project; and

**WHEREAS**, since this is a long-term lease to a non-profit organization, it would follow the same procedures as the sale of land pursuant to N.C.G.S. 160A-272 and follow the requirements of N.C.G.S. 160A-279 for the sale of property to an entity carrying out a public purpose; and

**WHEREAS**, per City guidelines, a public hearing was held by the Recreation & Parks Commission on July 5, 2016 and the City-City Planning Board on July13, 2016 and both boards recommended approval of the lease; and

**WHEREAS**, the proposed lease would also authorize Goler to sub-lease up to 50% of the property to other non-profit organizations for other public uses that assist the community with employment and/or food insecurity issues; and

**WHEREAS**, to assist with the project, Goler has also requested up to \$962,000 to assist with this project; and

**WHEREAS**, this assistance would be authorized by N.C.G.S. 160A-456 given the project is located within the City's designated NRSA (Neighborhood Revitalization Strategy Area).

**WHEREAS**, given the public benefits that this project will provide to the community, the City of Winston-Salem is interested in assisting Goler.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and City Council of the City of Winston-Salem, upon the recommendation of the Finance Committee, hereby authorizes a 25-year land lease with up to three 25-year extensions, upon the approval of City Council, to Goler Community Development Corporation for a site of approximately 3.0 acres, subject to final survey, on the southwest corner of Kimberley Park near the intersection of Northwest Crawford Place and Pittsburgh Avenue for a lease rate of \$1 per year.

**BE IT FURTHER RESOLVED**, that Goler is authorized to sub-lease up to 50% of the property to other non-profit organizations for other public uses that assist the community with employment and/or food insecurity issues for low and moderate income individuals.

**BE IT FURTHER RESOLVED**, that the City hereby authorizes up to \$962,000 funding to the Goler Community Development Corporation, as authorized by N.C.G.S. 160A-456.

**BE IT FURTHER RESOLVED**, that the City's participation for the costs associated with the construction and capital equipment for the project come from the 2014 General Obligation Economic Development Bonds, and the administrative/operational funds be provided over two years from the Economic Development Fund.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE  
CITY OF WINSTON-SALEM, NORTH CAROLINA  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED** by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2016-2017 be amended to transfer 2014 GO Bond funds for the development of a hydroponics/aquaponics job training facility.

**SECTION 1.** That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 20, 2016, shall be further amended by changing the expenditure appropriations in the following fund.

**Capital Projects Fund**

Economic Development Projects	
2014 GO Bond – Economic Development Sites/Infrastructure	-\$485,000
Hydroponics/Aquaponics Job Training Facility	485,000
<b>Total Capital Projects Fund Expenditures</b>	<b>\$0</b>

**SECTION 2.** That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.



**City Council – Action Request Form**

**Date:** August 2, 2016

**To:** The City Manager

**From:** Derwick L. Paige, Assistant City Manager

**Council Action Requested:**

Approve modifications to a previously approved economic development project with Caterpillar Inc.

**Summary of Information:**

The City has received a request from Caterpillar Inc. (Caterpillar) to modify the existing economic development agreement that was approved by City Council on July 19, 2010. Under the proposed modifications Caterpillar would transfer operations from a wholly-owned subsidiary, Progress Rail Services (Progress Rail), into the facility. Progress Rail is a global railway and transit system product manufacturer and would (i) maintain some operations currently performed in the facility, and (ii) bring new rail and transportation operations to the facility. For the past several years, Progress Rail has continued to demonstrate stable growth in sales.

In addition to authorizing Progress Rail as part of the economic development agreement, the definition of cessation of operations would change from 196 full-time employees to 100 full-time employees. While Progress Rail has no intentions to reduce the number of full-time employees below 100 on an ongoing basis, the actual employment numbers may drop below 196 full-time employees during the transition period. While the final employment numbers are still being determined, it is estimated to exceed 200 workers, including contracted employees.

In return for these modifications, Caterpillar would retain operations in Winston-Salem for an additional five years to December 2027. The total assistance amount to the company would remain unchanged and would still be contingent upon them achieving the original 392 jobs and \$425 million investment. Any time the company failed to achieve these goals their annual incentive payment would be reduced proportionately.

To date, the company has received incentive payments totaling \$4,941,734.68. Under the proposed modification, the City’s outstanding commitment of \$8,356,701.62 would be paid over the next ten years based upon the company’s performance.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____
<b>Remarks:</b>	_____		



**RESOLUTION AUTHORIZING MODIFICATIONS TO A PREVIOUSLY APPROVED ECONOMIC DEVELOPMENT PROJECT WITH CATERPILLAR INC.**

**WHEREAS**, the City has received a request from Caterpillar Inc. (Caterpillar) to modify the existing economic development agreement that was approved by City Council on July 19, 2010; and

**WHEREAS**, the proposed modifications would 1) allow Caterpillar to transfer operations of a wholly-owned subsidiary, Progress Rail Services, a railway and transit system product manufacturer, into the Winston-Salem facility, and 2) revise the definition of cessation of operations from 196 full-time employees to 100 full-time employees; and

**WHEREAS**, in return for these modifications, Caterpillar would retain operations in Winston-Salem for an additional five years to December 2027 and the City's outstanding commitment of \$8,356,701.62 would be paid over the next ten years based upon the company's performance. However, the total assistance to the company would still be contingent upon them achieving the original 392 jobs and \$425 million investment and any time the company failed to achieve these goals their annual incentive payment would be reduced proportionately; and

**WHEREAS**, the City of Winston-Salem supports this project because of the public benefit created for its citizens; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Winston-Salem City Council, and in accordance with N.C.G.S. 158-7.1, that after a duly advertised public hearing, the Council hereby approves the aforementioned modifications to the Job Creation and Economic Development Agreement with Caterpillar originally executed on July 1, 2011.

**BE IT FURTHER RESOLVED**, that the Mayor and City Council hereby authorize the City Manager, City Attorney, and City Secretary to take such actions as may be necessary for the execution of a modified Job Creation and Economic Development Agreement with Caterpillar or one of its subsidiaries.



**City Council – Action Request Form**

**Date:** July 26, 2016

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**To:** The City Manager

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**From:** D. Ritchie Brooks, Director, Community and Business Development

**Council Action Requested:**  
 Authorization of a loan of up to \$1,700,000 for acquisition, demolition and rehabilitation/repair in support of 79 units of multi-family rental housing known as New Hope Manor (Northeast Ward).

**Summary of Information:**  
 This item was presented for information at the June Finance Committee meeting.

The Housing Authority of Winston-Salem (HAWS) has requested \$1,700,000 for acquisition, demolition, and rehabilitation/repair at New Hope Manor Apartments, located on Burke Village Lane. According to HAWS, the vacancy rate is nearly 70%, crime in the area has increased, and the current owner is unwilling to continue to “throw good money after bad” in the form of lease enforcement, maintenance, and/or rehab. City Code Enforcement records and experience show that the property is not being maintained. Also according to HAWS, there is over \$2.5 million in outstanding bank debt, and the bank is willing to take a loss on the property.

HAWS plans to acquire the property and demolish seven of the 18 buildings, which will reduce the number of units from 120 to 79. The buildings to be demolished are based on the physical condition of the building. Once rehab/repair is complete, HAWS plans to operate the property as rental housing, with no operating subsidy tied to the property. The property will be owned by a single-asset limited liability company, which will be 100% owned by Forsyth Economic Ventures, Inc., HAWS’ non-profit subsidiary instrumentality. All units will be two-bedroom units renting for \$475 per month. HAWS has agreed to set aside one unit for the City to use to house families who must move out of their homes due to code enforcement action until they can locate permanent housing. The City will pay utilities and repairs for the unit.

**Committee Action:**

<b>Committee</b>		<b>Action</b>	
<b>For</b>		<b>Against</b>	
<b>Remarks:</b>			

HAWS projects a total cost of \$3,120,000, with City financing of \$1,700,000 and bank financing of \$1,420,000, as outlined below.

	City	Bank	Total
Acquisition	1,000,000	900,000	1,900,000
Demolition	200,000	0	200,000
Rehab/Repair	500,000	520,000	1,020,000
Total	1,700,000	1,420,000	3,120,000

These numbers are preliminary since a purchase price and final terms of the bank loan will need to be negotiated. In addition, HAWS has not made a physical inspection of all of the units. The scope of work is based on an inspection of vacant units and HAWS' past experience with similar projects and consists primarily of replacing flooring and doors; replacing kitchen cabinets, appliances and countertops; repairing and replacing sinks, toilets and waterlines; servicing HVAC units; general repairs to units; and repairing and painting the fence.

HAWS agrees to make a payment in lieu of taxes (PILOT) annually starting in the fourth year after completion if the property is not taxable, which is equal to the actual or estimated City property tax but not to exceed \$10,000. The proposed financing is as follows:

- Funds for demolition and rehab/repair will be a deferred loan for 20 years and then an amortizing loan for 20 years at 0% interest. During the 20-year deferral period the loan would be credited the amount of the payment in lieu of taxes plus the value of the rent for the City unit. For example, \$475 monthly rent plus \$10,000 PILOT would equal a \$15,700 credit. After 20 years, the balance of the loan would amortize for 20 years.
- Funds for acquisition will be a deferred loan at 0% interest that is due on sale or transfer for the property.

The proposed fund sources are \$320,000 in Housing Finance Assistance Funds, which were released from the Brown Elementary School project, and \$1,380,000 in 2014 General Obligation Bond funds, which were rescinded from the Pepper Building project. The voters approved \$6,000,000 for housing/neighborhood development, of which \$1,380,000 is 21.6%. A total of \$5,780,000, or 96.3%, of the housing/neighborhood development bonds would be approved for New Hope Manor, Ridgewood Place, Emmanuel Retirement Village, and 757 North. An appropriate resolution and project budget ordinance are attached. If the project proceeds in a timely manner, staff may request to use CDBG funds in place of part of the proposed funds.

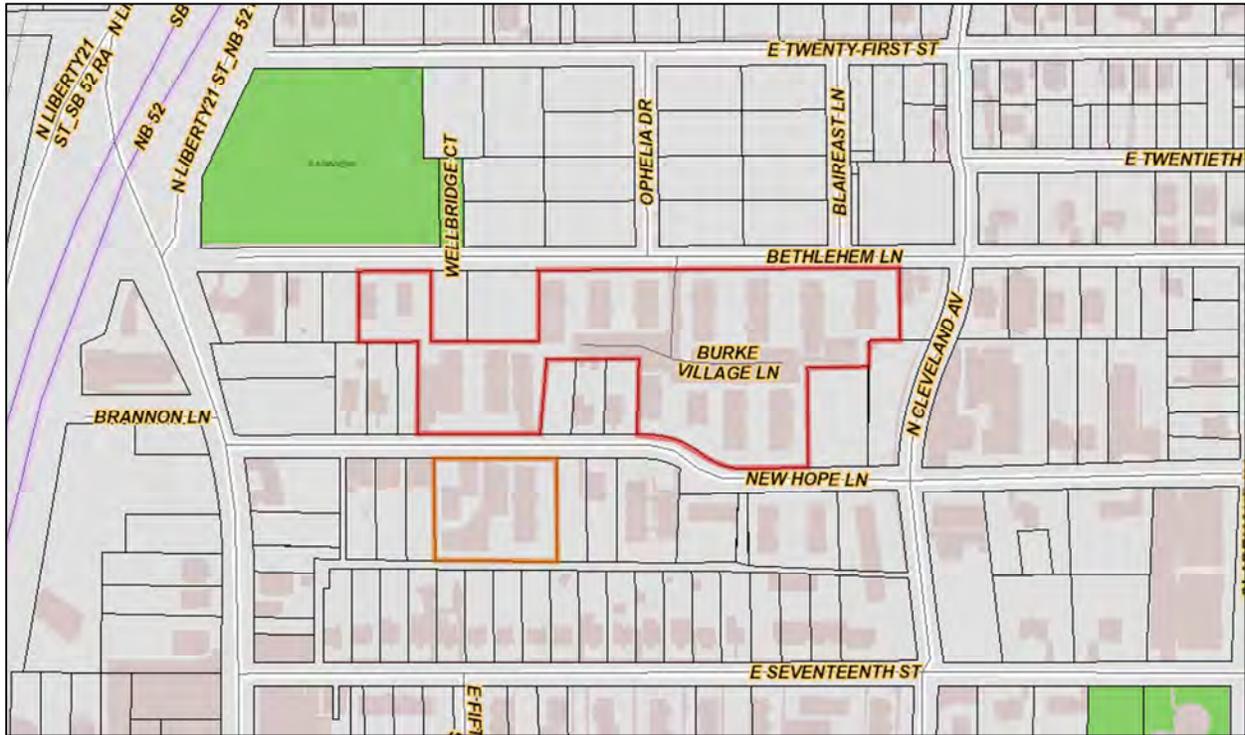
**EXHIBIT A**  
**HOUSING AUTHORITY OF WINSTON-SALEM (HAWS)**  
**FINANCING COMMITMENT FOR NEW HOPE MANOR**

1. Purpose – Financing of acquisition, demolition, and rehabilitation/repair of New Hope Manor, located on Burke Village Lane.
2. Loan Terms – Financing in an amount not to exceed \$1,700,000, to be derived from 2014 General Obligation Bonds and Housing Finance Assistance Funds, subject to determination of final cost through project completion. As City funds are provided as gap financing, the final rate and terms will be backed into upon completion of the financing package, and as determined by the requirements of the first mortgage loan. Financing shall be evidenced by a Promissory Note(s) and secured by a Deed(s) of Trust on the property. The loan(s) may be subordinate to a construction/interim loan obtained by the Borrower. Financing for acquisition may be a deferred, interest-free loan that is due on sale or transfer of the property.
3. Payment for Property Taxes – Borrower agrees to make a payment annually to the City equal to the actual or estimated City property tax but not to exceed \$10,000. Said payment may be credited to the loan balance for a 20-year period.
4. Dedicated Unit – Borrower agrees to set aside one dwelling unit in the property to the City to be used for emergency relocation assistance. The rent value of said unit may be credited to the loan balance. The City will pay for utilities and repairs for the unit.
5. Fees – Borrower will be responsible for all fees and closing costs as well as the City's direct legal and other expenses associated with processing the loan documents.
6. Other Financing - The developer shall provide or otherwise attain commitments for the balance of the cost to develop and construct the project, which may be derived from private debt and equity capital.
7. Ownership - The project will be developed, owned and managed by the Housing Authority of the City of Winston-Salem, its affiliates or assigns, and such ownership structure shall be approved by the City of Winston-Salem. Subsequent authorization of the City will be required prior to any transfer or assignment of ownership of the property.
8. Construction and Maintenance Standards – Construction and demolition shall be required to comply with all applicable state and local building and other codes. This commitment is subject to review and approval of the scope of work and specifications by the Community and Business Development Department of the City. Borrower shall maintain the property in compliance with the appropriate City Code.
9. Other Conditions – Should federal funds be used, Borrower shall comply with all applicable regulatory requirements of the federal program, including, but not limited to,

## **G-3. DRAFT**

Environmental Review, Davis-Bacon, Section 3, HUD Contractor-Consultant certification standing, Minority/Women Business Enterprise (M/WBE), and fair housing regulations.

New Hope Manor





**RESOLUTION AUTHORIZING A LOAN  
TO THE HOUSING AUTHORITY OF WINSTON-SALEM  
FOR NEW HOPE MANOR**

**WHEREAS**, the City’s Consolidated Plan has a goal of supporting rehabilitation of substandard rental units to extend their useful economic life and preserve affordable rents; and

**WHEREAS**, the Housing Authority of Winston-Salem (HAWS) desires to acquire, demolish, and rehabilitate/repair multi-family rental housing located on Burke Village Lane, known as New Hope Manor; and

**WHEREAS**, HAWS has requested financing for the project.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and City Council of the City of Winston-Salem authorize up to \$1,700,000 in financing to the Housing Authority of Winston-Salem, its affiliates or assigns, for New Hope Manor, subject to obtaining all other sources of financing to complete the project and to the conditions contained in Exhibit A, attached hereto and incorporated herein by reference.

**BE IT FURTHER RESOLVED**, that the Mayor and City Council authorize the City Manager to review and approve final loan terms and conditions, negotiate loan agreements, and execute contracts and documents necessary to carry out the activities herein authorized in substantial accordance with the form and guidelines attached hereto and incorporated herein by reference.



**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE  
CITY OF WINSTON-SALEM, NORTH CAROLINA  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED** by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2016-2017 be amended to provide a loan to the Housing Authority of Winston-Salem (HAWS) for acquisition, demolition, and rehab of New Hope Manor.

**SECTION 1.** That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 20, 2016, shall be further amended by changing the expenditure appropriations in the following funds.

**Special Revenue Funds**

Housing Finance Assistance Fund	
Transfer to Capital Projects Fund	\$320,000
<b>Total Special Revenue Funds Expenditures</b>	<b>\$320,000</b>

**Capital Projects Fund**

Housing/Neighborhood Development Projects	
New Hope Manor	\$1,700,000
2014 GO Bonds – Housing	-1,380,000
<b>Total Capital Projects Fund Expenditures</b>	<b>\$320,000</b>

**SECTION 2.** That the following revenues will be available to meet the above listed appropriations.

**Special Revenue Funds**

Housing Finance Assistance Fund	
Fund Balance Appropriation	\$320,000
<b>Total Special Revenue Funds Revenues</b>	<b>\$320,000</b>

**Capital Projects Fund**

Housing/Neighborhood Development Projects	
Transfer from Housing Finance Assistance Fund	\$320,000
<b>Total Capital Projects Fund Revenues</b>	<b>\$320,000</b>

**SECTION 3.** That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

**CITY COUNCIL – ACTION REQUEST FORM**

**Date:** August 15, 2016

**To:** The City Manager

**From:** Lisa M. Saunders, Chief Financial Officer

**Council Action Requested:**

Consideration of Resolution Awarding Contract for Investment Consulting Services for the City of Winston-Salem, North Carolina.

**Summary of Information:**

The attached resolution authorizes the contract award for investment consulting services related to the City of Winston-Salem’s fixed income and equity investments.

The City of Winston-Salem invests certain long-term assets such as police officer pension funds, capital reserves, employee benefit reserves, and risk management reserves in long-term financial instruments under an investment policy approved by the City Council. The investment portfolio consists of seven external equity investment managers, three external fixed income managers and six index and mutual funds which total \$361 million. The City internally manages fixed income and cash and investments for shorter-term assets which total \$219 million. Exhibit A attached is a detailed schedule of cash and investments.

In March 2016, the City advertised and sent proposals to ten local firms for Investment Consulting Services. We received responses from five vendors and all five were interviewed. An interview team was formed which included Lisa Saunders, Chief Financial Officer; Donna Hull, Assistant Finance Officer/Treasurer; Rory Davis, Investment Analyst; Greg Turner, Assistant City Manager; and Napoleon Richardson, Chairman of the Winston-Salem Police Officers’ Retirement Commission. Proposals were scored based on the following criteria: public pension plan experience, staff availability, understanding of the investment policy, plan of action, and local office.

**Committee Action:**

**Committee** \_\_\_\_\_

**Action** \_\_\_\_\_

**For** \_\_\_\_\_

**Against** \_\_\_\_\_

**Remarks:**

The following are the summary rankings and fees of each proposal:

<b>Firm</b>	<b>Ranking</b>	<b>Annual Fee</b>
Deutsche Bank Alex. Brown	1	\$125,000
UBS	2	175,000
Southeastern Advisory	3	100,000
Wells Fargo	4	350,000
Stephens	5	91,500

We recommend approval of the attached resolution, which awards the investment consulting contract to Deutsche Bank Alex. Brown for a three year contract with an option to execute contracts for an additional two years. Deutsche Bank Alex. Brown has worked with the City for over thirty years and has a local office. They have advised the City through several economic downturns and provided consistent investment leadership and education through multiple market cycles and always operating within the investment policy guidelines.

In December 2015, Raymond James Financial, Inc. announced their intent to purchase the Private Client Services business (Alex. Brown) from Deutsche Bank. This transaction is scheduled to close in September 2016. The Raymond James acquisition will expand the resources but will maintain the same team in the Winston-Salem office. The Winston-Salem office of Alex Brown was opened in 1946, and remains the largest branch in the Southwest.

#### MWBE Comment

Deutsche Bank Alex. Brown has proven a commitment to diversity by recommending investment managers owned by women and minority businesses. The City has 30% of our active managers as women/minority businesses. We are currently evaluating an additional minority firm to add to the portfolio.

Workforce Demographics: See Exhibit B

**RESOLUTION AWARDING CONTRACT FOR INVESTMENT CONSULTING SERVICES FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA**

**WHEREAS**, the City of Winston-Salem issued a request for proposal soliciting bids for investment consulting services; and

**WHEREAS**, five proposals were received from qualified firms as follows:

<b>Firm</b>	<b>Annual Fee</b>
Deutsche Bank Alex. Brown	\$125,000
UBS	175,000
Southeastern Advisory	100,000
Wells Fargo	350,000
Stephens	91,500

**WHEREAS**, Deutsche Bank Alex. Brown was selected based on the qualifications of public pension plan experience, understanding of the investment policy, and their experience working effectively with the City for over 30 years; and,

**WHEREAS**, the consulting services provided will allow for cost-effective and efficient management of the City of Winston-Salem’s fixed income and equity investment portfolios as provided for by the investment policies and ordinances of the City of Winston-Salem; and

**WHEREAS**, the City Manager and the Chief Financial Officer recommend that the fixed income and equity portfolio investment consulting services contract be awarded to Deutsche Bank Alex Brown in the amount of \$125,000 annually for three years with the option to renew for an additional two years; and

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and the City Council of the City of Winston-Salem, North Carolina, that Deutsche Bank Alex. Brown is awarded the contract for consulting services for the fixed income and equity investment portfolio and that the City Manager and Chief Financial Officer are hereby authorized and directed to execute the contract.

**G-4. DRAFT**

**BE IT FURTHER RESOLVED** by the City Council of the City of Winston-Salem, North Carolina, that the City Manager and Chief Financial Officer are hereby authorized to negotiate and execute on-going contract renewal agreements for two extensions of two years at the City's option with the vendor.

## Exhibit A

**City of Winston-Salem**  
**Cash and Investments**  
As of June 30, 2016

<b>Cash</b>	
Bank of America Merrill Lynch	\$ 1,643,952
Bank of North Carolina	24,294,753
Branch Banking & Trust	34,127,483
First Tennessee	5,024,978
North Carolina Capital Management Trust	22,992,335
Wells Fargo	3,652,512
<b>Total</b>	<b>\$ 91,736,013</b>
<b>Bond Proceeds</b>	
Bank of North Carolina	\$ 1,197,611
Branch Banking & Trust	49,563,437
North Carolina Capital Management Trust	44,746,919
<b>Total</b>	<b>\$ 95,507,967</b>
<b>Investments-Internally Managed Fixed Income</b>	
Agencies	\$ 20,115,337
Commercial Paper	11,962,120
<b>Total</b>	<b>\$ 32,077,457</b>
<b>Investments-Externally Managed Fixed Income</b>	
Garcia Hamilton & Associates	\$ 56,353,641
Invesco	5,439,120
Standish Mellon	54,845,633
US Bank	1,254,915
Wells Capital Management	29,576,927
<b>Total</b>	<b>\$ 147,470,236</b>
<b>Investments-Externally Managed Equities</b>	
Deutsche Global Infrastructure Fund	\$ 4,983,537
Douglas C. Lane & Associates, Inc.	35,222,153
EARNEST Partners, LLC	9,989,490
Fairpointe Capital, LLC	9,224,608
Russell 1000 Growth Fund	15,348,626
Russell 1000 Value Fund	38,657,249
S&P 600 Growth Fund	11,548,521
Schafer Cullen	19,849,572
Systematic Financial Management, L.P.	17,127,127
Thornburg Investment Management	10,382,939
Vanguard Index Fund	30,331,803
WCM Investment Management	10,598,970
<b>Total</b>	<b>\$ 213,264,595</b>
<b>Total Cash and Investments</b>	<b>\$ 580,056,268</b>



**Exhibit B**

Project/Bid Description: Contract for Investment Consulting Services  
 Bidder's Company Name: Deutsche Bank Alex. Brown  
 City/State: Winston-Salem, NC 27101

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	19	15	33	1	0	0	0	<b>34</b> *
% of Total	55.9%	44.1%	97.1%	2.9%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



# Memorandum



Community and Business  
Development Department

P.O. Box 2511  
Winston-Salem, NC 27102  
CityLink 311 (336.727.8000)  
Fax 336.727.2878

**TO:** Mayor Allen Joines and the Members of City Council  
**FROM:** D. Ritchie Brooks, Community and Business Development Director  
**DATE:** July 26, 2015  
**SUBJECT:** RUCA III Project – 1800 N. Patterson Avenue  
**CC:**

In 2006 City Council established the Revitalizing Urban Commercial Areas (RUCA) Program to help revitalize some of the city's declining urban commercial areas. The general obligation bonds approved in 2014 designated an additional \$2 million for a third round of RUCA projects.

To date, City Council has authorized RUCA III funding totaling \$655,779:

- \$554,779 in the Patterson/Glenn area
- \$101,000 in the Old Greensboro/Barbara Jane area.

Of the four projects in the Patterson/Glenn area, \$475,000 was allocated as matching funds to Mr. Ali Amer to assist with the conversion of 1800 N. Patterson Avenue into multi-tenant space. Total project cost is \$950,000 and to date, the project is approximately 52% complete.

Mr. Amer is requesting additional RUCA matching funds totaling \$202,100, which is 50% of total cost for additional improvements. Mr. Amer is proposing driveway access from the rear of the property via Chestnut Street that would allow for large trucks to service the warehouse space, turn around, and exit to Chestnut Street. Additional parking would also be provided. A site plan has been approved by Inspections. Three bids were submitted for the work, with a low bid of \$371,000, with half of the cost covered by private investment (\$185,500) and half by RUCA matching funds (\$185,500).

The remaining request of RUCA III matching funds would be used assist Mr. Amer with four additional customer parking spaces along the Patterson Avenue frontage of the property. A site plan has been submitted to Inspections for review, but has not been approved. Estimated cost of the project is \$33,200, including the cost of design and construction. Assistance for this portion of the project would be RUCA matching funds at 50% project cost, not to exceed \$16,600.



**City Council – Action Request Form**

**Date:** July 27, 2015

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**To:** The City Manager

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**From:** D. Ritchie Brooks, Community & Business Development Director

**Council Action Requested:**  
 Adoption of a Resolution approving the allocation of additional Revitalizing Urban Commercial Areas (RUCA) III matching funds for the Patterson/Glenn area.

**Summary of Information:**  
 In 2006 City Council established the Revitalizing Urban Commercial Areas (RUCA) Program to help revitalize some of the city’s declining urban commercial areas. The general obligation bonds approved in 2014 designated an additional \$2 million for a third round of RUCA projects.

To date, City Council has authorized RUCA III funding totaling \$655,779:

- \$554,779 in the Patterson/Glenn area
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Mr. Amer is requesting additional RUCA III matching funds totaling \$202,100, which is 50% of total cost for additional improvements. Mr. Amer is proposing driveway access from the rear of the property via Chestnut Street that would allow for large trucks to service the warehouse space, turn around, and exit to Chestnut Street. Additional parking would also be provided. A site plan has been approved by Inspections. Three bids were submitted for the work, with a low bid of \$371,000, with half of the cost covered by private investment (\$185,500) and half by RUCA matching funds (\$185,500).

The remaining request of RUCA III matching funds would be used assist Mr. Amer with four additional customer parking spaces along the Patterson Avenue frontage of the property. A site plan has been submitted to Inspections for review, but has not been approved. Estimated cost of the project is \$33,200, including the cost of design and construction. Assistance for this portion of the project would be RUCA matching funds at 50% project cost, not to exceed \$16,600.

**Committee Action:**

<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	



**RUCA III - \$2,000,000**

<b>Proposed Project Under Consideration</b>						
<u>Expanded Project</u>	<u>Property Owner</u>	<u>Total Project Estimate</u>	<u>Private Investment</u>	<u>RUCA Match</u>	<u>RUCA Low Int</u>	<u>Total RUCA</u>
1800 N. Patterson	Ali Amer	\$402,200.00	\$202,100.00	\$202,100.00	-	\$202,100.00
Additional improvements to include rear driveway and additional parking.						

**Previous Projects Approved by City Council**

<u>Old Greensboro</u>	<u>Property Owner</u>	<u>Total Project Estimate</u>	<u>Private Investment</u>	<u>RUCA Match</u>	<u>RUCA Low Int</u>	<u>Total RUCA</u>
3001 Old Greensboro	Roberts Funeral Service (CA Bailey, Jr. Revocable Declaration of Trust)	\$100,000.00	\$50,000.00	\$50,000.00	-	\$50,000.00
Building utilized as funeral home. Funds to be used for entrance improvements, front signage improvements, and rear parking lot grading and paving.						
536 Barbara Jane	City View Church of Christ	\$66,000.00	\$15,000.00	\$15,000.00	\$36,000.00	\$51,000.00
Building utilized as church. Funds to be used for site improvements and parking lot lighting improvements.						
<b>Old Greensboro Total</b>		<b>\$166,000.00</b>	<b>\$65,000.00</b>	<b>\$65,000.00</b>	<b>\$36,000.00</b>	<b>\$101,000.00</b>
<b>Approved by Council - February 2016</b>						

<u>Patterson/Glenn</u>	<u>Property Owner</u>	<u>Total Project Estimate</u>	<u>Private Investment</u>	<u>RUCA Match</u>	<u>RUCA Low Int</u>	<u>Total RUCA</u>
1800 N. Patterson	Ali Amer	\$950,000.00	\$475,000.00	\$475,000.00	-	\$475,000.00
Building to be converted for multi-tenant use as a convenience store, garage, offices, community center, and warehouse space. Funds to be used for exterior and interior improvements						
1804 N. Patterson	Ronnie Samuels	\$41,100.00	-	\$20,550.00	\$20,550.00	\$41,100.00
Building to re-open as a convenience store. Funds to be used for roof replacement and parking lot improvements.						
2215 N. Glenn	Tony White	\$32,500.00	\$16,250.00	\$16,250.00	-	\$16,250.00
Building to be utilized as a garage. Funds to be used for roof replacement.						
2206 N. Patterson	Maurice McIntosh	\$14,300.00	-	\$7,150.00	\$7,150.00	\$14,300.00
Building to be utilized as a barber school. Funds to be used for roof replacement.						
2210 N. Patterson	Maurice McIntosh	\$16,258.00	-	\$8,129.00	\$8,129.00	\$16,258.00
Building to be improved to attract potential tenant. Funds to be used for roof replacement.						
<b>Patterson/Glenn Total</b>		<b>\$1,054,158.00</b>	<b>\$491,250.00</b>	<b>\$527,079.00</b>	<b>\$27,700.00</b>	<b>\$554,779.00</b>
<b>Approved by Council - December 2015</b>						



**RESOLUTION APPROVING THE ALLOCATION OF ADDITIONAL REVITALIZING URBAN COMMERCIAL AREA (RUCA) III MATCHING FUNDS FOR THE PATTERSON/GLENN AREA**

**WHEREAS**, in 2006 City Council established the Revitalizing Urban Commercial Areas (RUCA) Program to help revitalize some of the city’s declining urban commercial areas; and

**WHEREAS**, the general obligation bonds approved in 2014 designated an additional \$2 million for a third round of RUCA projects; and

**WHEREAS**, ten areas were eligible to apply for funding: Patterson/Glenn, Old Greensboro/Barbara Jane, Northside, Baux Mountain/Old Rural Hall Road, Pleasant/Waughtown, Northwest/Patterson, Jetway, New Walkertown/Carver, South Main Street/Cassell, and Trade/Northwest; and

**WHEREAS**, the City issued a request for proposals and three areas submitted with potential projects: Patterson/Glenn, Old Greensboro/Barbara Jane, and Jetway; and

**WHEREAS**, City Council has allocated a total of \$655,799 to RUCA III areas; and

**WHEREAS**, this allocation includes \$554,779 to the Patterson/Glenn area, including \$475,000 for a project at 1800 N. Patterson Avenue in December 2015; and

**WHEREAS**, the owner of 1800 N. Patterson Avenue requests additional RUCA III matching loan funds to for an additional phase of the project to include a rear driveway and additional parking; and

**WHEREAS**, all RUCA loans are to be secured by a deed of trust on the property being improved; and

**WHEREAS**, any increase in RUCA funds above the approved allocation, including the use of contingency funds, must be approved by City Council; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and City Council hereby authorize additional RUCA III funding for the Patterson/Glenn area in the amount of \$202,100.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE  
CITY OF WINSTON-SALEM, NORTH CAROLINA  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED** by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2016-2017 be amended to transfer 2014 GO Bond funds for the Revitalizing Urban Commercial Areas (RUCA) project at 1800 N. Patterson Avenue.

**SECTION 1.** That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 20, 2016, shall be further amended by changing the expenditure appropriations in the following fund.

**Capital Projects Fund**

Economic Development Projects	
2014 GO Bond – Revitalizing Urban Commercial Areas (RUCA)	-\$202,100
Patterson/Glenn RUCA	202,100
<b>Total Capital Projects Fund Expenditures</b>	<b>\$0</b>

**SECTION 2.** That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.



# Memorandum

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**TO:** Mayor Allen Joines and City Council  
**FROM:** Angela I. Carmon, City Attorney  
**DATE:** August 1, 2016  
**SUBJECT:** Rolling Hills Resolution  
**CC:** Lee Garrity, City Manager

City Attorney's Office

P.O. Box 2511  
Winston-Salem, NC 27102  
CityLink 311 (336.727.8000)  
Fax 336.748.3816

At the request of Councilmember Montgomery, I prepared that attached draft resolution regarding Rolling Hills. Councilmember Montgomery would like to discuss said resolution tonight. City Code Section 2-40 requires the unanimous consent of the council members present to add an item to the agenda after the same has been distributed to council.



**RESOLUTION RESCINDING THE APRIL 18, 2016 RESOLUTION OF THE WINSTON-SALEM CITY COUNCIL EXPRESSING SUPPORT FOR THE ISSUANCE OF REVENUE BONDS TO FINANCE THE ACQUISITION, REHABILITATION AND EQUIPPING OF AN AFFORDABLE HOUSING DEVELOPMENT (ROLLING HILLS APARTMENTS)**

**WHEREAS**, Steele Rolling Hills LLC, a North Carolina limited liability company (the “Borrower”) requested that the City of Winston-Salem (the “City”) exercise the powers of a housing authority (as permitted by North Carolina law) and provide conduit financing for the acquisition of Rolling Hills Apartments and the renovation and construction of 110 affordable housing units therein located at 770 Ferrell Court, Winston-Salem, Forsyth County, North Carolina (the “Development”); and

**WHEREAS**, the City, based upon information provided by the Borrower at that time, adopted the requested resolution on April 18, 2016; and

**WHEREAS**, the Development has been inspected by the City of Winston-Salem Community and Business Development Department and has been determined to have a number of unfit violations posing significant health and safety risks to the tenants of the Development; and

**WHEREAS**, the current tenants of the Development have been allowed to live in deplorable conditions for far too long; and

**WHEREAS**, the City believes that the amount committed by the Borrower for renovating the Development is insufficient and far less than necessary to provide the tenants of the Development with adequate and sustainable housing; and

**WHEREAS**, in light of the foregoing, the Winston-Salem City Council no longer supports the proposed Development.

**NOW, THEREFORE BE IT RESOLVED**, by the Mayor and City Council of the City of Winston-Salem hereby rescinds the Rolling Hills Resolution adopted on April 18, 2016 and withdraws its support for the Development.



**City Council – Action Request Form**

**Date:** July 22, 2016

**To:** The City Manager

**From:** Ben Rowe, Assistant City Manager

**Council Action Requested:**

Consideration of a Resolution Approving Grants from Successful Outcomes After Release (SOAR) Contingency Funding.

**Summary of Information:**

As part of the adoption of the FY 2016-2017 budget, the Mayor and City Council appropriated \$50,000 in contingency funds for the Successful Outcomes After Release (SOAR) Program. Since the adoption of the budget, City staff have received seven requests for funding from the SOAR contingency. The following table lists the requests and the programs that would be supported from these funds:

Agency	Year Established	Program/Service	Requested \$
Silver Lining Youth Services	2002	STARS Teen Development Program	\$5,000
My Brother's Second Chance	2009	Youth Mentoring Program	7,500
Southside Rides	2005	Job Training for Ex-Offenders	10,000
How Is Your Heart Project	2012	Beating Up Bad Habits (Summer Boxing Camp)	5,000
YWCA	1942	Hawley House/Project New Start	52,480
The Josh Howard Foundation	2005	Community Progressive Development Program	16,500
Hoops4L.Y.F.E.	2014	Summer Basketball Camps	5,000

These agencies and their programs provide assistance to at-risk populations, including ex-offenders and at-risk youth. All seven agencies are 501(c)(3) non-profit organizations. Three of the seven agencies have applied for City funding for the first time. An internal team of City staff from the City Manager's Office, Community and Business Development Department, and the Police Department's Community Relations Department has reviewed the submissions from all seven agencies. Based on the quality of the information provided, the internal team concluded the first-time applicants require technical assistance to increase their capacity to serve their target populations. The team recommends that a portion of the SOAR contingency be provided as

**Committee** \_\_\_\_\_

**Action** \_\_\_\_\_

**For** \_\_\_\_\_

**Against** \_\_\_\_\_

**Remarks:**

“seed” funding to these agencies. With this funding, the agencies would receive maximum assistance of \$5,000. As a condition for receiving this “seed” funding, the City would provide half of the contribution up front and the remaining half after officials with these agencies complete City-sponsored capacity building training. The internal team recommends the following allocations of SOAR contingency funding for FY 2016-2017:

<b>Agency</b>	<b>Requested \$</b>	<b>Recommended \$</b>
Silver Lining Youth Services**	\$ 5,000	\$ 5,000
My Brother’s Second Chance**	7,500	5,000
Southside Rides	10,000	10,000
How Is Your Heart Project	5,000	5,000
YWCA/Hawley House*	52,480	3,500
The Josh Howard Foundation	16,500	6,500
Hoops4L.Y.F.E.**	5,000	5,000
<b>Total</b>	<b>\$101,480</b>	<b>\$40,000</b>

\* YWCA/Hawley House also will receive \$10,000 as part of the originally adopted FY 2016-2017 budget.

\*\* Recommended for “seed” funding

In order to maximize program outcomes, the internal team’s recommendations focus on funding direct program expenses, not agency salaries. Part of the remaining SOAR contingency balance of \$10,000 would be used to fund the capacity building training for the three agencies that would receive “seed” funding. The goal of this training is to assist these agencies in strengthening their management and capacity to serve clients. Eventually, these agencies should be in a position to compete for funding through the established community agency funding process. The remaining agencies recommended to receive funding would have to meet the reporting requirements under the established process.

Attached to this Council Action is a resolution approving the funding recommendations listed above. The City Manager’s Office will work with the City Attorney’s Office to draft a form of agreement that establishes the conditions for agencies to receive “seed” funding.

**RESOLUTION APPROVING THE ALLOCATION OF SUCCESSFUL OUTCOMES  
AFTER RELEASE (SOAR) CONTINGENCY FUNDING**

**WHEREAS**, on June 20, 2016, the Mayor and City Council adopted the FY 2016-2017 budget for the City of Winston-Salem; and

**WHEREAS**, the adopted budget included \$50,000 in contingency funding for the Successful Outcomes After Release (SOAR) Program to provide additional grants to local non-profit organizations that provide services to at-risk populations such as ex-offenders and at-risk youth; and

**WHEREAS**, City staff received requests from seven agencies, with three requesting City funding for the first time; and

**WHEREAS**, an internal team of City staff from the City Manager's Office, the Community and Business Development Department, and the Police Department's Community Relations Department reviewed the requests; and

**WHEREAS**, based on the quality of the information provided, the internal team concluded the first-time applicants require technical assistance to increase their capacity to serve their target populations; and

**WHEREAS**, the internal team recommends that a portion of the SOAR contingency be provided as "seed" funding to these agencies, with maximum assistance of \$5,000 per agency; and

**WHEREAS**, as a condition for receiving this "seed" funding, the City would provide half of the contribution up front and the remaining half after officials with these agencies complete City-sponsored capacity building training; and

WHEREAS, the internal team recommends the following allocations of SOAR contingency funding for FY 2016-2017:

<b>Agency</b>	<b>Requested \$</b>	<b>Recommended \$</b>
Silver Lining Youth Services*	\$ 5,000	\$ 5,000
My Brother's Second Chance*	7,500	5,000
Southside Rides	10,000	10,000
How Is Your Heart Project	5,000	5,000
YWCA/Hawley House	52,480	3,500
The Josh Howard Foundation	16,500	6,500
Hoops4L.Y.F.E.*	5,000	5,000
<b>Total</b>	<b>\$101,480</b>	<b>\$40,000</b>

\* Recommended for “seed” funding

WHEREAS, part of the remaining SOAR contingency balance of \$10,000 would be used to fund the capacity building training for the three agencies that would receive “seed” funding in order to assist these agencies in strengthening their management and capacity to serve clients.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and City Council of the City of Winston-Salem hereby approves the allocation of SOAR contingency funds based on the recommendations noted above.

**BE IT FURTHER RESOLVED** that the Mayor and City Council authorizes the City Manager to execute a form of agreement that establishes the conditions for agencies to receive “seed” funding.

**City Council – Action Request Form**

**Date:** August 8, 2016

**To:** The City Manager

**From:** S. Kirk Bjorling, Real Estate Administrator

**Council Action Requested:**

Consideration of a Resolution Authorizing the Acquisition of Permanent and Temporary Construction Easements for the Winston Lake Golf Course Water Line Project by Deed or Condemnation (Northeast Ward)

**Summary of Information:**

This project involves the construction of a new on-course restroom at Winston Lake Golf course; however, there is not a source of water in the area and it will be necessary to construct a new water line. The line will begin at Big Woods Road, run along the side of a vacant lot and then behind the green on hole 15 and the tee on hole 16. The easement will be a 20’ permanent easement with a 10’ temporary construction easement. Other options were explored but there were no other feasible options available.

It is necessary that the City of Winston-Salem acquire easements for this project, as shown on the attached exhibit. These values are based on tax values. If the property owner rejects the initial attached offer based on tax value, then condemnation is authorized based on the appraised value. The Assistant City Manager’s existing \$1,000 authority may be used to negotiate settlements. This procedure will help decrease the potential delays in bond construction projects.

The attached resolution authorizes staff to proceed with the acquisition of the easements as stated herein.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____

**Remarks:** \_\_\_\_\_



**RESOLUTION AUTHORIZING THE ACQUISITION OF PERMANENT AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE WINSTON LAKE GOLF COURSE WATER LINE PROJECT BY DEED OR CONDEMNATION**

**WHEREAS**, it is necessary that the City of Winston-Salem acquire permanent and temporary construction easements based on tax value as specified in the attached exhibit, which is incorporated in this resolution by reference, for the Winston Lake Golf Course Water Line Project; and

**WHEREAS**, if the property owner rejects the initial attached offer based on tax value, then condemnation is authorized based on the appraised value; and

**WHEREAS**, the Assistant City Manager's existing \$1,000 authority may be used to negotiate settlements; and

**WHEREAS**, it may become necessary to purchase additional easement square footage for reasons such as unforeseen field conditions or recommended design revisions during construction that result in net cost savings to the project.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and the City Council upon the recommendation of the Finance Committee, hereby authorize the acquisition of said permanent and temporary construction easements by deed or condemnation as described herein and that the total recommended tax based purchase price of \$2,175, and

**BE IT FURTHER RESOLVED** that in the event the tax value offer is not accepted, staff is hereby authorized to offer the appraised value, and if the same is not accepted even after staff's exercise of its settlement authority, then staff is further authorized to proceed with the condemnation of properties described herein.

**BE IT FURTHER RESOLVED** that it is the intent of the City Council that the City Manager or his appropriate designee(s) proceed with the acquisition of said permanent and

## **C-1. DRAFT**

temporary construction easements by deed or condemnation and that the City Manager or his designee(s) may acquire additional easement square footage in a dollar amount not to exceed \$110 for reasons such as unforeseen field conditions or design revisions during construction that would result in net cost savings to the project.

Sheet No. 1 of 1, dated August 8, 2016 attached to Resolution Authorizing Acquisition of properties by Deed or Condemnation. All square footage is approximate. Figures rounded as needed and appropriate.

PROJECT: Winston Lake Golf Course Water Line Project

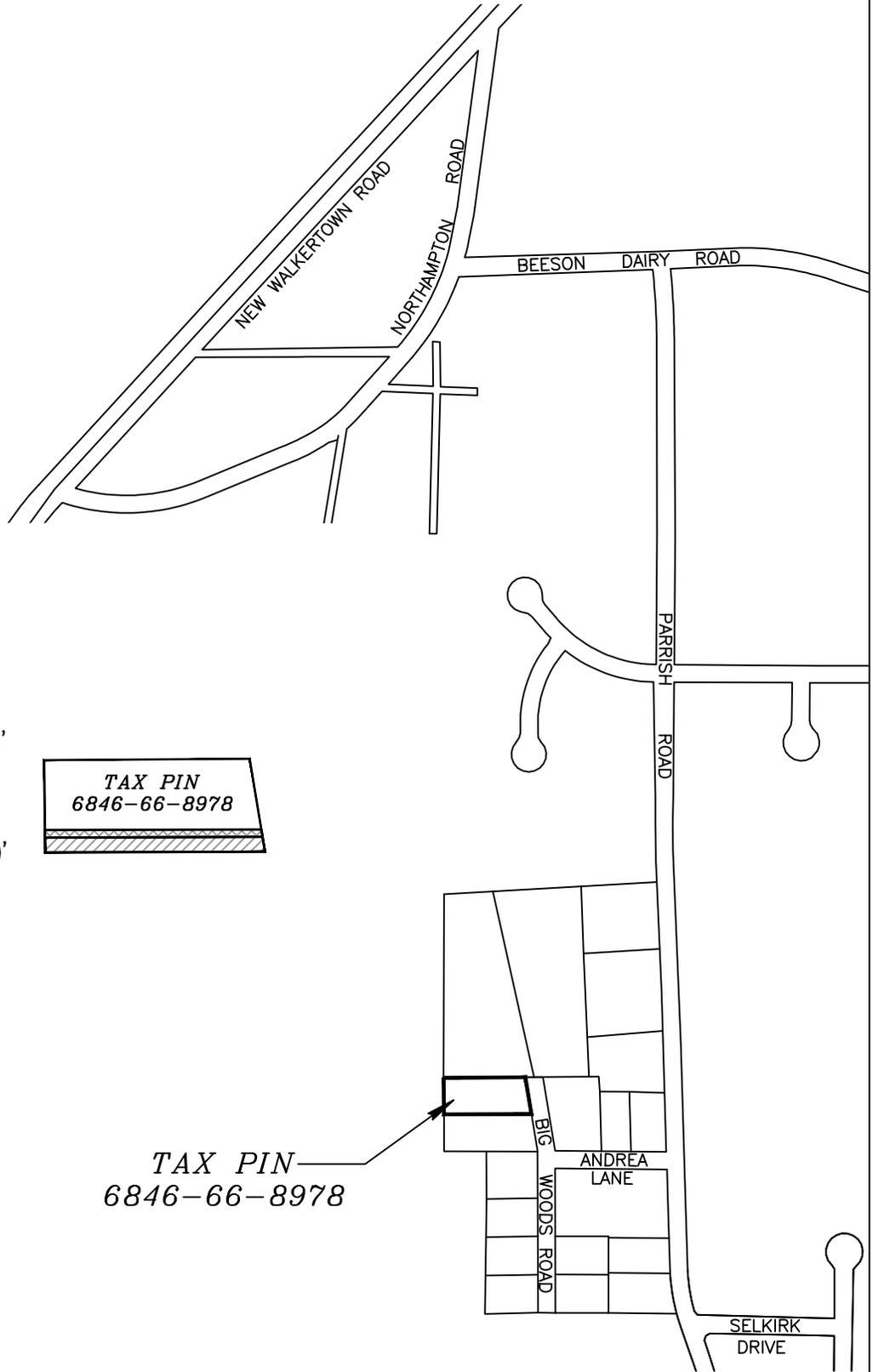
INTEREST TO BE ACQUIRED: Easements:  
 Permanent Water Easement (PWE)  
 Temporary Construction Easement (TCE)

<b>Property Owner</b>	<b>Description</b>	<b>Tax Value Amount</b>	<b>Recommended Purchase Price</b>
Nancy R. McKee 3091 Butterfield Drive Winston-Salem, NC 27105	Tax PIN: 6846-66-8978 5,901 sq. ft. PWE 2,927 sq. ft. TCE Big Woods Road	\$1,740.80 \$433.20	\$2,175
Total			\$2,175



EASEMENT ACQUISITION

TAX PIN 6846-66-8978

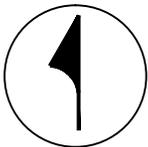


 PROPOSED TEMPORARY 10' CONSTRUCTION EASEMENT

 PROPOSED PERMANENT 20' WATERLINE EASEMENT

TAX PIN  
6846-66-8978

TAX PIN  
6846-66-8978



NOT TO SCALE



**City Council – Action Request Form**

**Date:** July 25, 2016

**To:** The City Manager

**From:** Derwick L. Paige, Assistant City Manager

**Council Action Requested:**

Adopt Resolution Approving a Public-Private Partnership Contract with Whitaker Park Development Authority, Inc. in accordance with N.C.G.S. 143-128.1C.

**Summary of Information:**

The attached resolution approves a Public-Private Partnership Contract (Exhibit A) with Whitaker Park Development Authority, Inc. (WPDA) in accordance with G.S. 143-128.1C and authorizes the City Manager to execute any necessary documents related to the Contract.

Per G.S. 143-128.1C, the meeting notice with the proposed terms of the contract was advertised in a local general circulation newspaper at least 30 days prior to the public hearing date.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____

**Remarks:**



**RESOLUTION APPROVING A PUBLIC-PRIVATE PARTNERSHIP CONTRACT WITH WHITAKER PARK DEVELOPMENT AUTHORITY, INC. IN ACCORDANCE WITH N.C.G.S. 143-128.1C**

**WHEREAS**, on March 28, 2016, City Council adopted a resolution finding there is a critical need: (i) for the City to acquire easements and rights-of-way for infrastructure (water, sewer and road) purposes and (ii) for City participation in enhancements to various buildings within the Whitaker Park Development project area utilizing its public-private partnership authority set forth in G.S. 143-128.1C, all in an effort to spur economic development; and

**WHEREAS**, on June 20, 2016, City Council adopted a resolution determining that Whitaker Park Development Authority, Inc. (WPDA) is the best qualified developer for the Whitaker Park Development Project; and

**WHEREAS**, following a public hearing, the City may enter into a contract with WPDA, Inc., with terms and conditions that provide, amongst other things for: (i) the acquisition by the City of certain easements and rights-of-way for infrastructure (water, sewer and roads) that will become public infrastructure and additional land, later in the project, for open space/green space in Whitaker Park, (ii) a \$2 million dollar loan with an interest rate of at least 3% but no more than 5% and (iii) installation, repair and upgrade of public infrastructure that is not reimbursed by the County, as further described in Exhibit A attached hereto and incorporated herein; and

**WHEREAS**, per G.S. 143-128.1C, a meeting notice with the proposed terms of the contract was advertised in the local general circulation newspaper at least 30 days prior to the public hearing date.

**NOW, THEREFORE, BE IT RESOLVED**, that pursuant to a public hearing, the Mayor and City Council, upon the recommendation of the Finance Committee, hereby approve a

Public-Private Partnership Contract (Exhibit A) with Whitaker Park Development Authority, Inc. (WPDA) in accordance with N.C.G.S. 143-128.1C.

**BE IT FUTHER RESOLVED**, that the City Manager is hereby authorized to execute any necessary documents related to this Contract.

**EXECUTION VERSION  
PUBLIC PRIVATE PARTNERSHIP AGREEMENT  
BETWEEN THE CITY OF WINSTON-SALEM  
AND THE WPDA, INC.**

This Public Private Partnership Agreement (“P3 Agreement”) is entered into and made effective as of \_\_\_\_\_, day August, 2016 by and between WPDA, Inc., a North Carolina Nonprofit Corporation with its principal office located at 1080 West Fourth Street, Winston-Salem, N.C. 27101 (hereinafter the “Developer”), and the City of Winston-Salem, a North Carolina Municipal Corporation (hereinafter the “City”) to engage in a public-private partnership in accordance with G.S. 143-128.1C within the 120 acre site known as Whitaker Park (“Project Site”) to enhance the infrastructure (roads, water and sewer systems) to be conveyed to the City of Winston-Salem and to make tenant ready certain buildings within the Project Site, all in an effort to promote economic development and job creation on the north side of the City of Winston-Salem.

WITNESSETH:

**WHEREAS**, the City of Winston-Salem, pursuant to a duly adopted resolution, has determined that there is a critical need to encourage and promote economic development and job creation on the north side of Winston-Salem while simultaneously addressing the City’s critical infrastructure needs (water, sewer and public roads) for sustainable growth and development in the area of the Project Site; and

**WHEREAS**, the City of Winston-Salem has identified prime land within the Project Site that will provide an excellent opportunity for the City to address this critical economic development and job creation needs while addressing the City’s critical infrastructure needs;

**WHEREAS**, the majority of the land and buildings within Project Site are currently owned by RJ Reynolds Tobacco Company (“Reynolds”); and

**WHEREAS**, Reynolds is preparing to dispose of a significant portion of the Project Site which has an ad valorem tax value well in excess of \$30 million and presents an opportunity for the City to enter into a public-private partnership; and

**WHEREAS**, the development plan for the Project includes the conversion of the buildings and land within the Project Site into a mixed use development park with manufacturing, distribution, research and development, retail, services and/or residential uses that will make the Project Site a model for successfully and effectively re-purposing property and combining multiple uses to enhance the overall economic vitality of the entire City (“Whitaker Park Development Project”); and

**WHEREAS**, the City, following its determination that there is a critical need for public infrastructure and the Whitaker Park Development Project (collectively referred to hereinafter as the “Project”), published its Notice of Request for Qualifications in a newspaper of general circulation in accordance with G.S. 143-128.1C and posted the Notice of Request for Qualifications on its website; and

**WHEREAS**, Developer submitted a response to said Request for Qualifications which response City staff has evaluated; and

**WHEREAS**, City Staff has prepared this P3 Agreement in accordance with: (i) the Resolution adopted by the Mayor and City Council on March 28<sup>th</sup> which resolution is attached and incorporated herein as Exhibit A, (ii) the Notice of Request for Qualifications (“Notice”) published on April 14, 2016, which Notice is attached and incorporated herein as Exhibit B; (iii) the Developer’s response to the Notice which staff has recommend for acceptance and which response is attached and incorporated herein as Exhibit C; (iv) the Resolution adopted by the Mayor and City Council on June 20, 2016 designating WDPA as the successful/best qualified developer, which resolution is attached and incorporated herein as Exhibit D and (v) the Resolution of the Mayor and City Council adopted on August 15, 2016, following a public hearing, approving this P3 Agreement, which resolution is attached and incorporated herein as Exhibit E; and

**WHEREAS**, following the public hearing, the City Council approved the execution of this P3 Agreement with Developer.

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated herein, the parties do agree as follows:

1. **Acquisition and Development of the Project Site.**

a. Conveyance of Project Site/Property Interest of the Developer. Reynolds has agreed to convey in fee simple a substantial portion of the Project Site to Developer on or before December 31, 2017 pursuant to an agreement between Reynolds and Developer which Reynolds confirmed in a press release attached as Exhibit F and incorporated herein. The Developer shall become the fee simple owner of record of the Project Site, identified herein, on or before January 31, 2018.

b. Property Interest of the City. Developer pursuant to this P3 Agreement shall convey, on or before June 30, 2018, all of the required easements, rights-of-way and other property interest that is necessary for the City to own the infrastructure designated as public infrastructure on a map to be provided by December 31, 2017 and to be attached hereto and incorporated herein as Exhibit G. Additionally, Developer shall also convey green space and stormwater infrastructure designated on the map attached as Exhibit G to the City on or before June 30, 2018 Should the Developer fail to: (i) acquire the Project Site; or (ii) convey the aforementioned infrastructure and property interest desired by the City by the dates set forth herein, the Developer shall repay the City all city funds invested in the Project within ninety (90) days from receipt of a demand letter for repayment from the City.

c. Plans and Specifications for the Project. Developer will engage architects and engineers as necessary to prepare plans and specifications necessary for the design, development and construction of the Project (the "Construction Plans"). All Construction Plans and any material change orders affecting the use and quality of the Project where City funds are used shall be subject to the prior review and approval of the Office of the City Manager, which approval shall not be unreasonable withheld, conditioned or delayed. All Construction Plans submitted must include: (i) design and positioning of all buildings and public infrastructure for which City funds were used; (ii) identification of set-backs from lot lines; (iii) grading plans; (iv) drainage plans; and (v) utility, green space and road locations. The Construction Plans and all revisions and modifications thereto shall be certified by an architect duly registered under the laws of the State of North Carolina. The Construction Plans must comply with all applicable laws and regulations. The architect will incorporate in the design appropriate outlets and power supply for copiers, appliances and other equipment that may require special circuits. All construction permits and licenses shall be acquired in accordance with the applicable federal, state, and local codes, rules and regulations.

d. Construction of Project. Developer will enter into a contract (the "GC Contract") with a general contractor (the "Contractor") for the construction of the Project that sets either a fixed price or a guaranteed maximum price. Said General Contractor shall be responsible for the construction of both the public infrastructure and the non-public portions of the Project. During the construction of the Project, City representatives shall be invited to construction progress meetings every month with the Developer, the Contractor and the architect. Following reasonable advance notice and accompanied by a representative of Developer, City representatives shall have access to the Project Site where City funds are being expended at all reasonable times during construction of the Project to view the Project and the progress thereof.

In general, the Contractor will conduct and oversee all of the work related to the public infrastructure and the renovations, equipment and fixture installations to Buildings 601-1 and 601-11 within Whitaker Park ("601 Buildings") as well as any additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings ("Additional Buildings"). The renovations regarding the 601 Buildings include, but are not limited to: (i) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (ii) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (iii) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (iv) renovating the single tenant space in the 601 Buildings into facilities that will accommodate multiple tenants; (v) repairing or replacing, as necessary, the roofs on the 601 Buildings and (vi) such additional work necessary to facilitate the occupancy of the 601 Buildings.

An additional aspect of the Project includes the conversion of the steam heating system in the Additional Buildings to a heating source that is more economical. The City shall not be responsible for any Project cost overruns unless additional funding is expressly agreed to by the Winston-Salem City Council in compliance with G.S 143-128.1C.

e. Purchase of materials and equipment. The Developer shall be responsible for the purchase of all materials and equipment at a reasonable cost.

f. Completion of the Project. It is anticipated that the Project will be completed by January 1, 2020. In the event the Project is not completed by said date, the Developer agrees to make a non-confidential written report to the City at least thirty (30) days in advance of the projected January 1, 2020 completion date to explain the delay and the revised construction schedule. Upon satisfactory completion of the Public Infrastructure, as determined by the City, the Developer shall deed said Public Infrastructure to the City, at no additional cost to the City.

2. Ownership Structure for the Project. Developer is a 501 (c)(3) economic development not-for-profit entity located in Winston-Salem, North Carolina and established in 2011 to receive the donation of the Whitaker Park property and to work on the re-development of said property. Developer was founded by Wake Forest University (WFU), the Winston-Salem Alliance (the Alliance) and Winston-Salem Business Inc. (WSBI) and has an eleven (11) member board of directors that includes members from WFU, the Alliance, WSBI, the City and Forsyth County. Except as otherwise provided herein, the Developer shall own the Project.

3. Project Financing Structure and Disbursement of City Funds.

a. Public Sources of Funding.

- (i) Forsyth County (“County”) will provide funding for public infrastructure in an amount not to exceed \$2.3 million.
- (ii) Provided the Developer owns the required fee simple interest in the Project Site by January 31, 2018, and is in a position to execute the required loan documents for the City loan, the City will provide a subordinate loan in an amount not to exceed \$2 million. The loan documents shall include a promissory note, subordinate deed of trust and security agreement and UCC Financing Statement (“Loan Documents”) to be executed no later than June 30, 2018. The loan funds will be disbursed within thirty (30) days of execution of the Loan Documents. In the event that WPDA does not own the 601 Buildings, within the Project Site, at the time the loan funds are needed, but there is need to undertake work related to the separation of systems within the Project Site and thus expend loan funds prior to January 31, 2018, the City will accept a temporary, subordinate deed of trust on the property located at 95 W. 32nd Street, Winston-Salem, NC 27105 (Building 630-2) within the Project Site. Said temporary subordinate deed of trust will be released upon the execution of a permanent deed of trust and other loan documents on the 601 Buildings within the Project Site. Said execution of a permanent deed of trust and other loan documents must occur by January 31, 2018.
- (iii) Provided the Developer owns the required fee simple interest in the Project Site by January 31, 2018 and is in a position to convey to the City the easements, rights-of-way and other desired property interest by June 30,

2018, the City shall purchase the easements and rights-of-way for public infrastructure and green space in an amount not to exceed \$1 million. Said funds will be disbursed at the closing for the acquisition of the easements, rights-of-way and other property interest desired by the City.

- (iv) The final \$1 million of the City's \$4 million dollar contribution to the Project will be for installation of the public infrastructure that is not reimbursed by the County. This \$1 million for installation of public infrastructure shall be disbursed to the Developer within thirty (30) days of the execution of this P3 Agreement. The City's entire contribution to the project shall not exceed \$4 million.

b. **Private Sources of Funding.**

- (i) The Developer has in current assets and cash more than \$8.0 million to contribute to the project. The developer will contribute said amount to the Project
- (ii) When Developer acquires the Project Site, it will have assets valued in excess of \$30 million.

4. **HUB Participation.**

Developer and the Contractor will use commercially reasonable, best efforts to hire Winston-Salem/Forsyth County residents and companies located in Winston-Salem/Forsyth County in connection with the design and construction of the Project, and will establish a system for monitoring and enhancing such local participation and jobs for City residents. Developer and the Contractor shall make a good-faith effort to comply with G.S. 143-128.2, G.S. 143-128.4 and to recruit and select small business entities.

5. **Developer Responsibilities.**

a. Before starting construction of the Project, the Developer shall:

- (i) Provide or update, if already provided, the name of the Contractor and subcontractors, if known at that time and licensed design professions that the Developer proposes to use for the project design and construction.
- (ii) Include the total anticipated amount of the construction contract(s) and shall certify the amount as being a good faith projection of its total costs for designing and constructing the Project.
- (iii) Provide a payment bond in the amount of one hundred percent (100%) of the total anticipated amount of the construction contracts to be entered into between the private developer and the contractors to design or construct the improvements required by the development contract. The payment bond

will be conditioned upon the prompt payment for all labor and materials for which the developer or one or more of its contractors or those contractor's subcontractors are liable. The payment bond shall be solely for the protection of the persons furnishing materials or performing labor or services for which the developer or its contractors or subcontractors are liable. The payment bond must be executed by one or more surety companies legally authorized to do business in the State of North Carolina and shall become effective upon the awarding of the development contract. The payment bond shall be in the form required by G.S. 143-128.1C and shall not include any provisions prohibited by said statute. Where the City is facilitating the hire of the General Contractor for the work on the public infrastructure (water, sewer and roads), the City shall make sure the General Contractor has the requisite payment and performance bonds in place for said work.

- b. The Developer shall:
- (i) Maintain Commercial General Liability to protect the Developer against any and all claims, demands expenses, costs and liabilities to the extent proximately caused by the negligent acts or omissions of the Developer, and its agents or employees, in the performance of this P3 Agreement. The insurance shall also include, coverage for explosion, collapse, and underground hazards, where required. This insurance shall provide bodily injury and property damage limits of not less than \$1,000,000 for each occurrence, respectively. The Developer shall require the General Contractor to maintain Commercial General Liability insurance in an amount acceptable to cover potential risks, demands, costs and liabilities associated with carrying out the construction contract(s) entered into pursuant to this P3 Agreement.
  - (ii) Maintain Owned, non-owned, and hired Automobile Liability insurance, including property damage insurance, covering all owned, non-owned, borrowed, leased, or rented vehicles operated by the Developer in furtherance of these services. In addition, all mobile equipment used by the Developer in connection with this P3 Agreement, will be insured under either a standard Automobile Liability policy, or a Commercial General Liability policy. This insurance shall provide bodily injury and property damages limits of not less than \$1,000,000 combined single limit/each accident, and shall provide at least \$5,000 in Medical Expenses (Med Pay) coverage. The Developer shall require the General Contractor to maintain Automobile Liability insurance in an amount consistent with this paragraph as well.
  - (iii) Maintain Workers' Compensation and Employer Liability insurance if required by North Carolina law. The Developer shall require the General

Contractor to maintain Workers' Compensation and Employer Liability insurance if required by North Carolina law.

- (iv) Make a good faith effort to complete the Project on time.

**6. City Responsibilities.**

- a. Provided all of the conditions set forth in this P3 Agreement have been met, the City shall provide the funding as set forth in paragraph 3.
- b. The City shall monitor the Developer's and Contractor's progress on the Project.

**7. Other Provisions.**

- a. Additional funds—Except as provided in this P3 Agreement, the City is not obligated to provide incentives to the Developer related to the Project or Project Site.
- b. Adverse Change — In the event that a court of competent jurisdiction holds that a provision or requirement of this P3 Agreement violates any applicable law, each such provision or requirement shall be replaced with a revision which accomplishes the purposes outlined herein and shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this P3 Agreement, not contingent thereon, shall remain in full force and effect.
- c. Annual Report—The Developer shall furnish to the City a copy of its annual audit report performed by a certified public accountant as soon as it becomes available to the Developer, but no later than six months following the Developer's fiscal year end until 2030.
- d. Applicable Law; Construction —This P3 Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, without regard to any construction arising from the application of conflicts or choice of law principles, and without regard to any construction arising by virtue of the negotiation or the persons who drafted this P3 Agreement. References to the City shall refer to, bind and include its representatives, elected body and members of such, and the successors and assigns of each of them, in each case in their official capacities.
- e. Assignment —The Developer shall not assign this P3 Agreement or any portion thereof without the written consent of the City, nor shall the Developer assign any funds due or to become due to it hereunder without the prior written consent of the City. However, in the event of such assignment, the Developer will remain ultimately responsible and liable for the performance of the Developer's obligations hereunder.

- f. Audit Right –The Developer will certify the investment of private funds and city funds in the 601 Buildings, the Additional Buildings and the public infrastructure on a quarterly basis until the work has been completed. If the City decides to undertake an audit regarding the use of city funds, such audit will be at the City’s sole expense. To the extent that Developer is able to compile such, the Developer shall deliver to the City appropriate written documentation of the capital investment in the 601 Buildings, the Additional Buildings and the public infrastructure, which the City will be entitled to retain for so long as it chooses, and to use for such purposes in connection with this P3 Agreement as it deems necessary. The Developer likewise acknowledges that it is Developer’s obligation to provide City with evidence sufficient to the City that the desired capital investment has been made in the 601 Buildings, Additional Buildings and public infrastructure.

The City reserves the right to require a certified audit or may perform the audit through the use of its staff pertaining to the Developer’s compliance with this P3 Agreement.

- g. Binding Obligation-The City and Developer and their respective successors, assigns, and legal representatives accept full legal responsibility hereunder for compliance with all covenants, agreements and obligations of this P3 Agreement.

- h. Compliance with Law –

- (i) It is the expectation of the City that the Developer will comply, and the Developer agrees to comply, with all applicable federal immigration laws in its hiring and contracting practices relating to services covered by this P3 Agreement.
- (ii) The Developer shall comply with all applicable federal, state, and local laws that may be required to carry out their respective obligations to be performed under this P3 Agreement.
- (iii) The Developer shall comply with all applicable employment laws, including but not limited to the Americans with Disabilities Act (ADA), as may be amended from time to time, the State of North Carolina Occupational/Safety and Health Act (OSHA), and the State and Federal Equal Opportunity laws, as well as the regulations promulgated thereunder.

- i. Counterparts; Jurisdiction — This P3 Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original. The parties submit to the exclusive jurisdiction of the State courts sitting in the County.

- j. Notice of Default/Right to Cure- City - If the City defaults on any of its obligations under this P3 Agreement, then it shall have ninety (90) calendar days after delivery of a written notice by Company of such default to the appropriate City

representatives, as the case may be, and the right to cure said default. The City, where appropriate, may respond in writing to said notice of default.

- k. Notice of Default/Right to Cure-Developer. Developer, after receipt of a notice of default (“Default Notice”), shall cure the default set forth in said Default Notice within the cure period, which is ninety (90) calendar days for non-monetary defaults and thirty (30) calendar days for monetary defaults unless provided otherwise herein or the loan documents. Depending upon the nature of the default, the City shall declare a breach and issue the appropriate Default Notice for the Developer’s failure to comply with any term or condition set forth herein or in the loan documents. Should the Developer fail to cure a monetary default before the expiration of the cure period, as the City in its reasonable discretion may determine, the City shall have the right to declare, immediately due and payable, the loan amount. Should the Developer fail to cure a non-monetary default, the City, in its reasonable discretion, may suspend its obligations under this P3 Agreement until the non-monetary default has been cured.
- l. Entire Agreement; Amendment; Authority — This P3 Agreement is the entire agreement between these parties as to the subject matter referenced herein, without regard to any prior agreements, understandings or undertakings (whether oral, written, electronic or otherwise), and no amendment may be made to this P3 Agreement except with the prior written consent of all parties. The parties, and each person executing this P3 Agreement on behalf thereof, represent and warrant that they have the full right and authority to enter into this P3 Agreement, which is binding, and to sign on behalf of the party indicated, and are acting on behalf of themselves, their constituent members and the successors and assigns of each of them.
- m. Exhibits – Exhibits A through H are attached hereto and incorporated herein by reference.
- n. Further Action —The parties acknowledge that the terms of the Project and the Local Incentives and other assistance described in this P3 Agreement are subject to further actions legally necessary under North Carolina law to implement the P3 Agreement in a lawful manner. The parties agree that if this P3 Agreement is challenged in a court of law, they shall cooperate in defense of P3 Agreement.
- o. Hiring Practices - The Developer is committed to hiring, where possible, local contractors, including minority and women contractors, and for employment purposes local residents from the Winston-Salem and Forsyth County area. The Developer shall post job vacancies related to the Project with the North Carolina Employment Security Commission, the Piedmont Triad Regional Council of Governments, and the Winston-Salem Urban League until February 17, 2018 or longer if otherwise required by law. The Developer will utilize the State of North Carolina Office for Historically Underutilized Business database (<https://www.ips.state.nc.us/IPS/vendor/SearchVendor.asp?hobtain>) or other

local resources such as the City of Winston-Salem M/WBE Program to identify Winston-Salem/Forsyth County based subcontractors and share the same with the general contractor selected for the Project and establish a reasonable level of participation for Winston-Salem/Forsyth County based subcontractors including minority and women-owned businesses. The Developer must require the general contractor to demonstrate good faith efforts to utilize Winston-Salem/Forsyth County based subcontractors and achieve the level of participation identified by the Developer. The Developer will provide to the Development Director quarterly reports using the form attached as Exhibit H on all contracting activity. A Winston-Salem/Forsyth County based subcontractor is a person or entity legally authorized to engage in the sale or provision of goods, services construction or repair work procured in the state of North Carolina and who certifies to the City that it has maintained a physical place of business in the Winston-Salem/Forsyth County area since July 1, 2015, as determined in the sole discretion of the City with at least one employee for whom the subcontractor has paid payroll taxes in North Carolina.

p. Hold Harmless - The Developer and City shall operate as independent contractors, and the City shall not be responsible for any acts or omissions of the Developer or its General Contractor, subcontractors, agents or the employees of the Developer or General Contractor. The Developer agrees to hold the City harmless from and against any claims, expenses (including attorney’s fees), costs or liability for acts or omissions of the Developer, General Contractor, subcontractors, agents, employees and officers of the Developer and General Contractor.

q. Notice:

Notices hereunder shall be deemed to be given if in writing and when (a) personally delivered with written acknowledgement of delivery from the person receiving such notice; or (b) one business day after being deposited with an overnight commercial courier (such as, but not limited to, Federal Express with signature release required), at the following addresses:

For notice to the CITY:

Lee Garrity  
City Manager, City of Winston-Salem  
101 N. Main Street  
Winston-Salem, NC 27101  
Tel. No. 336. 734-1301

WITH COPY TO:

Angela I. Carmon  
City Attorney  
101 N. Main Street, Suite 132  
Winston-Salem, NC 27101  
Tel. No. 336. 747-7404

For notice to DEVELOPER:

WITH COPY TO:

- r. Relationship of Entities — Nothing contained herein will be construed as establishing an employment relationship, partnership, joint venture, or agency agreement among the Parties.
- s. Severability — If any court of competent jurisdiction holds any provision of this P3 Agreement invalid or unenforceable, then (a) such holding shall not invalidate or render unenforceable any other provision of this P3 Agreement, unless such provision is contingent on the invalidated provision; and (b) the remaining terms hereof shall, in such event, constitute the parties' entire agreement.
- t. Statutory Authority. - N.C.G.S. 143-128.1C authorizes the execution of this P3 Agreement by the City upon approval of the City Council following a public hearing. The resolution of the City Council is attached hereto and incorporated herein as Exhibit D.
- u. Termination - Termination of this P3 Agreement by the City may occur for reasons described herein or in the attachments hereto. This P3 Agreement shall also terminate January 1, 2030.
- v. Waiver of Default - Failure of a party to this P3 Agreement to exercise any right, remedy, power or privilege hereunder shall not operate as a waiver of any current or future default. Further, a waiver of one provision of this P3 Agreement is not a waiver of all or future provisions of this P3 Agreement.
- w. Suspension and Debarment. Developer hereby certifies that neither it, nor its General Contractor, agents or subcontractors: (1) are presently debarred, suspended, proposed for suspension or debarment from contracting by any Federal or State Department or Agency, or (2) have been declared ineligible or voluntarily excluded from contracting by or with any Federal or State Department or Agency. Any contract entered into with a contractor or subcontractor that has been debarred or suspended, declared ineligible or voluntarily excluded from contracting with or by any Federal or State Department or Agency may be terminated at the sole discretion of the City.
- x. E-Verify. Developer shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if the Developer uses a General Contractor and said general contractor uses a subcontractor(s), the Developer shall require the General Contractor and the subcontractor(s) to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.
- y. Iran Divestment Act. Developer hereby certifies that it is not on the North Carolina State Treasurer's list of persons engaging in business activities in Iran, prepared

pursuant to **NCGS §147-86.58**, nor will Developer utilize on this P3 Agreement any general contractor or subcontractor on such list.

- z. Ethics Policy. The Contractor hereby acknowledges that he has reviewed and agrees to abide by the City's Ethics Policy located on the City's website – [www.cityofws.org](http://www.cityofws.org) – and whose specific address is: <http://wshome.cityofws.org/Portals/1/pdf/HR/Ethics%20Policy%20Revised%20May%2019%202014-Whistleblower%20revision.pdf> (right click on the link).

IN WITNESS WHEREOF, the parties have caused this P3 Agreement to be executed effective as of the date first written above.

WPDA, INC.

ATTEST:

\_\_\_\_\_(SEAL)  
Secretary

By: \_\_\_\_\_(SEAL)  
President

CITY OF WINSTON-SALEM

ATTEST:

\_\_\_\_\_(SEAL)  
Secretary

By: \_\_\_\_\_(SEAL)  
City Manager

Approved as to form and legality.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2016

This instrument has been preaudited in the Manner required by the Local Government Budget and Fiscal Control Act.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Angela I. Carmon,  
City Attorney

\_\_\_\_\_  
Lisa Saunders,  
Chief Financial Officer

**EXHIBIT A-  
MARCH 28, 2016 RESOLUTION**



**City Council – Action Request Form**

**Date:** February 29, 2016

**To:** The City Manager

**From:** Derwick L. Paige, Assistant City Manager

**Council Action Requested:**

Adopt a Resolution of the City of Winston-Salem finding there is a critical need: (i) for the City to acquire easements and rights-of-way for infrastructure (water, sewer and road) purposes and (ii) for City participation in enhancements to various buildings within the Whitaker Park Development project area utilizing its public-private partnership authority set forth in G.S. 143-128.1C.

**Summary of Information:**

The City of Winston-Salem has identified a critical need to install and enhance the infrastructure (water, sewer and roads) in the Whitaker Park Development project area while spurring much needed economic development on the north side of the City. With the installation, enhancement and provision of public water and sewer and road connectivity, Whitaker Park has the potential to be redeveloped into a mixed use development park including manufacturing, distribution, research and development, retail, services and residential uses. The project should significantly enhance the economic vitality of the City and the quality of life for the residents. At build-out, the project could support up to 7,500 jobs and have a private investment of more than \$100 million. Net, new City property taxes could exceed \$565,000/year based upon these projections.

The Whitaker Park Development Project presents an excellent opportunity for the City to utilize G.S. 143-128.1C to engage in a public-private partnership. As a part of the public-private partnership, the City will: (i) acquire easements for the installation and maintenance of public water and sewer infrastructure and for the provision of said services; (ii) acquire rights-of way for road expansion and connectivity purposes; and (iii) provide a secured loan to a private developer to repurpose and make tenant ready several buildings within Whitaker Park, all in an effort to spur economic development on the north side of town. As a part of the public-private partnership statute, the City must find a critical need for the capital improvement project, which the attached resolution accomplishes.

In 2015, R.J. Reynolds Tobacco Company (RJR) announced that they would donate a large portion of the Whitaker Park campus, including approximately 125 acres of prime commercial and industrial land along with buildings totaling approximately 1.7M square feet to the Whitaker Park Development Authority (“WPDA”) which is a nonprofit corporation created for economic

**Committee Action:**

<b>Committee</b>	<u>Finance 3/21/2016</u>	<b>Action</b>	<u>Approval</u>
<b>For</b>	<u>Unanimous</u>	<b>Against</b>	<u></u>
<b>Remarks:</b>	<u></u>		

and redevelopment purposes with representatives from Winston-Salem Business, Inc., Winston-Salem Alliance, Wake Forest University, Piedmont Triad Partnership, Forsyth County, City of Winston-Salem and other at-large representation.

Based upon the foregoing, it is likely that WPDA will submit a response to the request for qualifications, which the City must issue pursuant to G.S. 143-128.1C for the development project. To undertake this work, WPDA is requesting \$4.0 million financial assistance from both the City and the County as the estimates for the work far exceed \$8.0 million. If approved, the City's assistance would be provided from the Economic Development General Obligation Funds.

As proposed, WPDA would use up to \$2.0 million of City funds towards the Private Enhancements to the 601 Buildings; 605-1, 7 and 10-13 Buildings; and 2-1 and 2-2 Buildings. These funds will be provided as a secured, market rate interest loan to WPDA. The loan would be at prime interest rate (on the date that the economic development agreement is executed), plus 1%, but in no case will the interest rate be less than 3% or greater than 5%. The loan shall be paid in full upon the sale of the building or buildings that serve as collateral for the loan. If the buildings are leased, then the City would receive a pro rata share of the lease payments to satisfy the City's loan. If the buildings are leased and the developer subsequently sells one or more of the 601 Buildings after making lease payments to the City, the City shall apply the lease payments against the loan balance and the remaining loan balance shall be paid upon the sale of the property. All funds repaid to the City would be available for future economic development purposes as directed by City Council.

The remaining \$2.0 million will be used to compensate WPDA for the fair market value of the real estate conveyed to the City along with the necessary infrastructure improvements including the water, sewer and road systems assuming these expenses have not been reimbursed by other sources including Forsyth County. It is anticipated that all of the buildings will be fully taxable; thus, there would be no adverse impact of removing taxable properties from the tax rolls, and the new property tax revenues generated from the enhancements will far exceed the City's investment.

It is important to note that the request for qualifications process is open to any private developer capable of undertaking the entire project. The private developer must be in a position to: (i) acquire the necessary land in Whitaker Park for the development project, (ii) convey to the City the real estate interest (easements and rights-of-way) desired by the City for public infrastructure purposes; (iii) convey to the City a security interest in certain buildings as collateral for a City loan; (iv) undertake or cause to be completed the entire project as outlined in the attached resolution and the subsequent request for qualifications; (v) contribute at least fifty percent (50%) of the financing for the total cost necessary to deliver the project; the value of the land contributed to the project by the developer may be considered as part of the developer's contribution; and (vi) comply with the requirements set forth in G.S. 143-128.1C.

Upon the finding by the City Council of a critical need for the capital improvement project, as set forth in the attached resolution, the City will commence the request for qualifications process, and negotiate a tentative contract with the successful developer for public consumption and City Council's approval following a public hearing.

March 28, 2016

D-28979

APPROVED

**RESOLUTION FINDING THERE IS A CRITICAL NEED FOR A CAPITAL  
IMPROVEMENT PROJECT AND FOR THE CITY TO ENGAGE IN A PUBLIC-  
CITY OF PRIVATE PARTNERSHIP IN ACCORDANCE WITH G.S. 143-128.1C**

**WINSTON-SALEM, NC**

WHEREAS, the City of Winston-Salem has identified a critical need to encourage and promote economic development and job creation on the north side of Winston-Salem while simultaneously addressing the City's critical need to extend and enhance its infrastructure, including water, sewer and public roads in that same area; and

WHEREAS, the City of Winston-Salem has identified prime land on the north side of Winston-Salem that will provide an excellent opportunity for the City to address this critical economic development and job creation need while addressing the City's critical infrastructure needs;

WHEREAS, the land that the City has identified is located within Whitaker Park, most of which is currently owned by RJ Reynolds Tobacco Company ("Reynolds") as described below; and

WHEREAS, Reynolds is preparing to dispose of a significant portion of Whitaker Park, consisting of 120 acres of prime commercial and industrial land along with buildings totaling 1.7 million square feet with an ad valorem tax value well in excess of \$30 million which presents an opportunity for a developer to acquire the same, invest at least \$4 million to re-purpose the park and enter into a public-private partnership with the City which partnership will allow the City to effectively address its critical infrastructure needs and spur economic development in an area in desperate need of such; and

WHEREAS, one proposed development plan for the park details an effort to convert the buildings and land within Whitaker Park into a mixed use development park with manufacturing, distribution, research and development, retail, services and/or residential uses that will make

Whitaker Park a model for successfully and effectively re-purposing property and combining multiple uses to enhance the overall economic vitality of the entire City (“Whitaker Park Development Project”); and

**WHEREAS**, the Whitaker Park Development Project presents at least two distinct opportunities for the City to participate in a public-private partnership while addressing its critical infrastructure needs and spurring economic development; and

**WHEREAS**, those two opportunities are described below; and

**WHEREAS**, one way in which the City may participate in a public-private partnership with a developer of the Whitaker Park Development Project is for a developer to convey to the City: (i) utility easements including any existing, expanded and improved utility infrastructure necessary for the City to take a recordable interest in property and full ownership of said infrastructure for the provision of public water and sewer services to the park, and (ii) rights-of-way for an enhanced road system that is necessary to establish greater road connectivity on the north side of the City (collectively “City Infrastructure”), as identified in Exhibit A, which actions will address the City’s infrastructure needs, serve as a catalyst for economic development in Whitaker Park, and benefit the overall economic vitality of the businesses and residents in the immediate vicinity of the park; and

**WHEREAS**, all of the real estate interest to be conveyed by the developer to the City for City Infrastructure purposes shall be referred to hereinafter as the “Real Estate Interest”; and

**WHEREAS**, the City will compensate the developer for the fair market value of that Real Estate Interest conveyed to the City and necessary for the City to take full ownership of the City Infrastructure provided said compensation shall not exceed \$2 million; and

**WHEREAS**, the City may compensate the developer for any reasonable expenses related to the work conducted on the City's Infrastructure to the extent the developer has not been reimbursed for the same by Forsyth County; and

**WHEREAS**, the second opportunity for the City to participate in the proposed public-private partnership consists of the City allocating funds, not to exceed \$2 million, to provide a loan, at prime interest rate, as of the date the development agreement is executed, plus 1%, but in no case with the interest rate be less than 3% or greater than 5% to a developer to renovate and make tenant ready several buildings in the park ("Developer Loan") for the purpose of spurring economic development in an area in need of such; and

**WHEREAS**, there are at least two buildings within Whitaker Park identified on the map attached as Exhibit B as buildings 601-1 and 601-11 (collectively the "601 Buildings") that need renovations, equipment and fixture installations, system upgrades and up-fits (collectively "Renovations") which Renovations consist of, amongst other things: (1) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (2) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (3) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (4) renovating the single space tenant 601 Buildings into facilities that will accommodate multiple tenants; (5) repairing or replacing, as necessary, the roofs on the 601 Buildings and (6) such additional work necessary to facilitate the occupancy of the 601 Buildings (collectively "Private Enhancements to the 601 Buildings"); and

**WHEREAS**, the above referenced Private Enhancements to the 601 Buildings are quite extensive and expensive and will likely require the use of City funds to complete; and

**WHEREAS**, the developer will also engage in similar private enhancements to additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings; and the 2-1 and 2-2 Buildings, all of which require a conversion from steam heat to a heating source that is more economical before the buildings can be renovated and made tenant ready which effort may require the developer to use City funds derived from the sale proceeds of the Real Estate Interest and/or proceeds from Developer Loan not used on the 601 Buildings; and

**WHEREAS**, the City is willing to permit the expenditure of City funds towards the Private Enhancements to the 601 Buildings, in an amount not to exceed \$2 million, which City paid for enhancements shall be identified as “Public Enhancements to the 601 Buildings”, provided the developer delivers to the City an executed loan agreement, promissory note, deed of trust and security agreement and UCC Financing Statement and any other instruments necessary to provide the City with a security interest in one or more of the 601 Buildings sufficient to preserve and protect the City’s loan (“Security Interest”); and

**WHEREAS**, the Developer Loan shall be repaid in a manner consistent with the following: (1) the developer shall make regular annual payments of interest only under the Developer Loan; (2) in the event the developer enters into a long-term lease (i.e., a lease term of ten (10) years or more, not including optional renewals) with a tenant with respect to any space in the 601 Buildings, the developer shall pay the City an agreed upon percentage of the lease payments after reasonable deductions for expenses including any maintenance reserve, which payments shall be applied against the outstanding loan balance; (3) in the event the developer sells either of the 601 Buildings, the loan (principal and interest) shall be repaid in full with the

proceeds of such sale; (4) the developer shall have the right to prepay the Developer Loan in full or in part at any time without penalty; and (5) unless sooner repaid in full, the Developer Loan shall be repaid in full not later than ten (10) years after the date such loan is made; and

**WHEREAS**, the City shall use the proceeds from the repayment of the Developer Loan for economic development purposes in compliance with the applicable statutes; and

**WHEREAS**, G.S. 143-128.1C was enacted to allow for public-private partnerships of the nature described herein; and

**WHEREAS**, G.S. 143-128.1C is the most appropriate statute to use for this type of public-private partnership in that it provides for construction, at a reasonable price, of the City's Infrastructure and Public Enhancements to the 601 Buildings, herein deemed to be critical, along with or in conjunction with the Private Enhancements to the 601 Buildings and other private enhancements to buildings within the park including the 605-1, 7 and 10-13 Buildings; and the 2-1 and 2-2 Buildings; and

**WHEREAS**, consistent with said statute the Winston-Salem City Council hereby finds that there is critical need for the City: (1) to obtain the Real Estate Interest necessary to address the City's critical infrastructure needs, and to add to City's infrastructure inventory on the north side of the City; (2) to construct, repair, renovate, enhance, upgrade said City Infrastructure to the extent the same has not been undertaken by the County; and (3) to provide a Developer Loan to support the Public Enhancements to the 601 Buildings and other buildings necessary to further the City's goal of providing facilities and amenities that will attract job creating businesses to Winston-Salem, particularly to the north side of the City which is in dire need of such job creating businesses; and

**WHEREAS**, the Winston-Salem City Council in moving forward with the desired public-private partnership hereby establishes certain criteria that must be met by any developer wishing to enter into such public-private partnership with the City; and

**WHEREAS**, any developer undertaking this proposed public-private partnership must have the capacity to: (i) acquire the land within the Whitaker Park Development Project; (ii) invest at least \$4.1 million in said park; (iii) convey or facilitate, in a timely manner, the conveyance to the City, at fair market value, all of the Real Estate Interest described above and depicted in Exhibit A for City Infrastructure purposes; (iv) complete or provide for the completion of any and all installations, modifications, upgrades and extensions to the City Infrastructure at a reasonable cost; (v) assist the City in acquiring, in a reasonable manner, the interest in land necessary for the installation, construction, renovation of a pedestrian and bicycle greenway and other recreational space, which may be part of a later stage of the Whitaker Park Development Project; (vi) execute and convey to the City a Security Interest, satisfactory to the City, in one or more of the 601 Buildings shown on Exhibit B, as collateral for the Developer Loan; (vii) complete or provide for the completion of both the Private Enhancements to the 601-Buildings and the Public Enhancements to the 601 Buildings at a reasonable cost in order to make said buildings tenant ready; (viii) complete or provide for the completion of the necessary conversion of the steam heating system in the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings to a heating source that is more economical, all at a reasonable cost; and (ix) complete or provide for the completion of any additional steps necessary to successfully accomplish the overall Whitaker Park Development Project as described herein.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and City Council: (i) that the City has a critical need to engage in the subject capital improvement project by acquiring the

necessary Real Estate Interest and improvements to enhance and upgrade its water, sewer and road systems, (ii) that the Public Enhancements to the 601 Buildings and other buildings in the park are essential to addressing the City's critical need to make available, on the north side of town, tenant ready space/buildings for job creating companies that will spur economic development and growth as described herein; and (iii) that G.S. 143-128.1C is the most appropriate statute pursuant to which to address the critical needs identified herein.

**BE IT FURTHER RESOLVED**, that the purchase price for the Real Estate Interest, the work associated with the City's Infrastructure and the Developer Loan shall not exceed \$4 million, which is the total amount allocated by the City to the project described herein.

**BE IT FURTHER RESOLVED**, that City staff is hereby directed to undertake the necessary steps to prepare and publish the request for qualifications, the notices and the terms of the proposed development contract pursuant to G.S. 143-128.1C for City Council's consideration following a public hearing in accordance with said statute.

This Resolution shall become effective upon adoption.

# EXHIBIT A

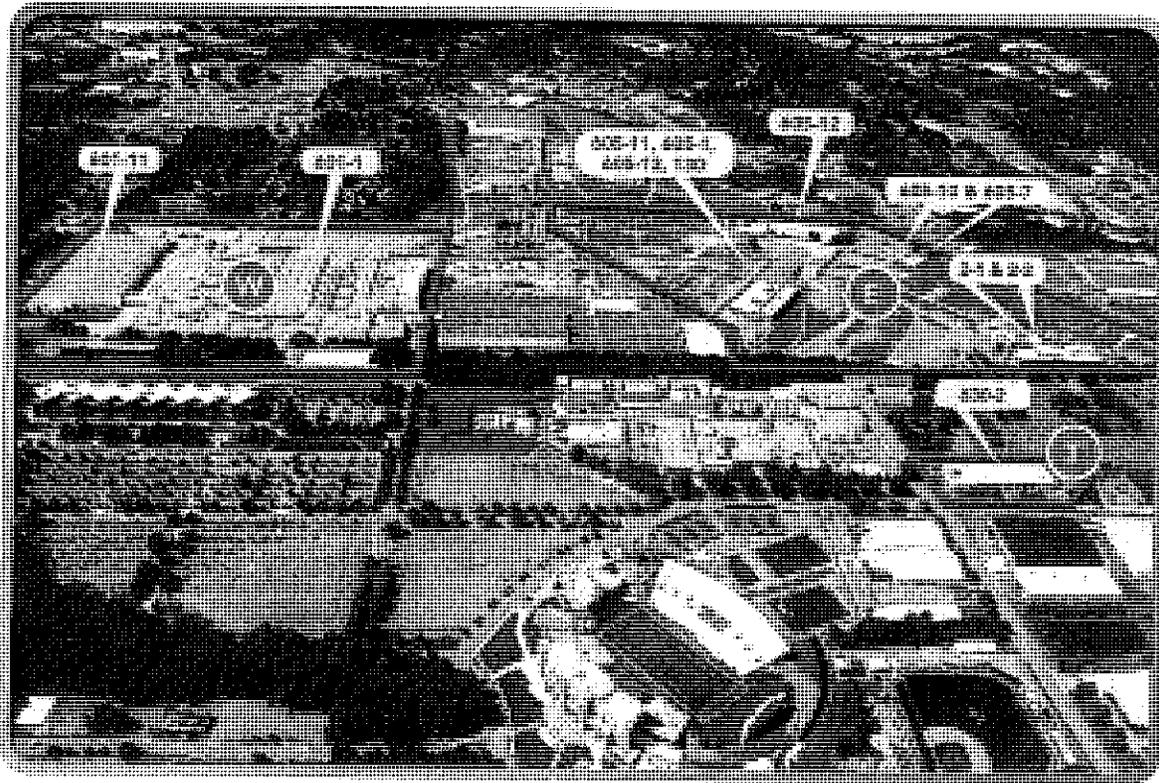


Whitaker Park Master Plan - Existing Conditions



WALTER  
ROBB  
CALLAHAN  
& PIERCE

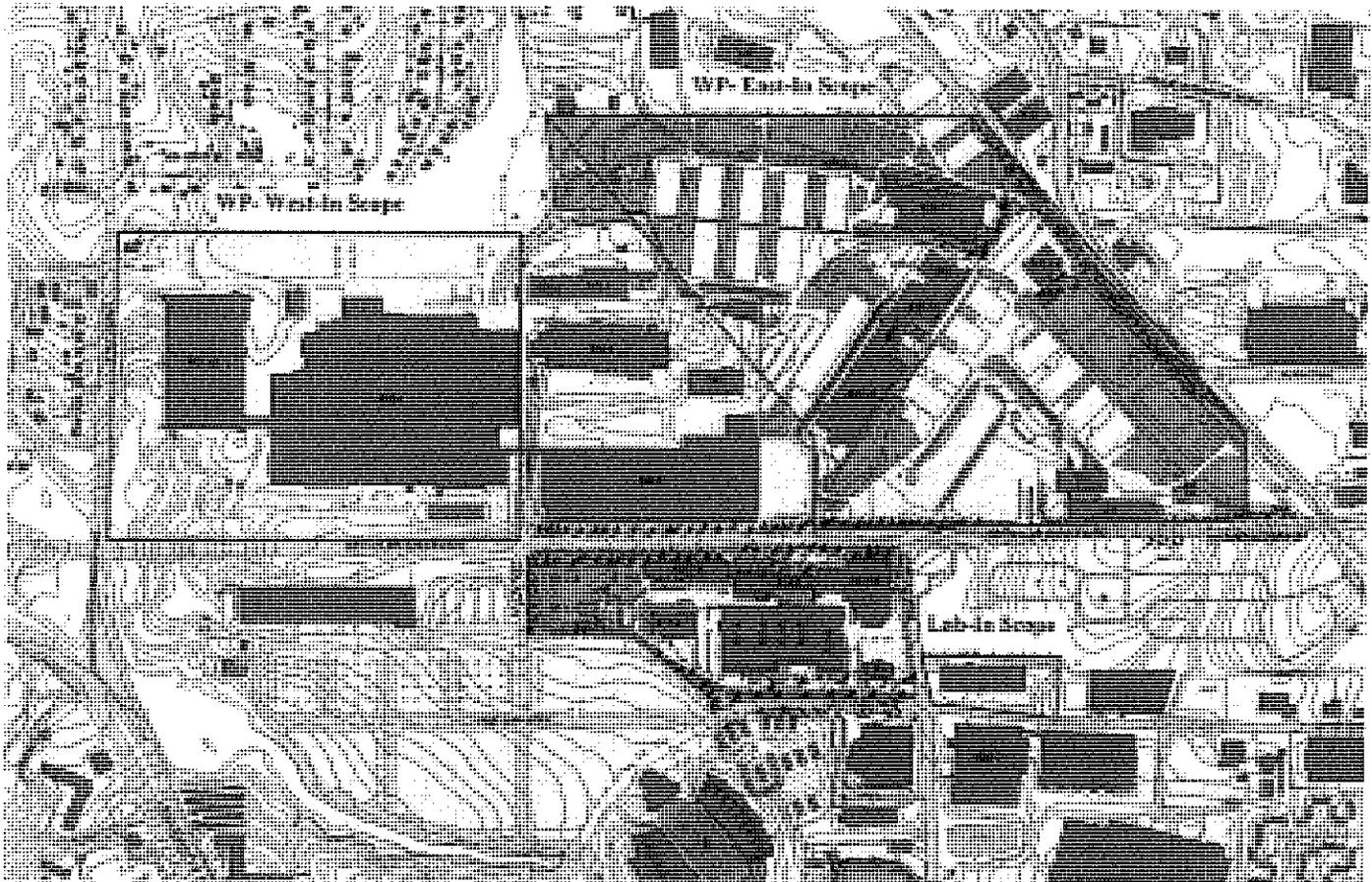
EXHIBIT B



**WHITAKER PARK**

*(Available Summer of 2016)*

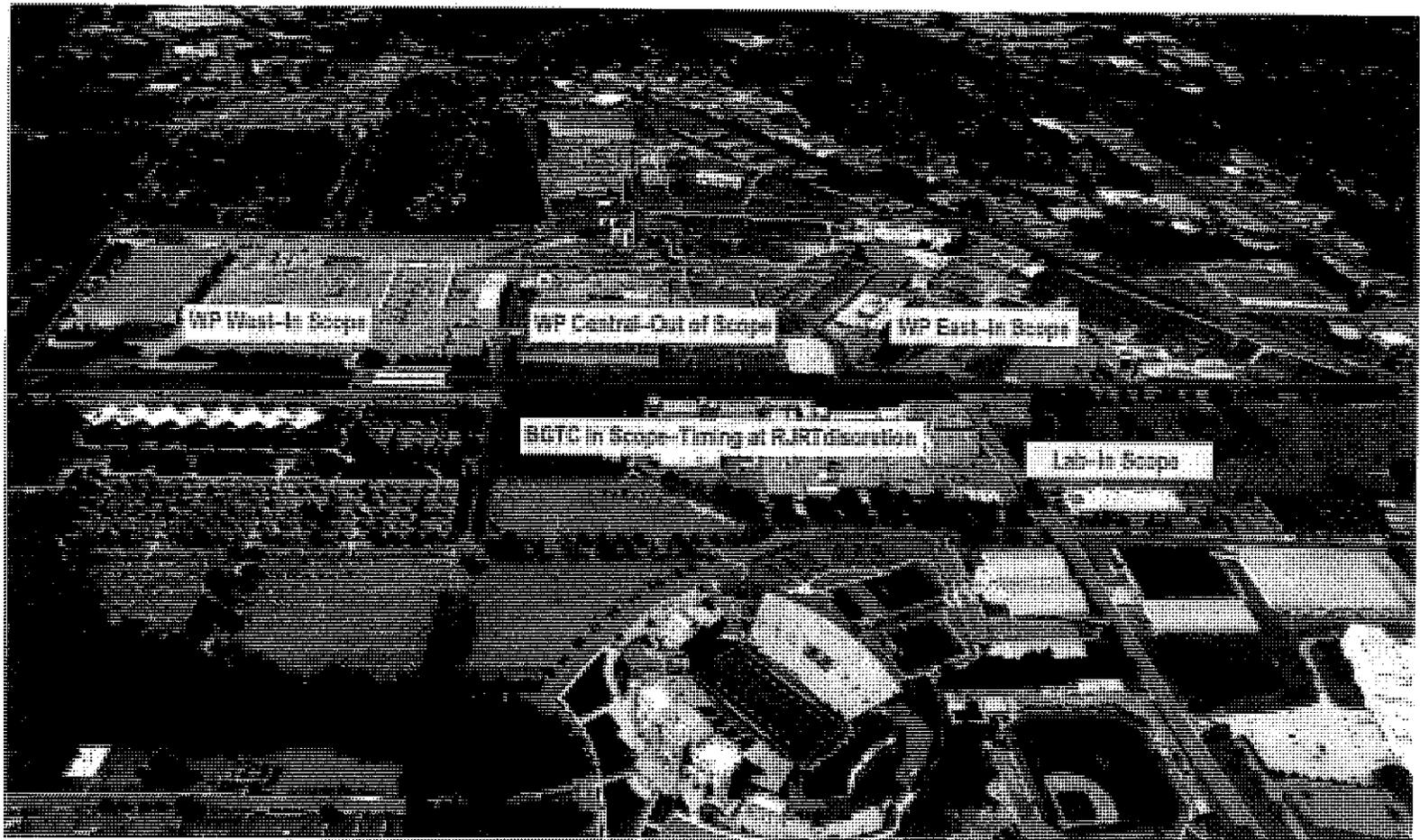
<b>W</b>	<b>Whitaker Park West</b>	AVAILABLE SQ. FT.
	BUILDINGS: 601-1: Manufacturing	851,250
	601-11: Export and Surplus Mach. Storage	426,800
<b>E</b>	<b>Whitaker Park East</b>	AVAILABLE SQ. FT.
	BUILDINGS: 605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
	605-12: Export Central Flavor & Adhesive	95,000
	2-1 & 2-2: Product Recovery	215,325
	605-11, 605-1, 605-13, 130	248,513
<b>T</b>	<b>Toxicology Lab</b>	AVAILABLE SQ. FT.
	BUILDING: 630-2: Toxicology	50,000



<i>Lab-In Scope</i>	<b>Available Sq. Ft.</b>
630-2: Toxicology	50,000
	*Available Spring of 2015

<i>West-In Scope</i>	<b>Available Sq. Ft.</b>
601-1: Manufacturing	851,250
601-11: Export and Surplus Mach. Storage	426,800
	*Available Summer of 2016

<i>East-In Scope</i>	<b>Available Sq. Ft.</b>
605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
605-12: Export Central Flavor & Adhesive	95,000
2-1 & 2-2: Product Recovery	215,325
605-11, 605-1, 605-13, 130	248,513
	*Available Summer of 2016



**EXHIBIT B  
COPY OF NOTICE OF REQUEST FOR QUALIFICATIONS**

Class C RV 31K miles, garage-  
ed, 31ft, sleeps 8, 1 slide, 1  
owner, lots of storage, 4 KW  
gen, Ford E-450 V-10, Q bed,  
tinted thermal windows,  
awning, no smoking, no pets,  
exterior entertainment center  
& wash station, \$34,500.  
Call 336-789-1866.

**FLEETWOOD JAMBOREE GL**  
2006, Class C RV, 22,200mi,  
31ft, LR area slide, Ford E450,  
Queen bed, no smoke, satel-  
lite dish, new 4K gen., digital  
TV, OS ent. ctr, sleeps 8, MT  
Air-located, \$34,000, 336-710-  
7088

**AUTOMOTIVE**

**Antique & Classic Vehicles**  
1983 Mercedes Benz 380SL  
Convertible, Dark Blue,  
Both Tops, AM/FM Cass CD,  
Numerous Upgrades,  
VGC, \$7,500 OBO  
Call for Details 336-399-1117  
or 336-922-3609

**Automobiles for Sale**

**2014 Ford Focus**  
#T144866A \$10,991  
**Parkway Ford 724-5921**

**FORD MUSTANG 1991, 347cu.**  
inch, many extras, list is  
avail., \$6200. 336-972-4531

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**RARE FIND**

Showroom Condition / Like  
New, Garage Kept. All Acces-  
sories Incl. white leather inter-  
ior, special sound system &  
Air-Ride Suspension. 107K  
highway miles, \$4,500.  
Call: 336-766-4802

**PLACEMENTS**

9, Kernersville, NC 27284  
e-based Apts. for the Elderly has  
ual gross income cannot exceed  
be at least 2 occupants to qualify.  
pils on-site Manager,  
or. Makly Van transportation to  
3 Centers. Office Hours 8:30-  
5-2905



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Toll-free in North Carolina

**Legal**

**LEGAL NOTICES**

**Legal Notices**

**CITY OF WINSTON-SALEM**

**NOTICE TO DEVELOPERS/  
REQUEST FOR  
QUALIFICATIONS**

**Whitaker Park Public-  
Private Development Project**



The purpose of this Notice to Devel-  
opers and Request for Qualifications  
is to advise developers that the City  
of Winston-Salem is seeking propos-  
als for the development of Whitaker  
Park ("Park") in the North Ward of  
the City of Winston-Salem. The de-  
veloper will be responsible for con-  
verting the buildings and land within  
the Park into a mixed use develop-  
ment with manufacturing, distribu-  
tion, research and development, re-  
tail, services and residential uses.  
The developer will be responsible for  
constructing and installing the re-  
quired public infrastructure includ-  
ing water and sewer lines and ex-  
tending the road system for better  
connectivity in and around the Park.  
To receive the complete Notice and  
Request for Qualifications docu-  
ment, please contact Assistant City  
Manager Derwick Paige at DerwickP  
@cityofws.org or 101 N. Main  
Street, Suite 170, Winston-Salem,  
N.C. 27101 or access the City's web-  
site at www.cityofws.org. Type in  
the word "bids" in the search box  
and click the purchasing link. Pro-  
posals are due by noon Friday, April  
29, 2016.

WSJ: April 14, 2016

submit a Social Security Act Section  
1115 Demonstration for the Medic-  
aid and N.C. Health Choice plans  
(Medicaid reform waiver applica-  
tion). Public comments are being ac-  
cepted during the federally requir-  
ed comment period from March 7  
through 11:59 p.m. on April 18, 2016.  
Input will be reviewed and consid-  
ered by the Department to help fi-  
nalize the waiver application for sub-  
mission to the Centers for Medicare  
& Medicaid Services by June 1, 2016.

The Department has added a dial-in  
option for one additional public hear-  
ing scheduled April 18, 2016. Below  
is information on this option and for  
the remaining public hearings:

April 14, 2016: 2 p.m. - 4 p.m.  
Greenville Convention Center,  
Emerald Ballroom, 303 SW Green-  
ville Boulevard, Greenville, NC 27834

April 16, 2016: 10 a.m. - 12 p.m.  
College of The Albemarle, AE 208,  
1208 N. Road Street, Elizabeth City,  
NC 27909

April 18, 2016: 3:30 p.m. - 5:30 p.m.  
DIAL IN ADDED - See below  
UNC-Pembroke, Moore Hall Auditor-  
ium, 1 University Drive, Pembroke,  
NC 28372-1510  
To listen or participate in the April  
18 session by telephone:

- Dial 1-888-588-9008 and when asked, enter conference room number 780073199#.
- Instructions to comment by telephone will be provided during the public hearing and also are available on the Medicaid Reform website at www.ncdhhs.gov/nc-medicaid-reform.

In addition to the public hearings,  
Comments can be submitted:

- Online at the N.C. Medicaid Reform website at <http://www.ncdhhs.gov/nc-medicaid-reform/medicaid-reform-comment-submission-form>
- By email to [MedicaidReform@dhs.nc.gov](mailto:MedicaidReform@dhs.nc.gov)
- By phone at (919) 855-3470
- By mail to Division of Health Benefits, North Carolina Department of Health and Human Services, 2501 Mail Service Center, Raleigh, NC 27699-2501
- In person at North Carolina Department of Health and Human Services, 101 Blair Drive, Raleigh, NC 27603

The North Carolina Department of Health and Human Services (DHHS).

The documents are online at [www.DOT.CITYOFWS.ORG](http://www.DOT.CITYOFWS.ORG) and [www.hpdot.net/hpmpo/](http://www.hpdot.net/hpmpo/) and at public libraries in Forsyth County and King, each municipal town hall, the N.C. DOT office at 375 Silas Creek Parkway, the Winston-Salem Department of Transportation, Room 307, 100 E. First St., Winston-Salem and the High Point Department of Transportation, 211 South Hamilton Street, High Point. Si tiene preguntas o necesita ayuda en español/acerca de este documento puede llamar a David Avalos al 336-747-6831.

**ONLY WRITTEN COMMENTS WILL BE RECEIVED. COMMENTS MUST BE RECEIVED BY 5 P.M. FRIDAY, MAY 13, 2016.**

Mail, e-mail or fax comments to:  
Fredrick Halth  
Winston-Salem DOT  
P.O. Box 2511  
Winston-Salem, NC 27102  
E-mail: [fredrickh@cityofws.org](mailto:fredrickh@cityofws.org)  
Fax: (336) 748-3370

The Winston-Salem Urban Area Metropolitan Planning Organization (MPO) does not exclude partici-  
pation or discriminate in any program or activity receiving Federal assis-  
tance on the grounds of race, color,  
national origin, sex, age, or disabili-  
ty.

Any person who believes they have  
been aggrieved by an unlawful dis-  
criminatory practice regarding the  
Winston-Salem Urban Area MPO  
programs has a right to file a formal  
complaint with Angela Carrion, City  
Attorney, City of Winston-Salem,  
P.O. Box 2511, Winston-Salem, NC  
27102, within one hundred and  
eighty (180) days following the date  
of the alleged discrimination occur-  
rence.

WSJ: April 14, 2016

Newspaper Classified  
advertising is the principal  
shopping medium for home  
buyers. An overwhelming  
number of recent buyers - 83%  
- used newspaper classified  
while shopping for a home. And  
58% of all recent home buyers  
made a call to a broker or  
visited an open house because  
of a newspaper classified ad.  
No other medium delivers  
that kind of response.

Call 727-7425 or 727-7426

yourwinc.com with the subject line:  
LOI-CEI-EB-5529 or from NCDOT  
website. Submission deadline is April  
29, 2016.  
For additional information, please  
contact Yacklinville Town Hall at  
336.679.8732.  
WSJ: April 7, 14, 2016

**Notice to Creditors**

**ADMINISTRATOR'S  
NOTICE**

Having qualified as Administrator of  
the ESTATE OF ANTHONY MAACK  
GROCE, late of Yadkin County, North  
Carolina, this is to notify all persons,  
firms and corporations having claims  
against the estate to exhibit the  
same to the undersigned or be-  
fore July 1, 2016. Or this notice will  
be pleaded in bar of their recovery.  
All persons indebted to said estate  
should make immediate payment.

This 31st day of March, 2016.

Cornelia Lynn Groce, Administrator  
C/o J. Gregory Matthews  
Attorney at Law  
P. O. Box 937  
Yadkinville, NC 27055  
(336)849-0196

WSJ: March 31, April 7, 14, 21, 2016

**ADMINISTRATOR'S  
NOTICE**

Having qualified as Administrator of  
the ESTATE OF CURELY BAXTER  
WILLER, late of Yadkin County,  
North Carolina, this is to notify all  
persons, firms and corporations  
having claims against the estate to  
exhibit the same to the undersigned  
on or before July 1, 2016, or this  
notice will be pleaded in bar of their  
recovery. All persons indebted to  
said estate should make immediate  
payment.

This 31st day of March, 2016.

Stephanie Trivette, Administrator  
C/o J. Gregory Matthews  
Attorney at Law  
P. O. Box 937  
Yadkinville, NC 27055  
(336)849-0196

WSJ: March 31, April 7, 14, 21, 2016

To find the right job for your  
skills check the Classified ads

**Local Dec**

**JO**

Receiving a FREE Yard Sale

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**Yard & Estate Sale**

**20,000+ Books, DVD**

**75 categories,**  
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All proceeds benefit  
New Central Librar  
Flr. 3-7, Sat. 9-5;  
Sun. 1-5  
(Bag of Books-\$5)  
590 N. Mars Hall St  
Corner of 6th & Mars  
W-5-27101.  
Email: [friendsocentri@library@gmail.com](mailto:friendsocentri@library@gmail.com)

More Real Estate is sold th  
Classified than any other m

**CITY OF WINSTON-SALEM****NOTICE TO DEVELOPERS/REQUEST FOR QUALIFICATIONS****Whitaker Park Public-Private Development Project**

The purpose of this Notice to Developers and Request for Qualifications is to advise developers that the City of Winston-Salem is seeking proposals for the development of Whitaker Park (“Park”) in the North Ward of the City of Winston-Salem. The developer will be responsible for converting the buildings and land within the Park into a mixed use development with manufacturing, distribution, research and development, retail, services and residential uses. The developer will be responsible for constructing and installing the required public infrastructure including water and sewer lines and extending the road system for better connectivity in and around the Park. To receive the complete Notice and Request for Qualifications document, please contact Assistant City Manager Derwick Paige at [Derwickp@cityofws.org](mailto:Derwickp@cityofws.org) or 101 N. Main Street, Suite 170, Winston-Salem, N.C. 27101 or access the City’s website at [www.cityofws.org](http://www.cityofws.org). Type in the word “bids” in the search box and click the purchasing link. Proposals are due by noon Friday, April 29, 2016.

**CITY OF WINSTON-SALEM  
NOTICE TO DEVELOPERS AND REQUEST FOR QUALIFICATIONS  
FOR THE WHITAKER PARK PUBLIC-PRIVATE DEVELOPMENT  
PROJECT**

PROJECT BACKGROUND AND SCOPE OF WORK DESIRED

The City of Winston-Salem (“City”) has identified a critical need to encourage and promote economic development and job creation on the north side of Winston-Salem while simultaneously addressing the City’s critical need to extend and enhance its infrastructure, including water, sewer and public roads in that same area. The City has identified prime land on the north side of Winston-Salem that will provide an excellent opportunity for the City to address this critical economic development and job creation need while addressing the City’s critical infrastructure needs. The land that the City has identified for addressing these critical needs is located within Whitaker Park.

Whitaker Park is currently owned by RJ Reynolds Tobacco Company (“Reynolds”); however, Reynolds is preparing to dispose of a portion of Whitaker Park consisting of 120 acres of prime commercial and industrial land along with buildings totaling 1.7 million square feet with an ad valorem tax value in excess of \$30 million (“Whitaker Park”) to a developer to acquire and invest at least \$8 million to re-purpose said Park.

The overall plan is to convert the buildings and land within Whitaker Park into a mixed use development park with manufacturing, distribution, research and development, retail, services and residential uses that will make Whitaker Park a model for successfully and effectively re-purposing property and combining multiple uses to enhance the economic vitality of the City and the quality of life of its residents (“Whitaker Park Development Project”).

In order for the City to address the aforementioned critical infrastructure needs on the north side of the City, the City will need to acquire the real estate interests in Whitaker Park necessary for the City to own and install and, where existing, renovate, upgrade, extend and enhance the water, sewer and road systems therein in an overall effort to provide utility and transportation connectivity to and through the Park which will ultimately provide enhanced infrastructure and economic stability to the area.

The initial phase of the Whitaker Park Development Project involves: (1) transferring title and interest in land to the City (“Real Estate Interest”) for utility (water and sewer) and road purposes (“City Infrastructure”) and performing any work in repairing, enhancing, constructing, extending and updating said City Infrastructure, where required; (2) completing renovations, equipment and fixture installations, system upgrades and up-fits (collectively “Renovations”) to Buildings 601-1 and 601-11 within Whitaker Park (“601 Buildings”) as well as any additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings; and the 2-1 and 2-2 Buildings.

More specifically, such Renovations include: (i) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (ii) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (iii) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (iv) renovating the single tenant space in the 601 Buildings into facilities that will accommodate multiple tenants; (v) repairing or replacing, as necessary, the roofs on the 601 Buildings and (vi) such additional work necessary to facilitate the occupancy of the 601 Buildings. An additional aspect of the project includes the conversion of the steam heating system in the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings to a heating source that is more economical.

The selected developer must have the capacity to undertake the work described herein and depicted in Exhibits A and B attached to the Council adopted resolution and must either own or have the ability to effectuate the transfer of the Real Estate Interest desired by the City to enable the City to address its critical need to own and enhance its water, sewer and road systems and to facilitate the construction, renovation, repair, extension and enhancement of the same. The selected developer must have the capacity to undertake the work required on the 601 Buildings, and execute and convey to the City a Security Interest, satisfactory to the City, in one or more of the 601 Buildings, as collateral for a Developer Loan (“City’s Security Interest”).

The selected developer must agree to provide for repayment, in full, of the Developer Loan upon the sale of either of the 601 buildings or if the 601 Buildings are subject to a lease, provide the City with an agreed upon percentage of the lease payments after reasonable deductions for expenses including any maintenance reserve. The developer shall have the right to prepay the Developer Loan in full or in part at any time without penalty. Unless sooner repaid in full, the Developer Loan shall be repaid in full not later than ten (10) years after the date such loan is made.

The selected developer must have the capacity to undertake additional construction and renovation projects as may be required by the public-private partnership in the future. The selected developer may perform a portion of the construction or design work only if both of the following criteria apply: (1) the previously engaged contractor defaults, and a qualified replacement contractor cannot be obtained after a good faith effort has been made in a timely manner; and (2) the City approves the private developer to perform the work.

#### REQUIRED QUALIFICATIONS, SELECTION CRITERIA AND APPROVAL PROCESS

Developers submitting qualifications in response to the City’s request for qualifications must:

- (1) Provide evidence of financial stability. The information shall be considered a public record unless the same qualifies as a trade secret as defined in G.S. 66-152(3) and is exempt from disclosure pursuant to Chapter 132 of the North Carolina General Statutes. The developer must be able to provide fifty (50%) of the financing for the total cost necessary to deliver the capital improvement project. Such financing cost can take into

consideration the value of land and improvements the developer contributes towards the public-private partnership;

- (2) Include a description of the developer's experience with similar projects. Such experience may include that of the separate conglomerates or affiliates that comprise the development entity. The City desires a not-for-profit developer devoted to economic development and that has or is able to establish that it or its conglomerates have a track record of re-purposing facilities, developing business parks, attracting and relocating businesses to Winston-Salem and helping spur economic development and related activity;
- (3) Include an explanation of the project team selected by providing a list of licensed contractors, licensed subcontractors and licensed design professionals who the developer proposes to use for the project's design and construction or providing a statement outlining the strategy for open contractor and subcontractor selection based upon the provisions of G.S. 143-128.1C;
- (4) Include a statement of availability and capacity to undertake the public private project described herein at a reasonable cost and the projected time line for project completion;
- (5) Own or have the ability to acquire, in fee simple, the property necessary for the public infrastructure improvements and to transfer title and ownership of the same to the City;
- (6) Have the capacity to acquire, in fee simple, the land and buildings necessary complete the project;
- (7) Have the capacity to obtain and convey to the City the unencumbered ownership interest defined herein and provide the City with a reasonable rate of return as described herein;

The developer selected by the City must have the qualifications and demonstrate the competence required herein. Once a developer has been selected, the City will enter into contract negotiations with that developer; and, as part of that negotiation process, will determine a fair and reasonable cost associated with the public-private partnership project. The City reserves the right to terminate negotiations with the selected developer and proceed to negotiate with any other developer submitting qualifications.

The selected developer and the development contract must be approved by the Winston-Salem City Council through a public hearing process as set forth in G.S. 143-128.1C. Notification and advertisement of the proposed terms of the development contract and other items in a newspaper having general circulation within Forsyth County will be provided at least 30 days prior to the hearing date as required by G.S. 143-128.1C. The actual development contract proposed for approval at the public hearing will be made available in the City Secretary's Office located in Suite 140, City Hall, 101 North Main Street, Winston-Salem, N.C. 27101.

## REQUIRED DEVELOPMENT AND CONSTRUCTION CONTRACT PROVISIONS

The development contract with the selected developer will require the City and the developer to use the same contractor for construction of the public-private project defined herein and in the development contract. The construction contract between the successful developer and the contractor shall include provisions that assure the City that: (1) the public infrastructure and public facilities to be constructed, reconstructed, repaired, upgraded, extended or renovated will be completed for a reasonable price; and (2) that any apparatus, supplies, materials and equipment to be purchased will be purchased at a reasonable price.

The development contract must include the total anticipated amount of the construction contract(s) and the developer must certify said amount as being a good faith projection of its total costs for designing and constructing the improvements. The development contract will require the selected developer and its contractors to make a good-faith effort to comply with G.S. 143-128.2, G.S. 143-128.4 and to recruit and select small business entities.

The development contract with the selected developer will require compliance with the bonding provisions and the additional requirements as set forth below and in accordance with G.S 143-128.1C:

- (1) A payment bond in the amount of one hundred percent (100%) of the total anticipated amount of the construction contracts to be entered into between the private developer and the contractors to design or construct the improvements required by the development contract. The payment bond will be conditioned upon the prompt payment for all labor and materials for which the developer or one or more of its contractors or those contractor's subcontractors are liable. The payment bond shall be solely for the protection of the persons furnishing materials or performing labor or services for which the developer or its contractors or subcontractors are liable. The payment bond must be executed by one or more surety companies legally authorized to do business in the State of North Carolina and shall become effective upon the awarding of the development contract. The payment bond shall be in the form required by G.S. 143-128.1C and shall not include any provisions prohibited by said statute.
- (2) The development contract shall identify the City's property interest and that of the selected developer in the project.
- (3) The development contract shall identify the responsibilities of the City and the developer in the project.
- (4) The development contract shall identify the responsibilities of the City and the developer with respect to financing the project.

FORMAT FOR SUBMISSION

All responses to this Request for Qualifications shall be limited to thirty (30) pages including the cover sheet. Proposals containing more than 30 pages will not be considered. In order to reduce printing costs and to facilitate recycling, you may submit electronic copies in PDF format prior to the deadline. The PDF copy should be e-mailed to: [Derwickp@cityofws.org](mailto:Derwickp@cityofws.org) Responses to the Request for Qualifications must be submitted to the City by noon, April 29, 2016. Responses submitted after this deadline will not be considered.

Firms submitting responses are encouraged to carefully check them for conformance to the requirements stated above. If responses do not meet these requirements, they will be disqualified. No exceptions will be granted. All questions concerning this Request for Qualifications or the scope of this work should be directed to Assistant City Manager Derwick Paige at [Derwickp@cityofws.org](mailto:Derwickp@cityofws.org) or Derwick Paige, Assistant City Manager, City of Winston-Salem, 101 N. Main Street, Suite 170, Winston-Salem, N.C. 27101. If you feel the information provided is inadequate to submit a proposal or response, please contact Mr. Paige at the email or office address above. Notification will be given to those firms not selected by e-mail.

NOTE:

The City of Winston-Salem reserves the right to reject any and all responses to its Request for Qualifications and recommence the RFQ process, if such is desired.

EXHIBIT A

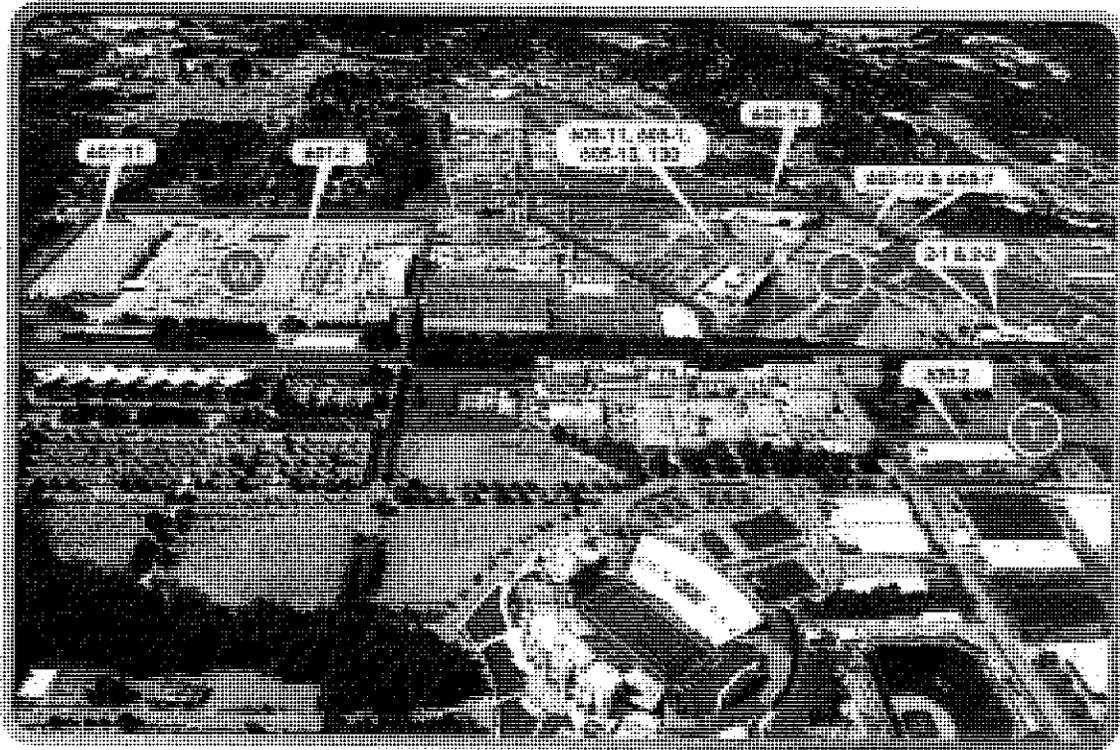


Whitaker Park Master Plan - Existing Conditions

0 300 500 1000 FT

WALTER ROBBS CALLAHAN & PIERCE ARCHITECTS

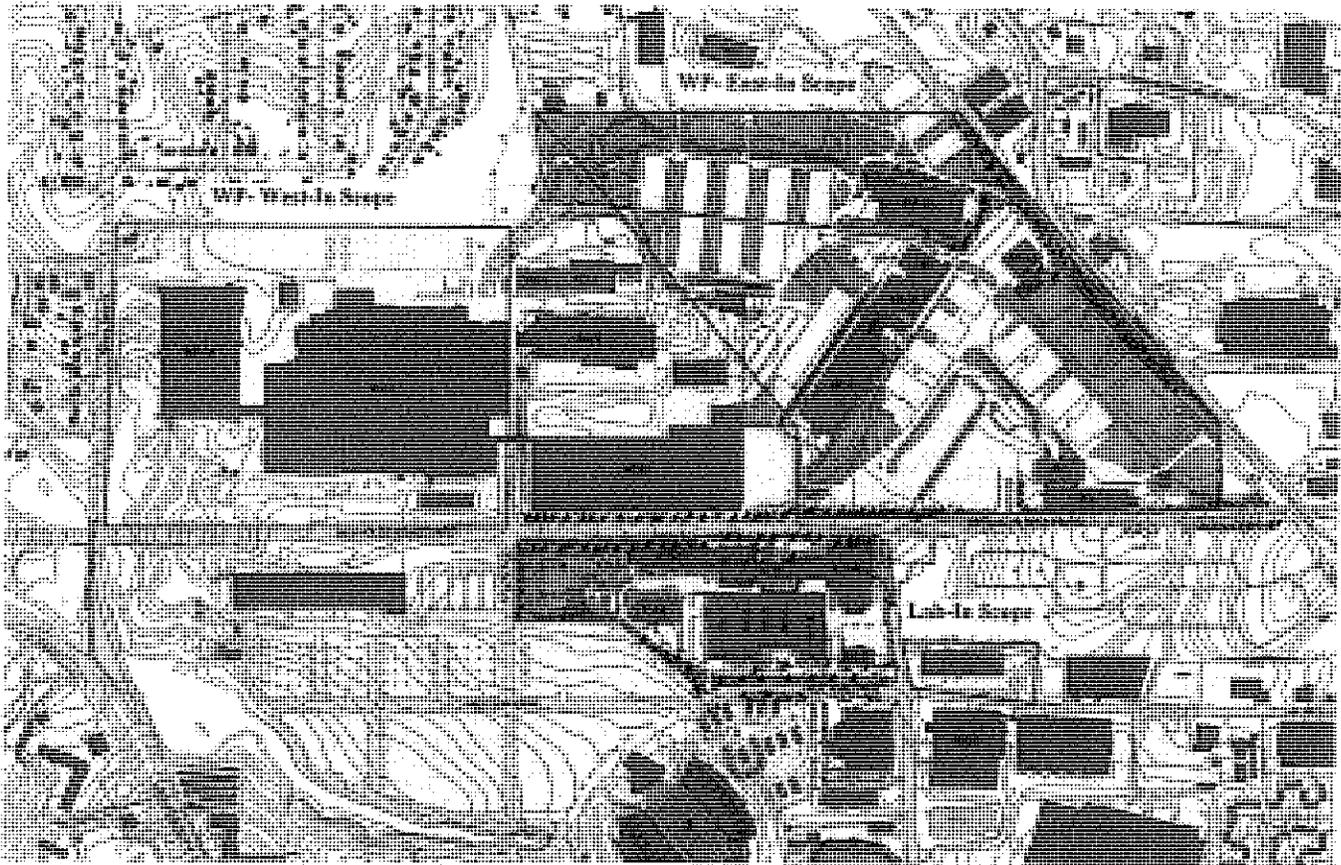
**EXHIBIT B**



**WHITAKER PARK**

*(Available Summer of 2016)*

<b>W</b>	<b>Whitaker Park West</b>	AVAILABLE SQ. FT.
	BUILDINGS: 601-1: Manufacturing 601-11: Export and Surplus Mach. Storage	851,250 426,800
<b>E</b>	<b>Whitaker Park East</b>	AVAILABLE SQ. FT.
	BUILDINGS: 605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
	605-12: Export Central Flavor & Adhesive	95,000
	2-1 & 2-2: Product Recovery	215,325
	605-11, 605-1, 605-13, 130	248,513
<b>T</b>	<b>Toxicology Lab</b>	AVAILABLE SQ. FT.
	BUILDING: 630-2: Toxicology	50,000



<i>Lab-In Scope</i>	<i>Available Sq. Ft.</i>
630-2: Toxicology	50,000

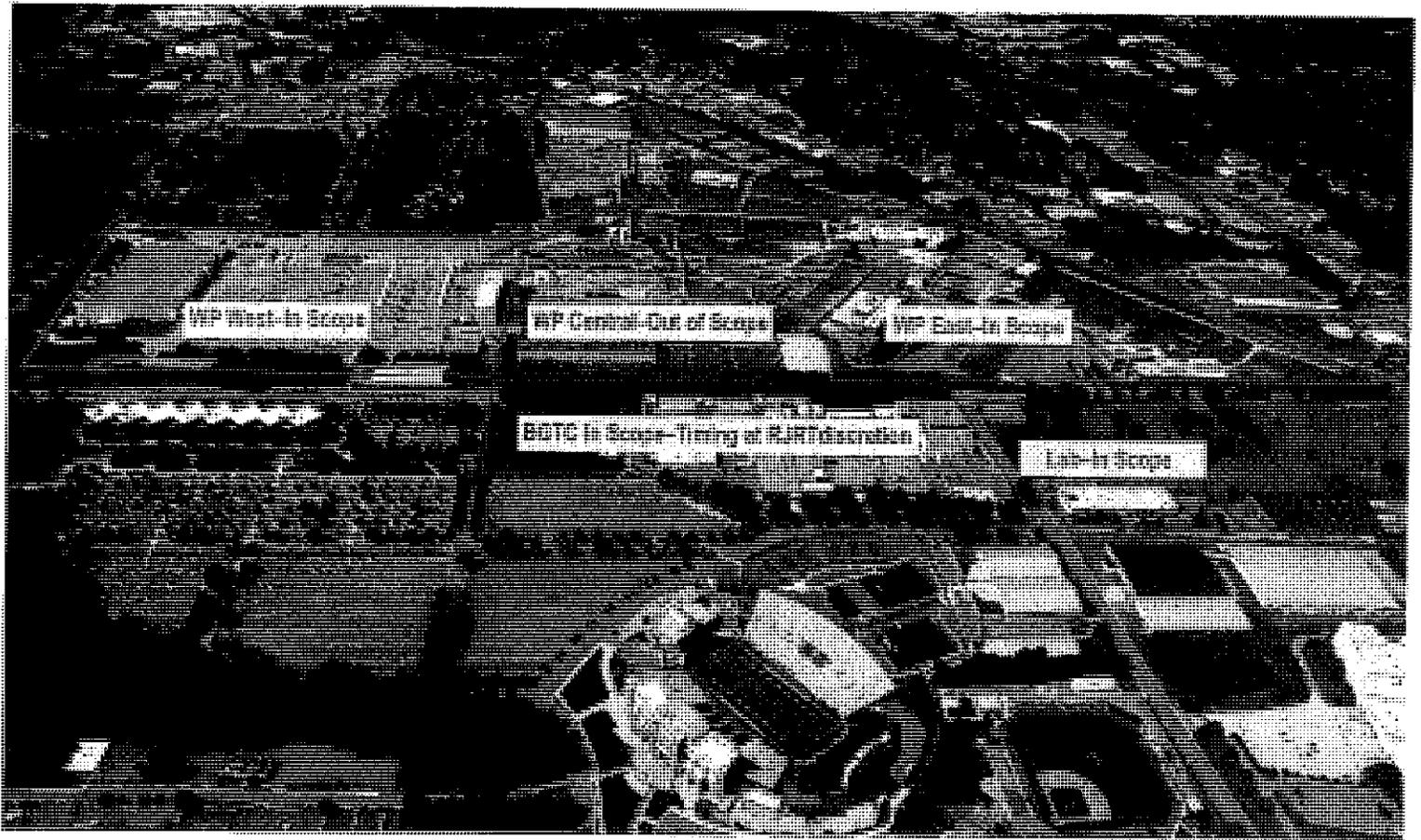
\*Available Spring of 2015

<i>West-In Scope</i>	<i>Available Sq. Ft.</i>
601-1: Manufacturing	851,250
601-11: Export and Surplus Mach. Storage	426,800

\*Available Summer of 2016

<i>East-In Scope</i>	<i>Available Sq. Ft.</i>
605-7 & 605-10: Utility Maint. & Personal Comp.	26,450
605-12: Export Central Flavor & Adhesive	95,000
2-1 & 2-2: Product Recovery	215,325
605-11, 605-1, 605-13, 130	248,513

\*Available Summer of 2016



**EXHIBIT C  
COPY OF DEVELOPER'S RESPONSE**



April 20, 2016

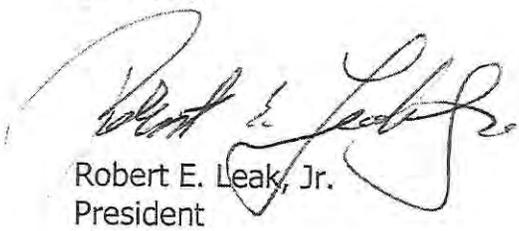
Mr. Derwick Paige  
Assistant City Manager  
City of Winston-Salem  
101 N. Main Street, Suite 170  
Winston-Salem, N.C. 27101

Dear Mr. Paige:

Please find attached a response from WPDA, Inc. regarding the City of Winston-Salem Request for Qualifications for the Whitaker Park Public-Private Development Project. WPDA, Inc. desires to be the developer of the Whitaker Park Project. WPDA, Inc. is a 501 (c)(3) economic development not-for-profit established to receive the donation of the Whitaker Park Property and to work on the re-development of the property. The qualifications of WPDA, Inc. are attached to this letter.

Please let me know if you have any questions or need any additional information. WPDA, Inc. looks forward to working closely with the City of Winston-Salem on this exciting project.

Sincerely,



Robert E. Leak, Jr.  
President

Attachments

## **City of Winston-Salem Request for Qualifications for the Whitaker Park Public-Private Development Project**

### **Proposal**

WPDA, Inc. is please to submit its qualifications to the City of Winston-Salem (the City) for the Whitaker Park Public-Private Partnership. The City of Winston-Salem desires to partner with a not-for-profit economic development company (the Developer) to assist in the re-purposing of a portion of the Whitaker Park Manufacturing Complex. This complex, currently owned by RJ Reynolds, consists of over 1.7 million square feet of space and approximately 120 acres of developable land (Exhibit 1) (the Project). WPDA, Inc. wants to be the development partner, with the City of Winston-Salem on this project.

### **Whitaker Park**

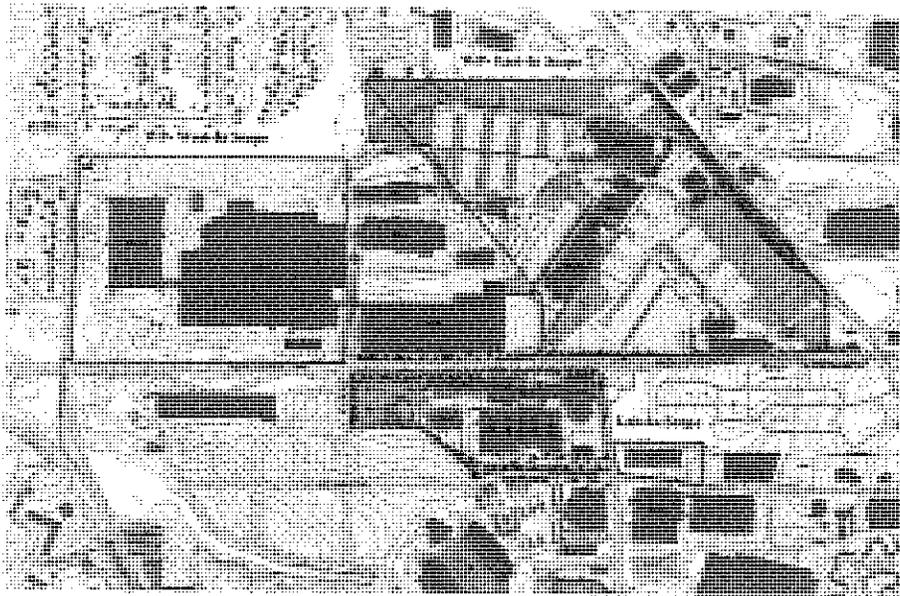


Exhibit 1

### **Background**

WPDA, Inc. is a 501 (c)(3) not-for-profit economic development corporation established in 2011 for the purpose of receiving title to buildings and land that RJ Reynolds wishes to dispose of at Whitaker Park. The company was founded by Wake Forest University (WFU), the Winston-Salem Alliance (the Alliance) and Winston-Salem Business Inc. (WSBI). WPDA, Inc. plans to



assist in the re-development of the Whitaker Park Complex into a mixed use economic development project. WPDA, Inc. is managed by an eleven (11) member board of directors that includes members from WFU, the Alliance, WSBI, the City and Forsyth County (Exhibit A).

Plans are for the re-developed project to consist of a mix of light industrial, distribution, office, residential, retail and services businesses. The goal of the re-development is to create new jobs for the citizens of Winston-Salem and to expand the area’s tax base while improving the quality of life in the area. WSBI has economic development as their mission and has worked on a number of economic development projects throughout Winston-Salem for the past 28 years. WPDA, Inc. has partnered with WSBI to assist in the design, re-development and marketing of the Project.

Upon the donation of the buildings and land by RJ Reynolds, expected in 2017, WPDA, Inc. will own the property in fee simple. The Developer will entertain transferring title and interest in the land to the City for the necessary public infrastructure improvements including, but not limited to, water, sewer, roads, sidewalks, storm water and green space (Exhibit 2).

**Public Utility Plan**

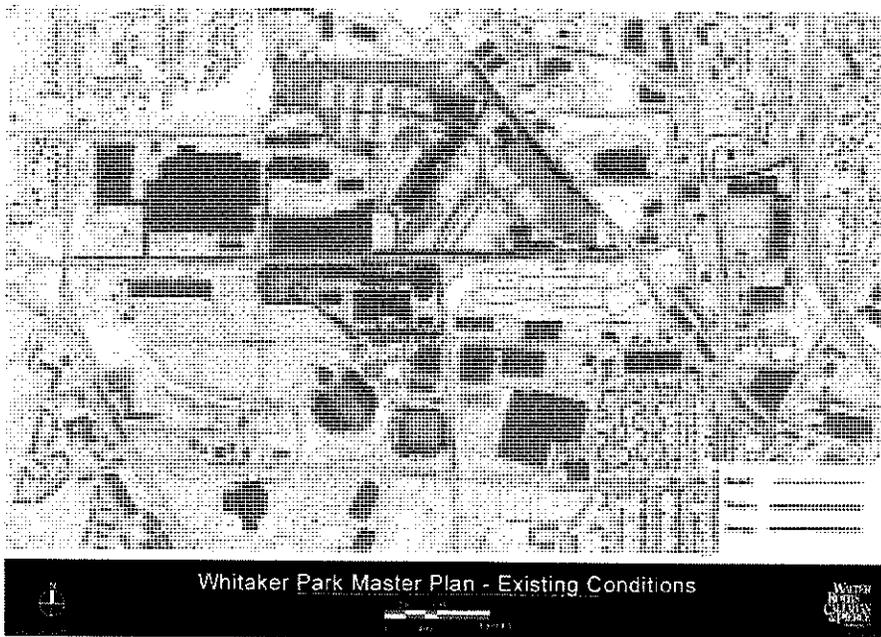


Exhibit 2

## Selection Criteria

The City will select a developer based on the following criteria:

### 1. Evidence of Financial Stability

WPDA, Inc. is financially stable and has the financial capability to enter into the Project. Upon the donation by RJ Reynolds, WPDA will have an asset with an ad valorem tax value in excess of \$30 million. The Developer plans to provide a portion of this asset to the partnership.

### 2. Developer's Experience

As stated above, WPDA, Inc. has partnered with WSBI to assist in the re-development of the Project. WSBI, established in 1987, has been responsible for economic development in Winston-Salem and Forsyth County, including marketing, client servicing, real estate management and development and targeting. Since 1987, WSBI has been involved in the expansion or relocation of:

- 145 companies
- \$1.7 billion in new tax base
- 16,592 new jobs

WSBI and its sister company Forsyth County Development Corporation (FCDC) have also been responsible for the development of two business Parks:

**Centre 311** – a 150 acre industrial park located on the southeast side of Winston-Salem. Centre 311 is home to such companies as Corning Cable, Tarheel Paper, Krispy Kreme, Gallins Vending and more. This project was developed in partnership with the City of Winston-Salem and Forsyth County. FCDC also developed a 75,000 square foot spec building in this park for the purpose of attracting new businesses to the City.

**Union Cross Business Park** – this 403 acre business park is located off of Union Cross Road in Southeast Winston-Salem. This joint venture between the City, County and WSBI is currently home to Liberty Hardware, The Clearing House, Bekaert Textiles, EWI, Inc., MOM Brands, Pepsi, United Guaranty, Atlantic Coast Toyota Lift, Stylecrest, Waste Management, Polyvlies and GemAire Distributors.



**Winston-Salem Business Site** – WSBI purchased a 100 acre site from Dell in 2013. This site has been certified for light industrial use and food manufacturing. WSBI is currently partnered with a private developer to develop approximately 1 million square feet of space on this site.

**3. Project Team**

WPDA has engaged two former RJ Reynolds Engineers to assist with this project. Both engineers have extensive knowledge of the Whitaker Park Property. They will advise the WPDA Board on required improvements to the Project. WPDA also plans to utilize numerous licensed contractors, licensed subcontractors and licensed design professionals on the Project. No contractor has been selected for the project at this time. WPDA will engage an engineering consulting firm to determine the required infrastructure and facility changes and improvements that will be necessary for the Project. WPDA will work with the City/County Utility Department and the City of Winston-Salem staff to upgrade and install new water and sewer lines. WPDA recognizes that the City requires an open contractor and sub-contractor selection based on G.S. 143-128.1C and WPDA will work within the guidelines of this statute to select contractors and sub-contractors for this Project.

**4. Statement of Availability and Capacity**

The Whitaker Park Project will have numerous public/private improvements necessary for its success. WPDA is committed to re-developing the property and buildings at the lowest possible cost and with the shortest time frame possible. This will be accomplished by completing an overall development strategy. WPDA has already developed an initial draft development plan and it is attached as Exhibit B. The development strategy, once approved by the WPDA Board of Directors, will then be bid to qualified contractors and sub-contractors for implementation. WPDA will manage the re-development process. This should allow for the best price and the shortest time frame.

**5. Fee Simple Ownership**

WPDA will be able to provide to the City, in fee simple, the necessary property for the public infrastructure improvements. When RJ Reynolds donates the property, WPDA will be the sole owner of the property for the Project.

**6. Capacity to Acquire**

As noted above, when RJ Reynolds completes the donation of the Whitaker Park Property, WPDA will have acquired the property in fee simple. This includes the land and buildings necessary to complete the Project.

**7. Capacity to Obtain and Convey**

Once WPDA obtains the property from RJ Reynolds, WPDA will be able at an appropriate time, to convey to the City the unencumbered ownership interest required in this proposal. WPDA will agree to provide to the City a reasonable rate of return on their investment in the Project.

**Contract Development**

Once selected, WPDA will work closely with City staff to develop a contract to be approved by the Winston-Salem City Council. WPDA recognizes that all contractors and sub-contractors must make a good-faith effort to comply with G.S.143-128.2 and G.S. 143-128.4 for all work done as part of this agreement. WPDA has also reviewed the additional requirements including a payment bond, identification of the City's property interest, and the responsibilities of the City and the Developer with respect to the development of financing of the Project and look forward to working with City staff to define these in the contract.



May 3, 2016, 2016

Mr. Derwick Paige  
Assistant City Manager  
City of Winston-Salem  
101 N. Main Street, Suite170  
Winston-Salem, N.C. 27101

Dear Mr. Paige:

This letter is in response to your request for additional financial information on WPDA, Inc. and our ability to be the developer of Whitaker Park with the City of Winston-Salem. As of March 31, 2016 WPDA has the following:

- \$3,208,881.34 in cash
- Full ownership of the 50,000 sq/ft WP Lab Building (approximate value \$5 million)
- \$2.3 million infrastructure grant from Forsyth County
- Expect the gift of the balance of the property to have a tax value in excess of \$30 million)

Please let me know if you have any questions or need any additional information. WPDA, Inc. looks forward to working closely with the City of Winston-Salem on this exciting project.

Sincerely,

Robert E. Leak, Jr.  
President

Attachments

**EXHIBIT D  
June 20, 2016 RESOLUTION**



**City Council – Action Request Form**

**Date:** May 25, 2016  
**To:** The City Manager  
**From:** Derwick L. Paige, Assistant City Manager

**Council Action Requested:**

Adopt Resolution Designating WPDA, Inc. as the Best Qualified Developer and Establishing A Public Hearing Date for Approval of the Public-Private Partnership Contract in accordance with G.S. 143-128.1C.

**Summary of Information:**

On March 28, 2016, City Council adopted a resolution finding there is a critical need: (i) for the City to acquire easements and rights-of-way for infrastructure (water, sewer and road) purposes and (ii) for City participation in enhancements to various buildings within the Whitaker Park Development project area utilizing its public-private partnership authority set forth in G.S. 143-128.1C, all in an effort to spur economic development.

As the next step in the process to enter into a public-private partnership for the development of Whitaker Park, the City issued a request for qualifications. Any private developer capable of undertaking the project was eligible to submit a proposal. The proposals then were evaluated based upon the private developer being in a position to: (i) acquire the necessary land in Whitaker Park for the development project, (ii) convey to the City the real estate interest (easements and rights-of-way) desired by the City for public infrastructure purposes; (iii) convey to the City a security interest in certain buildings as collateral for a City loan; (iv) undertake or cause to be completed the entire project as outlined in the resolution adopted on March 28, 2016, and the request for qualifications; (v) contribute at least fifty 50% of the financing for the total cost necessary to deliver the project; the value of the land contributed to the project by the developer may be considered as part of the developer’s contribution; and (vi) comply with the requirements set forth in G.S. 143-128.1C.

Two proposals were received from the solicitation. One proposal was submitted by Whitaker Park Development Authority, Inc. (WPDA) which is a nonprofit corporation created for economic and redevelopment purposes with representatives from Winston-Salem Business Inc., Winston-Salem Alliance, Wake Forest University, Piedmont Triad Partnership, Forsyth County, City of Winston-Salem and other at-large representation. The other proposal was submitted by

**Committee Action:**

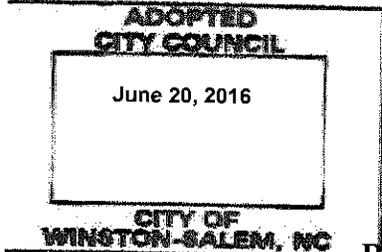
<b>Committee</b>	Finance 6/13/16	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	

**Remarks:**

Samet Corporation and Stimmel Associates PA. While the latter proposal was competitive for several of the criteria, it failed to respond to how Samet had the ability: 1) to acquire, in fee simple, the property necessary for the public infrastructure improvements and to transfer title and ownership of the same to the City; 2) to acquire, in fee simple, the land and buildings necessary to complete the Whitaker Park Development project; or 3) to obtain and convey to the City the security interest in the 601 Buildings based upon a Developer Loan.

As a result, the attached resolution designates WPDA, Inc. as the best qualified developer and authorizes, following a public hearing, the City to enter into a contract with WPDA, Inc., with terms and conditions that provide, amongst other things for: (i) the acquisition by the City of certain easements and rights-of-way for infrastructure (water, sewer and roads) that will become public infrastructure and additional land, later in the project, for open space/green space in Whitaker Park, (ii) a \$2 million dollar loan with an interest rate of at least 3% but no more than 5%, and (iii) installation, repair and upgrade of public infrastructure that is not reimbursed by the County, as further described in Exhibit A attached hereto and incorporated herein.

The attached resolution also establishes a public hearing date of August 15, 2016 for the City Council to approve the contract between WPDA and the City of Winston-Salem. Per G.S. 143-128.1C, notification and advertisement of the proposed terms of the contract must be published in a local general circulation newspaper at least 30 days prior to the public hearing date.



**D-29045**

**RESOLUTION DESIGNATING WPDA, INC. AS THE BEST QUALIFIED DEVELOPER AND ESTABLISHING A PUBLIC HEARING DATE FOR APPROVAL OF THE PUBLIC-PRIVATE PARTNERSHIP CONTRACT IN ACCORDANCE WITH G.S. 143-128.1C**

**WHEREAS**, on March 28, 2016, City Council adopted a resolution finding there is a critical need: (i) for the City to acquire easements and rights-of-way for infrastructure (water, sewer and road) purposes and (ii) for City participation in enhancements to various buildings within the Whitaker Park Development Project area utilizing its public-private partnership authority set forth in G.S. 143-128.1C, all in an effort to spur economic development; and

**WHEREAS**, the City issued a request for qualifications for any private developer capable of undertaking the project to submit a proposal outlining their qualifications; and

**WHEREAS**, proposals were evaluated based upon the private developer being in a position to: (i) acquire the necessary land in Whitaker Park for the development project, (ii) convey to the City the real estate interest (easements and rights-of-way) desired by the City for public infrastructure purposes; (iii) convey to the City a security interest in certain buildings as collateral for a City loan; (iv) undertake or cause to be completed the entire project as outlined in the resolution adopted on March 28, 2016, and the request for qualifications; (v) contribute at least fifty 50% of the financing for the total cost necessary to deliver the project; the value of the land contributed to the project by the developer may be considered as part of the developer's contribution; and (vi) comply with the requirements set forth in G.S. 143-128.1C.; and

**WHEREAS**, proposals were received and reviewed from Whitaker Park Development Authority, Inc. (WPDA) and Samet Corporation and Stimmel Associates PA; and

**WHEREAS**, based upon a review of these proposals, it is determined that WPDA is the best qualified developer for the Whitaker Park Development Project; and

**WHEREAS**, following a public hearing, the City may enter into a contract with WPDA, Inc., with terms and conditions that provide, amongst other things for: (i) the acquisition by the City of certain easements and rights-of-way for infrastructure (water, sewer and roads) that will become public infrastructure and additional land, later in the project, for open space/green space in Whitaker Park, (ii) a \$2 million dollar loan with an interest rate of at least 3% but no more than 5% and (iii) installation, repair and upgrade of public infrastructure that is not reimbursed by the County, as further described in Exhibit A attached hereto and incorporated herein; and

**WHEREAS**, per G.S. 143-128.1C, notification and advertisement of the proposed terms of the contract must be published in a local general circulation newspaper at least 30 days prior to the public hearing date.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and City Council hereby designate WPDA, Inc. as the best qualified developer for the Whitaker Park Development Project.

**BE IT FURTHER RESOLVED**, that pursuant to G.S. 143-128.1C a public hearing date of August 15, 2016 is hereby established for the City Council to approve the contract between WPDA, Inc. and the City of Winston-Salem.

**EXHIBIT A**

Terms and Conditions for Public-Private Partnership (P3) between  
Whitaker Park Development Authority, Inc. (WPDA) and the  
City of Winston-Salem

1. Acquisition and Development of the Project Site
  - a. WPDA shall become the fee simple owner of record of the 120 acre site within Whitaker Park ("Project Site") on or before January 31, 2018.
  - b. WPDA pursuant to this P3 Agreement shall convey, on or before June 30, 2018, all of the required easements, rights-of-way and other property interest that is necessary for the City to own the infrastructure designated as public infrastructure. Additionally, WPDA shall also convey green space and stormwater infrastructure to the City on or before June 30, 2018. Should WPDA fail to acquire the Project Site and convey the aforementioned infrastructure and property interest by the dates set forth herein, WPDA shall repay the City all city funds invested in the Project within ninety (90) days from receipt of a demand letter for repayment from the City.
  - c. WPDA will engage architects and engineers as necessary to prepare plans and specifications necessary for the design, development and construction of the Project (the "Construction Plans"). All Construction Plans and any material change orders affecting the use and quality of the Project, where City funds are used, shall be subject to the prior review and approval of the Office of the City Manager, which approval shall not be unreasonably withheld, conditioned or delayed.
  - d. WPDA will enter into a contract (the "GC Contract") with a general contractor (the "Contractor") for the construction of the Project that sets either a fixed price or a guaranteed maximum price. Said General Contractor shall be responsible for the construction of both the public infrastructure and the non-public portions of the Project. During the construction of the Project, City representatives shall be invited to construction progress meetings every month with WPDA, the Contractor and the architect.

In general, the Contractor will conduct and oversee all of the work related to the public infrastructure and the renovations, equipment and fixture installations to Buildings 601-1 and 601-11 within Whitaker Park ("601 Buildings") as well as any additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings ("Additional Buildings"). The renovations regarding the 601 Buildings include, but are not limited to: (i) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (ii) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (iii) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (iv) renovating the single tenant space in the 601 Buildings into facilities that will accommodate multiple tenants; (v) repairing or replacing, as necessary, the roofs on the 601 Buildings and (vi) such additional work necessary to facilitate the occupancy of the 601 Buildings.

An additional aspect of the Project includes the conversion of the steam heating system in the Additional Buildings to a heating source that is more economical. The City shall not be responsible for any Project cost overruns unless additional funding is expressly agreed to by the Winston-Salem City Council in compliance with G.S 143-128.1C.

- e. WPDA shall be responsible for the purchase of all materials and equipment at a reasonable cost.
- f. It is anticipated that the Project will be completed by January 1, 2020. In the event the Project is not completed by said date, the Developer agrees to make a non-confidential written report to the City at least thirty (30) days in advance of the projected January 1, 2020 completion date to explain the delay and the revised construction schedule. Upon satisfactory completion of the Public Infrastructure, as determined by the City, the Developer shall deed said Public Infrastructure to the City, at no additional cost to the City.

2. Project Financing Structure and Disbursement of City Funds

a. Public Sources of Funding

- (i) Forsyth County (“County”) will provide funding for public infrastructure in an amount not to exceed \$2.3 million.
- (ii) Provided WPDA owns the required fee simple interest in the Project Site by January 31, 2018, and is in a position to execute the required loan documents for the City loan, the City will provide a subordinate loan in an amount not to exceed \$2 million. The loan documents shall include a promissory note, subordinate deed of trust and security agreement and UCC Financing Statement (“Loan Documents”) to be executed no later than June 30, 2018. In the event that WPDA does not own the 601 Buildings within the Project Site at the time the loan funds are needed, but there is need to undertake work related to the separation of systems within the Project Site and thus expend loan funds prior to January 31, 2018, the City will accept a temporary, subordinate deed of trust for the property located at 95 W. 32nd Street, Winston-Salem, NC 27105 (Building 630-2) within the Project Site. Said temporary subordinate deed of trust will be released upon the execution of a permanent deed of trust and other loan documents on the 601 Buildings within the Project Site. The loan funds will be disbursed within thirty (30) days of execution of the Loan Documents. The loan, which shall bear an interest rate of no less than 3% but no greater than 5%, shall be repaid, in full, upon the sale of either of the 601 Buildings identified in the P3 Agreement. If the 601 Buildings are subject to a lease, Borrower shall provide the City with an agreed upon percentage of the lease payments after reasonable deductions for expenses including any maintenance reserve. Said lease payments shall be applied towards the loan and be used to reduce the outstanding balance. Unless paid sooner, the loan shall be repaid not later than 10 years from the date of execution of the Loan Documents.
- (iii) Provided WPDA owns the required fee simple interest in the Project Site by January 31, 2018 and is in a position to convey to the City the easements, rights-of-way and other desired property interest by June 30, 2018, the City shall purchase the easements and rights-of-way for public infrastructure and

green space in an amount not to exceed \$1 million. Said funds will be disbursed at the closing for the acquisition of the easements, rights-of-way and other property interest desired by the City.

- (iv) The final \$1 million of the City's \$4 million dollar contribution to the Project will be for installation of the public infrastructure that is not reimbursed by the County. This \$1 million for installation of public infrastructure shall be disbursed to the Developer within thirty (30) days of the execution of this P3 Agreement. The City's entire contribution to the project shall not exceed \$4 million.

b. Private Sources of Funding

- (i) WPDA has in current assets and cash more than \$8.0 million to contribute to the project. WPDA will contribute said amount to the Project.
- (ii) When WPDA acquires the Project Site, it will have assets valued in excess of \$30 million.

3. Other Provisions

- a. WPDA and its Contractor will be required to adhere to the good faith efforts to recruit and select minority and women businesses and small business entities as set forth in G.S. 143-128.2, 143-128.4, 143-128.1C.
- b. WPDA will be required to adhere to the payment bond requirements set forth in G.S. 143-128.1C.
- c. WPDA/General Contractor will be required to obtain and maintain Commercial General Liability Insurance.

**EXHIBIT E  
WINSTON-SALEM CITY COUNCIL AUGUST 15, 2016  
P3 RESOLUTION**

**EXHIBIT F  
DEVELOPER'S CONFIRMATION OF ACQUISITION  
AGREEMENT WITH REYNOLDS**



R.J. Reynolds Tobacco Company  
P.O. Box 2959  
Winston-Salem, NC 27102

R.J. Reynolds     David Howard  
**Contact:**         (336) 741-3489

WPDA             Bob Leak  
**Contact:**         (336) 723-8955

**RJRT 2015-XX**

### **R.J. Reynolds Tobacco Company enters agreement to donate Whitaker Park, certain surrounding buildings to local redevelopment group**

**WINSTON-SALEM, N.C. – January 7, 2015** – R.J. Reynolds Tobacco Company announced today that it has entered into an agreement to donate a significant portion of the Whitaker Park manufacturing plant and certain surrounding properties to a local redevelopment group, WPDA, Inc. (WPDA). WPDA is a nonprofit corporation created by Winston-Salem Business Inc., the Winston-Salem Alliance and Wake Forest University for economic and redevelopment purposes.

As part of the donation agreement, R.J. Reynolds will donate a laboratory building to WPDA early this year. The Whitaker Park plant and remaining properties within the scope of the donation agreement will be transferred to the group over the next 12 – 24 months, subject to the terms and conditions of the donation agreement.

“We’re pleased that a local group has stepped forward and committed resources towards repurposing this great and historic plant and its surrounding properties,” said Mark A. Peters, senior vice president and chief financial officer of R.J. Reynolds. “We’re confident these properties will play a key role in the economic development and transformational growth of Winston-Salem and the greater Triad region.”

The laboratory building donation, which consists of a single 70,000 square-foot building on approximately four acres of land, is being donated first because of its potential for near-term economic development opportunities. The remaining donation will include approximately 120 acres of prime commercial and industrial land, along with buildings totaling approximately 1.7 million square feet.

“This is an incredible gift by R.J. Reynolds to WPDA,” said Don Flow, WPDA Board chairman. “Whitaker Park has been such a strong presence in our community for decades and I look forward to working with the WPDA Board to repurpose the property to expand the tax base and create new jobs for the citizens of our community.”

Named in honor of John C. Whitaker, a former chairman of R.J. Reynolds, the Whitaker Park manufacturing plant opened in 1961 and initially covered about 14 acres, including 615,295 square feet of floor space. Designed by R.J. Reynolds’ engineering department and constructed by employees, it was the world’s largest and most modern cigarette plant at the time.

*R.J. Reynolds Tobacco Company, an indirect subsidiary of Reynolds American Inc. (NYSE: RAI), is the second-largest tobacco company in the United States. R.J. Reynolds’ brands include two of the best-selling cigarettes in the United States: Camel and Pall Mall. These brands, and its other brands, including Winston, Kool, Doral, Salem, Misty and Capri, are manufactured in a variety of styles and marketed in the United States. For more information, visit [www.RJRT.com](http://www.RJRT.com).*

###

**EXHIBIT G**  
**(To be provided by 12/31/17)**  
**MAPS**

**EXHIBIT H  
QUARTERLY REPORT FORM**



**WPDA, INC.  
SIMPLE INTEREST  
PROMISSORY NOTE**

\$2, 000,000.00

Date: August \_\_, 2016

FOR MONEY BORROWED the undersigned (hereinafter referred to as the “Debtor” whether one or more in number) promises to pay to the CITY OF WINSTON-SALEM, a municipal corporation of North Carolina (hereinafter “Creditor”), or order, at any office of Creditor, the principal sum of **Two Million Dollars (\$2,000,000.00)** plus interest at the rate hereinafter provided, and payable in accordance with the payment schedule set out below.

This Promissory Note shall bear interest from the date this loan is closed, at the fixed rate of 3.50% per annum until paid. The loan shall be repaid, in full, upon the sale of either of the 601 Buildings identified in the P3 Agreement. If the 601 Buildings are subject to a lease, Borrower shall provide the City with an agreed upon percentage of the lease payments after reasonable deductions for expenses including any maintenance reserve. Said lease payments shall be applied towards the loan and used to reduce the outstanding balance.

The Borrower developer shall have the right to prepay the loan in full or in part at any time without penalty. Unless sooner repaid in full, the loan shall be repaid in full not later than ten (10) years after the date such loan is made. Failure to comply with the P3 Agreement as authorized by G.S. 143-128.1C and Note shall be considered a breach of the P3 Agreement and shall trigger the Default provisions in the P3 Agreement and the Promissory Note.

This Promissory Note is secured by: (i) a UCC-1 Financing Statement on the fixtures and equipment of the Borrower that were acquired with City funds per the P3 Agreement; and (ii) by a Subordinate Deed of Trust and Security Agreement in favor of the Creditor as required by the P3 Agreement and any other document (the “Loan Documents”).

The time for making payments is of the essence. Unless otherwise agreed or required by law, each payment shall be applied in such order and manner as the Creditor may elect to unpaid interest, fees, premiums, other charges and to principal in the order due. Prepayments may, at the Creditor’s discretion, be applied in reverse order of the dates periodic payments are due. Debtor may elect to prepay this Note in whole or in part, at any time without premium or penalty.

The amount of any final payment, or the number of payments required to pay the indebtedness in full, may differ from the payment schedule provided if payments are made on other than the exact due dates.

The following shall be grounds for declaration of default: (a) failure of any Debtor to pay an amount due to the Creditor as agreed, (b) failure of any Debtor to comply with any other obligation to the Creditor as may be set forth in the Loan Documents executed contemporaneously herewith, (c) the death, or declaration of incompetency of any Debtor, or the dissolution, merger, reorganization, or other material change in the structure of Debtor, as applicable, (d) the loss or destruction of any collateral securing payment to the Creditor, (e) the filing of any petition in bankruptcy or insolvency by or against any Debtor, (f) determination by the Creditor that any information supplied to the Creditor by any Debtor in connection with this credit is materially false or incomplete, (g) Debtor moving its business to another location without prior written approval from the Creditor, or (h) determination by the Creditor that the prospect of payment of this obligation is impaired, or if the Creditor deems itself insecure, (i) failure to comply with the terms and conditions of the Federal Davis/Bacon Fair Wage Act if applicable, and (j) failure to maintain any required insurance policies. Upon determination by the Creditor of the existence of any such ground for default, the Creditor may, without notice, declare a default hereunder, whereupon all amounts due hereunder, and under any other obligation to the Creditor, shall become immediately due and payable. Any failure of the Creditor to declare a default, or to otherwise exercise any right or remedy available to it, shall not constitute a waiver by the Creditor of any such right or remedy. All amounts due to the Creditor after the Creditor declares Debtor in default, shall bear interest at the maximum rate allowed by law, but if there is no such maximum, then at Sixteen percent (16%) per year until paid.

Upon default, Debtor agrees to pay the Creditor such reasonable attorneys fees as may be allowed by law, plus all other expenses reasonably incurred by the Creditor (including reasonable attorney's fees) in exercising its rights or remedies, enforcing its rights against others, or in storing, protecting, or repossessing any collateral.

Unless this Promissory Note is payable in a single payment, and not by installments of interest or principal and interest, Debtor agrees to pay a late fee of 4% of the amount of any payment past due for 15 days or more. (If interest is paid in advance, Debtor agrees to pay a 4% late fee only when such amount is past due for 30 days or more.)

All parties to this Promissory Note, including Debtor and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor and all other notices required by law. All parties agree to remain bound hereunder notwithstanding any release of other parties, the release or surrender of collateral, or any extension of time for payment. Each Debtor shall be jointly and severally liable hereunder.

This Note may not be changed orally and shall be governed in accordance with the laws of the State of North Carolina.

IN TESTIMONY WHEREOF, effective as of the day and year first above written, the Debtor(s) have set hereunder their hands and adopted as their seals the word "SEAL" appearing beside their names.

**DEBTOR: WPDA, Inc.,**

By: \_\_\_\_\_ [SEAL]  
President

STATE OF NORTH CAROLINA

COUNTY OF FORSYTH

I, \_\_\_\_\_, a Notary Public, do hereby certify that  
\_\_\_\_\_, President of WPDA, Inc., personally appeared before  
me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_, 2016.

My commission expires:

\_\_\_\_\_  
Notary Public

\_\_\_\_\_



event shall the loan remain outstanding beyond December 1, 2026. Failure to comply with the P3 Agreement as authorized by G.S. 143-128.1C and Note shall be considered a breach of the Agreement and shall trigger the Default provisions in the P3 Agreement and the Promissory Note.

Grantor and Beneficiary agree that the lien of the Subordinate Deed of Trust and Security Agreement with a UCC-1 Financing Statement required under the P3 Agreement shall be inferior to Grantor's construction and permanent institutional financing and that Beneficiary's said lien shall be released after satisfaction/payment in full of the Promissory Note for which this Subordinate Deed of Trust and Security Agreement provides security in accordance with the terms of the P3 Agreement.

NOW, THEREFORE, in consideration of the premises and for the purposes aforesaid, and in further consideration of the sum of One Dollar (\$1.00) paid to the Grantor by Trustee, the receipt of which is hereby acknowledge, the Grantor has given, granted, bargained, and sold and by these presents does give, grant, sell and convey unto the said Trustee, its successors and assigns, the following described lot or parcel of land lying and being in Winston Township, County of Forsyth, State of North Carolina, and more particularly described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

Together with all and singular fixtures, equipment and other articles of personal property now owned by Grantor and located upon the above described property, or hereafter acquired and located thereon and used in connection with the operation and maintenance of the improvements situated thereon.

TO HAVE AND HOLD the said land and premises, including the buildings, improvements and fixtures thereon, with all rights, privileges, and appurtenances thereunto belonging or appertaining to the Trustee, its heirs, successors and assigns, in fee simple forever, upon the trust and for the uses and purposes hereinafter set out;

And the Grantor covenants with the Trustee that it is seized of said land and premises in fee simple and has the right to convey the same in fee simple; and that the same is free and clear of all encumbrances except as allowed herein; that grantor will warrant and defend the title to the same against the lawful claims of all persons whomsoever.

THIS CONEYANCE IS MADE UPON THIS SPECIAL TRUST, that if the Grantor shall performs its obligations under the P3 Agreement (inclusive of the Promissory Note) secured hereby in accordance with its terms, and shall comply with all covenants, terms and conditions of this subordinate Deed of Trust and Security Agreement, then this conveyance shall be null and void and may be cancelled of record at the request and at the cost of Grantor. If, however, there shall be any default in any of the terms, conditions or covenants contained in the P3 Agreement or Promissory Notes for which this Deed of Trust and Security Agreement serves as a security instrument or in the event of actual or threatened demolition or injury or waste to the premises which may impair the value of the property hereby conveyed or if a receiver should be appointed for, or a petition in bankruptcy filed by or against the Grantor, then and in any of such events, on

the application of the Beneficiary, it shall be lawful for and the duty of the Trustee, and Trustee is hereby authorized and empowered, to expose to sale and to sell the hereinbefore described premises and personal property, if any, at public action for cash, after having first complied with all applicable requirements of North Carolina law with respect to the exercise of powers of sale contained in this Subordinate Deed of Trust and Security Agreement and upon such sale, the Trustee shall convey full title to purchaser. After retaining from the proceeds of such sale, a five percent (5%) commission on the gross sale proceeds as just compensation for said services and all expenses incurred by them, including reasonable attorneys' fees for legal services actually performed, and the Trustee shall apply the residue of the proceeds first, to the payment of all sums expended by the Beneficiary under the terms of this Subordinate Deed of Trust and Security Agreement; second, to the payment of the outstanding obligations under the P3 Agreement and Promissory Note secured hereby; and the balance, if any, shall be paid to such persons as are legally entitled. The Grantor agrees that in the event of a sale hereunder, the Beneficiary shall have the right to bid thereat. The Trustee may require the successful bidder at any sale to deposit immediately with the Trustee cash or certified check in an amount not to exceed five percent (5%) of the bid, provided notice of such requirement is contained in the advertisement of the sale. The bid may be rejected if the deposit is not immediately made and thereupon the next highest bidder may be declared to be the purchaser. Such deposit shall be refunded in case a resale is had; otherwise, it shall be applied to the purchase price. If personal property is sold hereunder, it need not be at the place of sale. The published notice, however, shall state the time and place where such property may be inspected prior to sale.

In the event of any default in any of the covenants or agreements contained in this subordinate Deed of Trust and Security Agreement, the Beneficiary may, at its option, defer application by it to the Trustee to sell the premises and may take action under and invoke such other rights and remedies as may be provided in the P3 Agreement and Promissory Note or this Subordinate Deed of Trust and Security Agreement.

The Grantor covenants and agrees that it will:

1. Perform all obligations under the P3 Agreement and the Promissory Note secured hereby;
2. Pay when due, all taxes, assessments, levies and charges upon or against the property herein described, of every character which are not due or which may hereafter become liens on said premises, including all taxes assessed in North Carolina against the Trustee or Beneficiary on this instrument or the sum hereby secured, provided the amount of such latter taxes with the interest on the sum hereby secured does not exceed the maximum contract rate permitted by law, but if it does, the excess to be paid by the Beneficiary; and will immediately deliver to the Beneficiary official receipts therefor;
3. Keep the building(s) now or hereafter on said premises insured against loss and damaged by fire, tornado and windstorm, and against such other hazards as the Beneficiary may require, including business interruption, in amounts satisfactory to the Beneficiary which amounts shall at no time be less than the outstanding indebtedness secured by this Subordinate Deed of Trust and Security Agreement, plus an amount

sufficient to prevent any co-insurance liability of the owner of the property or the Beneficiary, for the benefit of the Beneficiary; loss, if any, to be made payable in the policy or policies of insurance to the Beneficiary as their interest may appear, the loss payable clauses to be in such form as the Beneficiary may require. All insurance shall be in companies approved by the Beneficiary and the policies and renewals thereof shall, when issued, be immediately delivered to the Beneficiary to be held by them; the Grantor will pay all premiums for such insurance when due and immediately deliver to the Beneficiary official receipts therefor, and if the Grantor fails or refuses to keep said premises so insured, the Beneficiary may obtain such insurance without prejudice to its rights to foreclose hereunder by reason of such default and Grantor shall reimburse the Beneficiary for said cost. In the event of loss, the Grantor will give immediate notice by mail to the Beneficiary who may make proof of loss if not made promptly by the Grantor, and each insurance company concerned is hereby authorized and directed to make payment of such loss directly to the Beneficiary instead of to the Grantor and the Beneficiary jointly. The proceeds of any insurance, or any part thereof, may be applied by the Beneficiary, at its option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. The Beneficiary may, at its option, pay any such insurance premiums, taxes, assessments, levies, or charges against the premises of which payment, amount and validity thereof the official receipt shall be conclusive evidence and any amounts so expended shall immediately become debts due by the Grantor and shall bear interest at the late payment rate specified in the P3 Agreement and Promissory Note.

4. Keep the premises herein conveyed in good order, repair and condition in compliance with all applicable codes;
5. Not commit or permit any waste; and the Beneficiary shall have the right to inspect the premises at all reasonable times, and access thereto shall be permitted for that purpose to them or their authorized agents.
6. The Grantor represents and warrants to the Beneficiary that, to the best of the Grantor's knowledge after due inquiry, (a) no Hazardous Materials (hereinafter defined) are located on the Premises, (b) the Premises have never been used as a manufacturing, storage or dump site for Hazardous Materials, (c) the Premises are not affected by a hazardous Materials contamination, and (d) there are no Hydric Soils (hereinafter defined) on that portion of the Land upon which improvements and any appurtenant facilities have been or will be constructed. The term "Hazardous materials" means (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder; (c) any oil petroleum products, and their byproducts, (including, without limitation, crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste sludge and all other liquid hydrocarbons, regardless of the specific gravity), natural or synthetic gas products; (d) any other substance which by federal, state or local law, rule, ordinance or regulation or by order

or decree of any court or other governmental authority having jurisdiction requires special handling in its collection, storage, treatment, or disposal. The term "Hydric Soils" means any soil category upon which building could be prohibited or restricted under applicable governmental requirements, including without limitation, those imposed by the Army Corps of Engineers based upon its guidelines as to, among other things, soil, vegetation and effect on the ecosystem.

7. The Grantor shall not place, manufacture or store or permit to be placed, manufactured or stored, on the Premises any Hazardous materials. The Grantor agrees to (a) give written notice to the Beneficiary immediately upon the Grantor's acquiring knowledge of the presence of any Hazardous Materials on the Premises or any Hazardous materials contamination with a full description thereof; (b) promptly comply with any federal, state or local law, rule, ordinance or regulation or any order or decree of any court or other governmental authority having jurisdiction requiring the removal, treatment or disposal of such hazardous materials or Hazardous Materials contamination and provide the Beneficiary with satisfactory evidence of such compliance; and (c) defend, indemnify, and hold harmless the Beneficiary and the Trustee from any and all claims which may not or in the future (whether before or after the release of this Subordinate Deed of Trust and Security Agreement) be asserted as a result of the presence of any Hazardous materials on the Premises or any Hazardous Materials contamination. Any default in any prior security instrument affecting the Premises or improvements shall be deemed a default under this Subordinate Deed of Trust.

Upon the condemnation of the Premises or Improvements or any part thereof which condemnation has or could have a material adverse effect on the operation of Grantor's business, the entire amount of the obligations secured hereby shall, at the option of the Beneficiary, at once become due and payable, and any award paid for such taking is hereby assigned to the Beneficiary to further secure the above referred to indebtedness. The Beneficiary is hereby authorized and empowered (but not required) to collect and receive such award and are authorized to apply it in whole or part in reduction of the then outstanding debt secured by this Subordinate Deed of Trust and Security Agreement, notwithstanding the fact that the same may not then be due and payable. Any amounts so applied to principal shall be applied to the installments or principal last maturing hereon. The Grantor agrees to execute such further assignments of any such awards as the Beneficiary may require.

None of the property (or any beneficial interest) hereinabove described will be conveyed, transferred or further encumbered while this Subordinate Deed of Trust and Security Agreement is in effect, unless the Beneficiary shall have given consent in writing thereto.

No delay or forbearance by the Beneficiary in exercising any or all of its rights hereunder or rights otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default as set forth herein or in the event of any subsequent default hereunder, and all rights shall be cumulative. In case the Beneficiary or the Trustee voluntarily or otherwise shall become a party to any suit or legal proceeding to protect the property herein conveyed or to protect the lien of this Subordinate Deed of Trust and Security Agreement and the Beneficiary shall be saved harmless and shall be reimbursed by the Grantor for any

amounts paid, including all reasonable costs, charges and attorneys' fees incurred in any suit or proceeding and the same shall be secured by this Subordinate Deed of Trust and Security Agreement and its payment enforced as if it were part of the original debt.

The Beneficiary shall at any time have the irrevocable right to remove one or more of the Trustee herein name without notice or cause and to appoint her/their successor(s) by an instrument in writing, duly acknowledged, in such form as to entitle such written instrument to be recorded in this State, and in the event of the death, retirement or resignation of one or more of the Trustee herein named, the Beneficiary shall have the right to appoint her/their successor by such written instrument, and any Trustee(s) so appointed shall be vested with the title to the property hereinbefore described, and shall possess all rights, powers, duties and obligations herein conferred on the Trustee in the same manner and to the same extent as named herein as Trustee(s).

This Subordinate Deed of Trust and Security Agreement shall constitute a security agreement with respect to all equipment and fixtures and all other items and types of personal property (hereinafter referred to as ("Personal Property")), of Grantor now owned or hereafter acquired and located upon the herein described real estate and used in the operation and maintenance of the Improvements thereon and the Grantor hereby grants to the Beneficiary a security interest in the Personal Property including, without limitation, all appliances, all boilers, all heating, air conditioning and ventilating components and systems, all lighting, electrical power, plumbing, sprinkler and water components and systems, all carpets, wall coverings, screens and drapes and all mechanical and hydraulic components, and systems located on and used in connection with the operation or maintenance of the aforementioned Improvements. The Beneficiary shall have all of the rights and remedies of a secured party under the North Carolina Uniform Commercial Code and other applicable laws.

With respect to those items of Personal Property, which are or are to become fixtures related to the herein described real estate, this Subordinate Deed of Trust and Security Agreement shall constitute a financing statement filed as a fixture filing. The lien upon fixtures granted herein and perfected hereby shall be in addition to and not in lieu of any lien upon fixtures acquired under real property law.

The covenants, terms and conditions herein contained shall bind and the benefits and powers shall inure to the respective heirs, executor, administrators, successors, and assigns of the parties hereto. Whenever used herein, the singular number shall include the plural, the plural the singular, and the term "Beneficiary" shall include any payee of indebtedness hereby secured and any transferee or assignee thereof, whether by operation of law or otherwise.

IN TESTIMONY WHEREOF, the Grantor has caused this Subordinate Deed of Trust and Security Agreement to be executed under seal the day and year first above written.

**DEBTOR: WPDA, Inc.,  
By its President,**

By: \_\_\_\_\_ [SEAL]

President

STATE OF NORTH CAROLINA

COUNTY OF FORSYTH

I, \_\_\_\_\_, a Notary Public, do hereby certify that President of WPDA, Inc. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial stamp or seal, this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**EXHIBIT A  
PROPERTY DESCRIPTION**

**EXECUTION VERSION  
PUBLIC PRIVATE PARTNERSHIP AGREEMENT  
BETWEEN THE CITY OF WINSTON-SALEM  
AND THE WPDA, INC.**

This Public Private Partnership Agreement (“P3 Agreement”) is entered into and made effective as of \_\_\_\_\_, day August, 2016 by and between WPDA, Inc., a North Carolina Nonprofit Corporation with its principal office located at 1080 West Fourth Street, Winston-Salem, N.C. 27101 (hereinafter the “Developer”), and the City of Winston-Salem, a North Carolina Municipal Corporation (hereinafter the “City”) to engage in a public-private partnership in accordance with G.S. 143-128.1C within the 120 acre site known as Whitaker Park (“Project Site”) to enhance the infrastructure (roads, water and sewer systems) to be conveyed to the City of Winston-Salem and to make tenant ready certain buildings within the Project Site, all in an effort to promote economic development and job creation on the north side of the City of Winston-Salem.

WITNESSETH:

**WHEREAS**, the City of Winston-Salem, pursuant to a duly adopted resolution, has determined that there is a critical need to encourage and promote economic development and job creation on the north side of Winston-Salem while simultaneously addressing the City’s critical infrastructure needs (water, sewer and public roads) for sustainable growth and development in the area of the Project Site; and

**WHEREAS**, the City of Winston-Salem has identified prime land within the Project Site that will provide an excellent opportunity for the City to address this critical economic development and job creation needs while addressing the City’s critical infrastructure needs;

**WHEREAS**, the majority of the land and buildings within Project Site are currently owned by RJ Reynolds Tobacco Company (“Reynolds”); and

**WHEREAS**, Reynolds is preparing to dispose of a significant portion of the Project Site which has an ad valorem tax value well in excess of \$30 million and presents an opportunity for the City to enter into a public-private partnership; and

**WHEREAS**, the development plan for the Project includes the conversion of the buildings and land within the Project Site into a mixed use development park with manufacturing, distribution, research and development, retail, services and/or residential uses that will make the Project Site a model for successfully and effectively re-purposing property and combining multiple uses to enhance the overall economic vitality of the entire City (“Whitaker Park Development Project”); and

**WHEREAS**, the City, following its determination that there is a critical need for public infrastructure and the Whitaker Park Development Project (collectively referred to hereinafter as the “Project”), published its Notice of Request for Qualifications in a newspaper of general circulation in accordance with G.S. 143-128.1C and posted the Notice of Request for Qualifications on its website; and

**WHEREAS**, Developer submitted a response to said Request for Qualifications which response City staff has evaluated; and

**WHEREAS**, City Staff has prepared this P3 Agreement in accordance with: (i) the Resolution adopted by the Mayor and City Council on March 28<sup>th</sup> which resolution is attached and incorporated herein as Exhibit A, (ii) the Notice of Request for Qualifications (“Notice”) published on April 14, 2016, which Notice is attached and incorporated herein as Exhibit B; (iii) the Developer’s response to the Notice which staff has recommend for acceptance and which response is attached and incorporated herein as Exhibit C; (iv) the Resolution adopted by the Mayor and City Council on June 20, 2016 designating WDPA as the successful/best qualified developer, which resolution is attached and incorporated herein as Exhibit D and (v) the Resolution of the Mayor and City Council adopted on August 15, 2016, following a public hearing, approving this P3 Agreement, which resolution is attached and incorporated herein as Exhibit E; and

**WHEREAS**, following the public hearing, the City Council approved the execution of this P3 Agreement with Developer.

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated herein, the parties do agree as follows:

1. **Acquisition and Development of the Project Site.**

a. **Conveyance of Project Site/Property Interest of the Developer.** Reynolds has agreed to convey in fee simple a substantial portion of the Project Site to Developer on or before December 31, 2017 pursuant to an agreement between Reynolds and Developer which Reynolds has confirmed per the attached Exhibit F incorporated herein. The Developer shall become the fee simple owner of record of the Project Site, identified herein, on or before January 31, 2018.

b. **Property Interest of the City.** Developer pursuant to this P3 Agreement shall convey, on or before June 30, 2018, all of the required easements, rights-of-way and other property interest that is necessary for the City to own the infrastructure designated as public infrastructure on the map attached hereto and incorporated as Exhibit G. Additionally, Developer shall also convey green space and stormwater infrastructure designated on the map attached as Exhibit G to the City on or before June 30, 2018 Should the Developer fail to: (i) acquire the Project Site; or (ii) convey the aforementioned infrastructure and property interest desired by the City by the dates set forth herein, the Developer shall repay the City all city funds invested in the Project within ninety (90) days from receipt of a demand letter for repayment from the City.

c. **Plans and Specifications for the Project.** Developer will engage architects and engineers as necessary to prepare plans and specifications necessary for the design,

development and construction of the Project (the "Construction Plans"). All Construction Plans and any material change orders affecting the use and quality of the Project where City funds are used shall be subject to the prior review and approval of the Office of the City Manager, which approval shall not be unreasonable withheld, conditioned or delayed. All Construction Plans submitted must include: (i) design and positioning of all buildings and public infrastructure for which City funds were used; (ii) identification of set-backs from lot lines; (iii) grading plans; (iv) drainage plans; and (v) utility, green space and road locations. The Construction Plans and all revisions and modifications thereto shall be certified by an architect duly registered under the laws of the State of North Carolina. The Construction Plans must comply with all applicable laws and regulations. The architect will incorporate in the design appropriate outlets and power supply for copiers, appliances and other equipment that may require special circuits. All construction permits and licenses shall be acquired in accordance with the applicable federal, state, and local codes, rules and regulations.

d. Construction of Project. Developer will enter into a contract (the "GC Contract") with a general contractor (the "Contractor") for the construction of the Project that sets either a fixed price or a guaranteed maximum price. Said General Contractor shall be responsible for the construction of both the public infrastructure and the non-public portions of the Project. During the construction of the Project, City representatives shall be invited to construction progress meetings every month with the Developer, the Contractor and the architect. Following reasonable advance notice and accompanied by a representative of Developer, City representatives shall have access to the Project Site where City funds are being expended at all reasonable times during construction of the Project to view the Project and the progress thereof.

In general, the Contractor will conduct and oversee all of the work related to the public infrastructure and the renovations, equipment and fixture installations to Buildings 601-1 and 601-11 within Whitaker Park ("601 Buildings") as well as any additional buildings within Whitaker Park including the 605-1, 7 and 10-13 Buildings and the 2-1 and 2-2 Buildings ("Additional Buildings"). The renovations regarding the 601 Buildings include, but are not limited to: (i) separating and disconnecting the existing HVAC and related systems along with the steam system of the 601 Buildings from the building being retained by Reynolds; (ii) disconnecting the central fire protection loop in the 601 Buildings from the building being retained by Reynolds and installing a new one in the 601 Buildings; (iii) separating the electrical system of the 601 Buildings from the building being retained by Reynolds and installing new transformers and related systems in the 601 Buildings; (iv) renovating the single tenant space in the 601 Buildings into facilities that will accommodate multiple tenants; (v) repairing or replacing, as necessary, the roofs on the 601 Buildings and (vi) such additional work necessary to facilitate the occupancy of the 601 Buildings.

An additional aspect of the Project includes the conversion of the steam heating system in the Additional Buildings to a heating source that is more economical. The City shall not be responsible for any Project cost overruns unless additional funding is expressly agreed to by the Winston-Salem City Council in compliance with G.S 143-128.1C.

e. Purchase of materials and equipment. The Developer shall be responsible for the purchase of all materials and equipment at a reasonable cost.

f. Completion of the Project. It is anticipated that the Project will be completed by January 1, 2020. In the event the Project is not completed by said date, the Developer agrees to make a non-confidential written report to the City at least thirty (30) days in advance of the projected January 1, 2020 completion date to explain the delay and the revised construction schedule. Upon satisfactory completion of the Public Infrastructure, as determined by the City, the Developer shall deed said Public Infrastructure to the City, at no additional cost to the City.

2. Ownership Structure for the Project. Developer is a 501 (c)(3) economic development not-for-profit entity located in Winston-Salem, North Carolina and established in 2011 to receive the donation of the Whitaker Park property and to work on the re-development of said property. Developer was founded by Wake Forest University (WFU), the Winston-Salem Alliance (the Alliance) and Winston-Salem Business Inc. (WSBI) and has an eleven (11) member board of directors that includes members from WFU, the Alliance, WSBI, the City and Forsyth County. Except as otherwise provided herein, the Developer shall own the Project.

3. Project Financing Structure and Disbursement of City Funds.

a. Public Sources of Funding.

- (i) Forsyth County (“County”) will provide funding for public infrastructure in an amount not to exceed \$2.3 million.
- (ii) Provided the Developer owns the required fee simple interest in the Project Site by January 31, 2018, and is in a position to execute the required loan documents for the City loan, the City will provide a subordinate loan in an amount not to exceed \$2 million. The loan documents shall include a promissory note, subordinate deed of trust and security agreement and UCC Financing Statement (“Loan Documents”) to be executed no later than June 30, 2018. The loan funds will be disbursed within thirty (30) days of execution of the Loan Documents. In the event that WPDA does not own the 601 Buildings, within the Project Site, at the time the loan funds are needed, but there is need to undertake work related to the separation of systems within the Project Site and thus expend loan funds prior to January 31, 2018, the City will accept a temporary, subordinate deed of trust on the property located at 95 W. 32nd Street, Winston-Salem, NC 27105 (Building 630-2) within the Project Site. Said temporary subordinate deed of trust will be released upon the execution of a permanent deed of trust and other loan documents on the 601 Buildings within the Project Site. Said execution of a permanent deed of trust and other loan documents must occur by January 31, 2018.
- (iii) Provided the Developer owns the required fee simple interest in the Project Site by January 31, 2018 and is in a position to convey to the City the easements, rights-of-way and other desired property interest by June 30, 2018, the City shall purchase the easements and rights-of- way for public infrastructure and green space in an amount not to exceed \$1 million. Said

funds will be disbursed at the closing for the acquisition of the easements, rights-of-way and other property interest desired by the City.

- (iv) The final \$1 million of the City's \$4 million dollar contribution to the Project will be for installation of the public infrastructure that is not reimbursed by the County. This \$1 million for installation of public infrastructure shall be disbursed to the Developer within thirty (30) days of the execution of this P3 Agreement. The City's entire contribution to the project shall not exceed \$4 million.

b. **Private Sources of Funding.**

- (i) The Developer has in current assets and cash more than \$8.0 million to contribute to the project. The developer will contribute said amount to the Project
- (ii) When Developer acquires the Project Site, it will have assets valued in excess of \$30 million.

4. **HUB Participation.**

Developer and the Contractor will use commercially reasonable, best efforts to hire Winston-Salem/Forsyth County residents and companies located in Winston-Salem/Forsyth County in connection with the design and construction of the Project, and will establish a system for monitoring and enhancing such local participation and jobs for City residents. Developer and the Contractor shall make a good-faith effort to comply with G.S. 143-128.2, G.S. 143-128.4 and to recruit and select small business entities.

5. **Developer Responsibilities.**

a. Before starting construction of the Project, the Developer shall:

- (i) Provide or update, if already provided, the name of the Contractor and subcontractors, if known at that time and licensed design professions that the Developer proposes to use for the project design and construction.
- (ii) Include the total anticipated amount of the construction contract(s) and shall certify the amount as being a good faith projection of its total costs for designing and constructing the Project.
- (iii) Provide a payment bond in the amount of one hundred percent (100%) of the total anticipated amount of the construction contracts to be entered into between the private developer and the contractors to design or construct the improvements required by the development contract. The payment bond will be conditioned upon the prompt payment for all labor and materials for which the developer or one or more of its contractors or those contractor's

subcontractors are liable. The payment bond shall be solely for the protection of the persons furnishing materials or performing labor or services for which the developer or its contractors or subcontractors are liable. The payment bond must be executed by one or more surety companies legally authorized to do business in the State of North Carolina and shall become effective upon the awarding of the development contract. The payment bond shall be in the form required by G.S. 143-128.1C and shall not include any provisions prohibited by said statute. Where the City is facilitating the hire of the General Contractor for the work on the public infrastructure (water, sewer and roads), the City shall make sure the General Contractor has the requisite payment and performance bonds in place for said work.

b. The Developer shall:

- (i) Maintain Commercial General Liability to protect the Developer against any and all claims, demands expenses, costs and liabilities to the extent proximately caused by the negligent acts or omissions of the Developer, and its agents or employees, in the performance of this P3 Agreement. The insurance shall also include, coverage for explosion, collapse, and underground hazards, where required. This insurance shall provide bodily injury and property damage limits of not less than \$1,000,000 for each occurrence, respectively. The Developer shall require the General Contractor to maintain Commercial General Liability insurance in an amount acceptable to cover potential risks, demands, costs and liabilities associated with carrying out the construction contract(s) entered into pursuant to this P3 Agreement.
- (ii) Maintain Owned, non-owned, and hired Automobile Liability insurance, including property damage insurance, covering all owned, non-owned, borrowed, leased, or rented vehicles operated by the Developer in furtherance of these services. In addition, all mobile equipment used by the Developer in connection with this P3 Agreement, will be insured under either a standard Automobile Liability policy, or a Commercial General Liability policy. This insurance shall provide bodily injury and property damages limits of not less than \$1,000,000 combined single limit/each accident, and shall provide at least \$5,000 in Medical Expenses (Med Pay) coverage. The Developer shall require the General Contractor to maintain Automobile Liability insurance in an amount consistent with this paragraph as well.
- (iii) Maintain Workers' Compensation and Employer Liability insurance if required by North Carolina law. The Developer shall require the General Contractor to maintain Workers' Compensation and Employer Liability insurance if required by North Carolina law.

(iv) Make a good faith effort to complete the Project on time.

6. **City Responsibilities.**

- a. Provided all of the conditions set forth in this P3 Agreement have been met, the City shall provide the funding as set forth in paragraph 3.
- b. The City shall monitor the Developer's and Contractor's progress on the Project.

7. **Other Provisions.**

- a. Additional funds—Except as provided in this P3 Agreement, the City is not obligated to provide incentives to the Developer related to the Project or Project Site.
- b. Adverse Change — In the event that a court of competent jurisdiction holds that a provision or requirement of this P3 Agreement violates any applicable law, each such provision or requirement shall be replaced with a revision which accomplishes the purposes outlined herein and shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this P3 Agreement, not contingent thereon, shall remain in full force and effect.
- c. Annual Report—The Developer shall furnish to the City a copy of its annual audit report performed by a certified public accountant as soon as it becomes available to the Developer, but no later than six months following the Developer's fiscal year end until 2030.
- d. Applicable Law; Construction —This P3 Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, without regard to any construction arising from the application of conflicts or choice of law principles, and without regard to any construction arising by virtue of the negotiation or the persons who drafted this P3 Agreement. References to the City shall refer to, bind and include its representatives, elected body and members of such, and the successors and assigns of each of them, in each case in their official capacities.
- e. Assignment —The Developer shall not assign this P3 Agreement or any portion thereof without the written consent of the City, nor shall the Developer assign any funds due or to become due to it hereunder without the prior written consent of the City. However, in the event of such assignment, the Developer will remain ultimately responsible and liable for the performance of the Developer's obligations hereunder.
- f. Audit Right —The Developer will certify the investment of private funds and city funds in the 601 Buildings, the Additional Buildings and the public infrastructure on a quarterly basis until the work has been completed. If the City decides to

undertake an audit regarding the use of city funds, such audit will be at the City's sole expense. To the extent that Developer is able to compile such, the Developer shall deliver to the City appropriate written documentation of the capital investment in the 601 Buildings, the Additional Buildings and the public infrastructure, which the City will be entitled to retain for so long as it chooses, and to use for such purposes in connection with this P3 Agreement as it deems necessary. The Developer likewise acknowledges that it is Developer's obligation to provide City with evidence sufficient to the City that the desired capital investment has been made in the 601 Buildings, Additional Buildings and public infrastructure.

The City reserves the right to require a certified audit or may perform the audit through the use of its staff pertaining to the Developer's compliance with this P3 Agreement.

- g. Binding Obligation-The City and Developer and their respective successors, assigns, and legal representatives accept full legal responsibility hereunder for compliance with all covenants, agreements and obligations of this P3 Agreement.
- h. Compliance with Law –
  - (i) It is the expectation of the City that the Developer will comply, and the Developer agrees to comply, with all applicable federal immigration laws in its hiring and contracting practices relating to services covered by this P3 Agreement.
  - (ii) The Developer shall comply with all applicable federal, state, and local laws that may be required to carry out their respective obligations to be performed under this P3 Agreement.
  - (iii) The Developer shall comply with all applicable employment laws, including but not limited to the Americans with Disabilities Act (ADA), as may be amended from time to time, the State of North Carolina Occupational/Safety and Health Act (OSHA), and the State and Federal Equal Opportunity laws, as well as the regulations promulgated thereunder.
- i. Counterparts: Jurisdiction — This P3 Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original. The parties submit to the exclusive jurisdiction of the State courts sitting in the County.
- j. Notice of Default/Right to Cure- City - If the City defaults on any of its obligations under this P3 Agreement, then it shall have ninety (90) calendar days after delivery of a written notice by Company of such default to the appropriate City representatives, as the case may be, and the right to cure said default. The City, where appropriate, may respond in writing to said notice of default.

- k. Notice of Default/Right to Cure-Developer. Developer, after receipt of a notice of default (“Default Notice”), shall cure the default set forth in said Default Notice within the cure period, which is ninety (90) calendar days for non-monetary defaults and thirty (30) calendar days for monetary defaults unless provided otherwise herein or the loan documents. Depending upon the nature of the default, the City shall declare a breach and issue the appropriate Default Notice for the Developer’s failure to comply with any term or condition set forth herein or in the loan documents. Should the Developer fail to cure a monetary default before the expiration of the cure period, as the City in its reasonable discretion may determine, the City shall have the right to declare, immediately due and payable, the loan amount. Should the Developer fail to cure a non-monetary default, the City, in its reasonable discretion, may suspend its obligations under this P3 Agreement until the non-monetary default has been cured.
- l. Entire Agreement; Amendment; Authority — This P3 Agreement is the entire agreement between these parties as to the subject matter referenced herein, without regard to any prior agreements, understandings or undertakings (whether oral, written, electronic or otherwise), and no amendment may be made to this P3 Agreement except with the prior written consent of all parties. The parties, and each person executing this P3 Agreement on behalf thereof, represent and warrant that they have the full right and authority to enter into this P3 Agreement, which is binding, and to sign on behalf of the party indicated, and are acting on behalf of themselves, their constituent members and the successors and assigns of each of them.
- m. Exhibits – Exhibits A through H are attached hereto and incorporated herein by reference.
- n. Further Action —The parties acknowledge that the terms of the Project and the Local Incentives and other assistance described in this P3 Agreement are subject to further actions legally necessary under North Carolina law to implement the P3 Agreement in a lawful manner. The parties agree that if this P3 Agreement is challenged in a court of law, they shall cooperate in defense of P3 Agreement.
- o. Hiring Practices - The Developer is committed to hiring, where possible, local contractors, including minority and women contractors, and for employment purposes local residents from the Winston-Salem and Forsyth County area. The Developer shall post job vacancies related to the Project with the North Carolina Employment Security Commission, the Piedmont Triad Regional Council of Governments, and the Winston-Salem Urban League until February 17, 2018 or longer if otherwise required by law. The Developer will utilize the State of North Carolina Office for Historically Underutilized Business database (<https://www.ips.state.nc.us/IPS/vendor/SearchVendor.aspx?hobtain>) or other local resources such as the City of Winston-Salem M/WBE Program to identify Winston-Salem/Forsyth County based subcontractors and share the same with the general contractor selected for the Project and establish a reasonable level of

participation for Winston-Salem/Forsyth County based subcontractors including minority and women-owned businesses. The Developer must require the general contractor to demonstrate good faith efforts to utilize Winston-Salem/Forsyth County based subcontractors and achieve the level of participation identified by the Developer. The Developer will provide to the Development Director quarterly reports using the form attached as Exhibit H on all contracting activity. A Winston-Salem/Forsyth County based subcontractor is a person or entity legally authorized to engage in the sale or provision of goods, services construction or repair work procured in the state of North Carolina and who certifies to the City that it has maintained a physical place of business in the Winston-Salem/Forsyth County area since July 1, 2015, as determined in the sole discretion of the City with at least one employee for whom the subcontractor has paid payroll taxes in North Carolina.

p. Hold Harmless - The Developer and City shall operate as independent contractors, and the City shall not be responsible for any acts or omissions of the Developer or its General Contractor, subcontractors, agents or the employees of the Developer or General Contractor. The Developer agrees to hold the City harmless from and against any claims, expenses (including attorney’s fees), costs or liability for acts or omissions of the Developer, General Contractor, subcontractors, agents, employees and officers of the Developer and General Contractor.

q. Notice:

Notices hereunder shall be deemed to be given if in writing and when (a) personally delivered with written acknowledgement of delivery from the person receiving such notice; or (b) one business day after being deposited with an overnight commercial courier (such as, but not limited to, Federal Express with signature release required), at the following addresses:

For notice to the CITY:

Lee Garrity  
City Manager, City of Winston-Salem  
101 N. Main Street  
Winston-Salem, NC 27101  
Tel. No. 336. 734-1301

WITH COPY TO:

Angela I. Carmon  
City Attorney  
101 N. Main Street, Suite 132  
Winston-Salem, NC 27101  
Tel. No. 336. 747-7404

For notice to DEVELOPER:

WITH COPY TO:

- r. Relationship of Entities — Nothing contained herein will be construed as establishing an employment relationship, partnership, joint venture, or agency agreement among the Parties.
- s. Severability — If any court of competent jurisdiction holds any provision of this P3 Agreement invalid or unenforceable, then (a) such holding shall not invalidate or render unenforceable any other provision of this P3 Agreement, unless such provision is contingent on the invalidated provision; and (b) the remaining terms hereof shall, in such event, constitute the parties' entire agreement.
- t. Statutory Authority. - N.C.G.S. 143-128.1C authorizes the execution of this P3 Agreement by the City upon approval of the City Council following a public hearing. The resolution of the City Council is attached hereto and incorporated herein as Exhibit D.
- u. Termination - Termination of this P3 Agreement by the City may occur for reasons described herein or in the attachments hereto. This P3 Agreement shall also terminate January 1, 2030.
- v. Waiver of Default - Failure of a party to this P3 Agreement to exercise any right, remedy, power or privilege hereunder shall not operate as a waiver of any current or future default. Further, a waiver of one provision of this P3 Agreement is not a waiver of all or future provisions of this P3 Agreement.
- w. Suspension and Debarment. Developer hereby certifies that neither it, nor its General Contractor, agents or subcontractors: (1) are presently debarred, suspended, proposed for suspension or debarment from contracting by any Federal or State Department or Agency, or (2) have been declared ineligible or voluntarily excluded from contracting by or with any Federal or State Department or Agency. Any contract entered into with a contractor or subcontractor that has been debarred or suspended, declared ineligible or voluntarily excluded from contracting with or by any Federal or State Department or Agency may be terminated at the sole discretion of the City.
- x. E-Verify. Developer shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if the Developer uses a General Contractor and said general contractor uses a subcontractor(s), the Developer shall require the General Contractor and the subcontractor(s) to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.
- y. Iran Divestment Act. Developer hereby certifies that it is not on the North Carolina State Treasurer's list of persons engaging in business activities in Iran, prepared pursuant to **NCGS §147-86.58**, nor will Developer utilize on this P3 Agreement any general contractor or subcontractor on such list.

- z. Ethics Policy. The Contractor hereby acknowledges that he has reviewed and agrees to abide by the City's Ethics Policy located on the City's website – [www.cityofws.org](http://www.cityofws.org) – and whose specific address is: <http://wshome.cityofws.org/Portals/1/pdf/HR/Ethics%20Policy%20Revised%20May%2019%202014-Whistleblower%20revision.pdf> (right click on the link).

IN WITNESS WHEREOF, the parties have caused this P3 Agreement to be executed effective as of the date first written above.

WPDA, INC.

ATTEST:

\_\_\_\_\_(SEAL)  
Secretary

By: \_\_\_\_\_(SEAL)  
President

CITY OF WINSTON-SALEM

ATTEST:

\_\_\_\_\_(SEAL)  
Secretary

By: \_\_\_\_\_(SEAL)  
City Manager

Approved as to form and legality.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2016

This instrument has been preaudited in the Manner required by the Local Government Budget and Fiscal Control Act.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Angela I. Carmon,  
City Attorney

\_\_\_\_\_  
Lisa Saunders,  
Chief Financial Officer

**City Council – Action Request Form**

**Date:** July 19, 2016

**To:** The City Manager

**From:** D. Ritchie Brooks, Director, Community and Business Development

**Council Action Requested:**

Authorize up to \$65,000 to Habitat for Humanity of Forsyth County, Inc. toward the rehabilitation and conversion of a duplex into a single-family house (North Ward).

**Summary of Information:**

As part of the Old Cherry #2 Redevelopment Plan, the City acquired a duplex at 1605-1607 North Cherry Street, Tax PIN 6826-93-3067, and an adjoining vacant unbuildable lot at 1603 North Cherry Street, Tax PIN 6826-93-3063, which is in the North Cherry Historic District. The duplex is in poor condition. Habitat for Humanity of Forsyth County (Habitat) submitted a proposal for the City to transfer title of the parcels to Habitat and provide \$65,000 to remodel the duplex into a three bedroom and two bath house, utilizing the adjoining vacant lot for off street parking, and sell it to a low income homebuyer through its regular homebuyer program. Transfer of the two parcels to Habitat for public purposes pursuant to N.C.G.S. 160A-279 was approved by the Mayor and City Council on August 17, 2015, but the funding was not included.

This item would provide a grant of \$65,000 to Habitat toward the rehabilitation and conversion of the duplex into a single-family home. Total project cost, with contingency, is projected to be \$115,000. Habitat will raise the remainder of the funds. If the City were to undertake this project on its own, all cost would be borne by the City.

Funds for this request are in place and derived from 2000 General Obligation Bonds appropriated for the Old Cherry No. 2 Redevelopment Area. An appropriate resolution is attached.

**Committee Action:**

<b>Committee</b>		<b>Action</b>
_____		_____

<b>For</b>		<b>Against</b>
_____		_____

**Remarks:**  
 \_\_\_\_\_  
 \_\_\_\_\_



**RESOLUTION AUTHORIZING FUNDING TO  
HABITAT FOR HUMANITY OF FORSYTH COUNTY, INC.  
FOR REHABILITATION OF A DUPLEX ON NORTH CHERRY STREET**

**WHEREAS**, the City acquired a duplex and vacant lot located at 1603 and 1605-1607 North Cherry Street (Tax Pins 6826-93-3067 and 6826-93-3063) through the Old Cherry #2 Redevelopment Plan; and

**WHEREAS**, Habitat for Humanity of Forsyth County, Inc. (Habitat) submitted a proposal for the City of Winston-Salem to transfer title of the parcels to Habitat and provide \$65,000 to Habitat for Habitat to remodel the duplex into a single-family house and sell it to a low income homebuyer through its regular homebuyer program; and

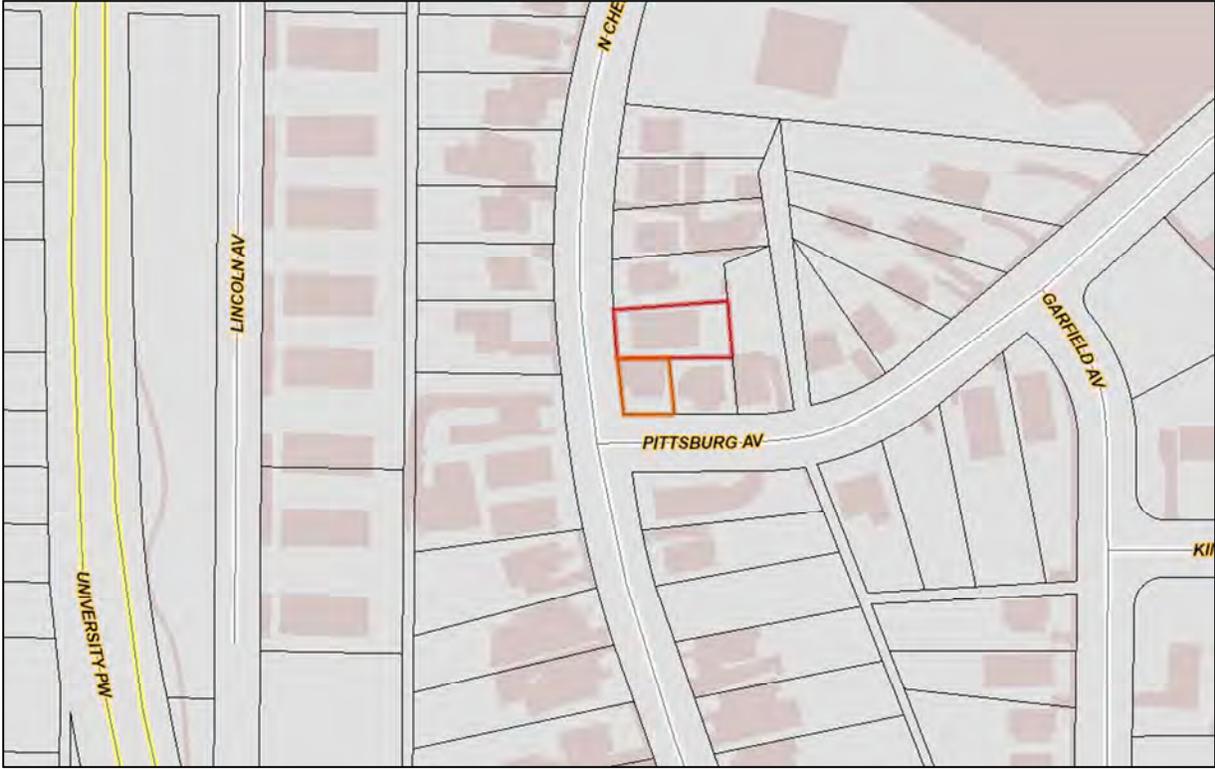
**WHEREAS**, on August 17, 2015, the Mayor and City Council authorized the transfer of Tax Pins 6826-93-3067 and 6826-93-3063 pursuant to N.C.G.S. 160A-279 to Habitat for Humanity of Forsyth County, Inc. or their assigns for public purposes.

**NOW THEREFORE, BE IT RESOLVED**, that the Mayor and City Council authorize up to \$65,000 in funding to Habitat for Humanity of Forsyth County, Inc. for rehabilitation and conversion of a duplex located at 1603 and 1605-1607 North Cherry Street into single-family housing.

**BE IT FURTHER RESOLVED**, by the City Council, that the City Manager is authorized to execute contracts and documents necessary to carry out the activities herein authorized.



1603, 1605-1607 North Cherry Street





**City Council – Action Request Form**

**Date:** July 22, 2016

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**To:** The City Manager

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**From:** D. Ritchie Brooks, Director, Community and Business Development

**Council Action Requested:**  
 Authorization to rescind a permanent financing commitment of up to \$319,175 for the Brown Elementary School site (East Ward).

**Summary of Information:**

On August 18, 2014, the Mayor and City Council approved \$319,175 in Housing Finance Assistance Funds to the Housing Authority of Winston-Salem (HAWS), its affiliates and assigns, as permanent financing to acquire and demolish the former Brown Elementary School, located at 1125 Highland Avenue, in support of the development of 120 units of multi-family rental housing for the elderly. Since HAWS has not obtained the balance of the funds to carry out the project, the loan agreement for the City’s financing has not been executed.

Staff has received a letter from Mr. Larry Woods, HAWS Executive Director, informing the City that HAWS will not be using the funding allocated for the project since it purchased the property with funds from another source. The recaptured funds may be used for other eligible projects. A resolution to rescind the approval, a project budget ordinance to de-obligate the funds, and the letter from HAWS are attached.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____

**Remarks:**





July 18<sup>th</sup>, 2016

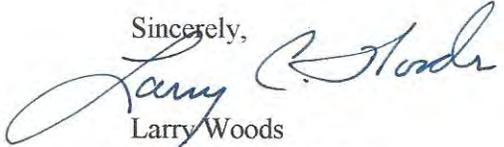
Mr. D. Ritchie Brooks  
Director of Administration  
Community and Business Development  
P.O. Box 2511  
Winston-Salem, NC 27102-2511

Dear Mr. D. Ritchie Brooks,

In 2014, the Housing Authority of the City of Winston-Salem approached the City of Winston-Salem with a plan to acquire a large institutional structure in East Winston, known as the Former Brown Elementary School, located at 1125 Highland Avenue. Contemporary plans consisted of submitting an application to the North Carolina Housing Finance Agency for 2015 Low-Income Housing Tax Credits to construct 120 units of multi-family rental housing for the elderly. The estimated cost of the apartment community is \$12 million. On August 18, 2014, the City of Winston-Salem generously allocated funding in order to assist the Housing Authority to undertake this endeavor. The City committed to providing \$319,175 towards the first phase of the project. An additional in-kind contribution of approximately \$20,000 would have been provided by the Community and Business Development Department (CBD). This support will include keeping the property secured and lawn mowed and can be done by the CBD field maintenance crew. This funding was approved by Resolution D-28670.

Later that same year, the Housing Authority independently arranged adequate financing in order to purchase the property outright. This left city funding allocated for a project that no longer required that funding. The City has always been a generous and encouraging partner to the Housing Authority of the City of Winston-Salem, and we deeply appreciate the perpetual support the City has given the Authority. We hope that the City may release these funds into the general fund, for another equally meritorious purpose as that for which they were originally allocated.

Thank you for your time and attention to this matter.

Sincerely,  
  
Larry Woods  
Executive Director  
Housing Authority of the City of  
Winston-Salem

*So Much More*



**RESOLUTION TO RESCIND PERMANENT FINANCING  
FOR THE BROWN ELEMENTARY SCHOOL SITE**

**WHEREAS**, on August 18, 2014, the Mayor and City Council approved \$319,175 in Housing Finance Assistance Funds to the Housing Authority of Winston-Salem (HAWS), its affiliates and assigns, to acquire and demolish the former Brown Elementary School, located at 1125 Highland Avenue, in support of the development of 120 units of multi-family rental housing for the elderly; and

**WHEREAS**, Mr. Larry Woods, HAWS Executive Director, has informed the City that HAWS will not be using the funding allocated for the project.

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and City Council hereby rescind the authorization of up to \$319,175 in permanent financing to the Housing Authority of Winston-Salem, its affiliates and assigns, for development of the Brown Elementary School site approved on August 18, 2014.

**BE IT FURTHER RESOLVED**, that the Mayor and City Council authorize the City Manager to execute contracts and documents necessary to carry out the activities herein authorized.



**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE  
CITY OF WINSTON-SALEM, NORTH CAROLINA  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED** by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2016-2017 be amended to rescind an appropriation of funds to the Housing Authority of Winston-Salem for the acquisition of the former Brown Elementary School to construct 120 units of multi-family rental housing for the elderly.

**SECTION 1.** That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 20, 2016, shall be further amended by changing the expenditure appropriations in the following fund.

**Special Revenue Funds**

Housing Finance Assistance Fund	
Housing Authority of Winston-Salem - Brown Elementary School	-\$319,180
<b>Total Special Revenue Funds Expenditures</b>	<b>-\$319,180</b>

**SECTION 2.** That the following revenues will be available to meet the above listed appropriations.

**Special Revenue Funds**

Housing Finance Assistance Fund	
Fund Balance Appropriation	-\$319,180
<b>Total Special Revenue Funds Revenues</b>	<b>-\$319,180</b>

**SECTION 3.** That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.



**City Council – Action Request Form**

**Date:** August 15, 2016

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**To:** The City Manager

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**From:** Gregory M. Turner, Assistant City Manager  
Lisa M. Saunders, Chief Financial Officer

**Council Action Requested:**

Consideration of a Resolution Accepting a North Carolina Clean Water State Revolving Fund Loan for the South Fork Interceptor, Kerners Mill Force Main and Pump Station Improvements.

**Summary of Information:**

Approval of the attached resolution accepts a loan from North Carolina Clean Water State Revolving Fund in the amount of \$11,699,526.

On September 21, 2015 the City Council approved applications for North Carolina State Revolving Fund Loans for the various wastewater projects. The North Carolina Local Government Commission formally approved the City of Winston-Salem as eligible to receive a Revolving Loan in the amount of \$11,699,526 for a term of 20 years and 1.63% interest rate on June 7, 2016.

The City of Winston-Salem received an offer and acceptance for a State Loan in the amount of \$11,699,526 in a letter dated June 14, 2016. A resolution adopted by the governing body accepting the loan offer and making applicable assurances contained therein must be submitted to the North Carolina Department of Environmental Quality.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____
<b>Remarks:</b>	_____		



**RESOLUTION ACCEPTING A NORTH CAROLINA CLEAN WATER STATE  
REVOLVING FUND LOAN FOR THE SOUTH FORK INTERCEPTOR, KERNERS  
MILL FORCE MAIN AND PUMP STATION IMPROVEMENTS**

**WHEREAS**, the North Carolina Clean Water Revolving Loan and Grant Act of 1987 has authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater treatment works, wastewater collection systems, and water supply systems, water conservation projects; and

**WHEREAS**, the North Carolina Department of Environmental Quality has offered a State Revolving Loan in the amount of \$11,699,526 for the South Fork Interceptor, Kerners Mill Force Main and Pump Station Improvements; and

**WHEREAS**, the City/County Utility Commission intends to construct said projects in accordance with the approved plans and specifications.

**NOW THEREFORE, BE IT RESOLVED** that the Mayor and the City Council, do hereby accept the State Revolving Loan of \$11,699,526.

**BE IT FURTHER RESOLVED** that the Mayor and the City Council, do hereby give assurance to the North Carolina Department of Environmental Quality that all items specified in the loan offer, Section II – Assurances will be adhered to.

**BE IT FURTHER RESOLVED** that the City Manager, or designee so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above and to execute such other documents as may be required in connection with the application.

**BE IT FURTHER RESOLVED** that the Mayor and the City Council, have substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations,

and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting City Secretary of the City of Winston-Salem does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council of the City of Winston-Salem duly held on the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day  
of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

\_\_\_\_\_  
MELANIE JOHNSON  
City Secretary  
City of Winston-Salem, North Carolina



**City Council – Action Request Form**

**Date:** August 15, 2016

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**To:** The City Manager

---

**From:** Gregory M. Turner, Assistant City Manager  
Lisa M. Saunders, Chief Financial Officer

**Council Action Requested:**

Consideration of a Resolution Accepting a North Carolina Clean Water State Revolving Fund Loan for the Sanitary Sewer Evaluation Studies and Collection System Rehabilitation Projects.

**Summary of Information:**

Approval of the attached resolution accepts a loan increase from North Carolina Clean Water State Revolving Fund in the amount of \$2,861,396 for a total loan of \$12,260,596.

On November 17, 2014, the City Council approved acceptance of a Revolving Loan in the amount of \$9,399,200 for a term of 20 years and 2% interest rate.

On March 28, 2016, the City Council approved the application to request an increase in the loan by \$2,861,396. The rehabilitation of areas identified through ongoing Sanitary Sewer Evaluation Studies includes: 21<sup>st</sup>, 22<sup>nd</sup> and 23<sup>rd</sup> Streets, Muddy Creek Sub-Basins and Peters Creek Outfall.

The North Carolina Local Government Commission formally approved the City of Winston-Salem as eligible to receive a Revolving Loan increase in the amount of \$2,861,396 for a total of \$12,260,596 on May 3, 2016.

The City of Winston-Salem received an offer and acceptance for a State Loan increase in the amount of \$2,219,345 in a letter dated June 1, 2016. The revised terms of the total loan is 20 years with an interest rate of 1.66%.

A resolution adopted by the governing body accepting the loan offer and making applicable assurances contained therein must be submitted to the North Carolina Department of Environmental Quality.

**Committee Action:**

<b>Committee</b>	_____	<b>Action</b>	_____
<b>For</b>	_____	<b>Against</b>	_____

**Remarks:** \_\_\_\_\_



**RESOLUTION ACCEPTING A NORTH CAROLINA CLEAN WATER STATE  
REVOLVING FUND LOAN FOR THE SANITARY SEWER EVALUATION STUDIES  
AND COLLECTION SYSTEM REHABILITATION PROJECTS**

**WHEREAS**, the North Carolina Clean Water Revolving Loan and Grant Act of 1987 has authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater treatment works, wastewater collection systems, and water supply systems, water conservation projects; and

**WHEREAS**, the North Carolina Division of Water Quality has offered an increase in the State Revolving Loan in the amount of \$2,861,396 for the construction of various sanitary sewer evaluation studies and collection system rehabilitation projects for a total loan amount of \$12,260,596; and

**WHEREAS**, the City/County Utility Commission (CCUC) intends to construct said projects in accordance with the approved plans and specifications.

**NOW THEREFORE, BE IT RESOLVED** that the Mayor and the City, do hereby accept an increase of \$2,861,396 from the North Carolina Division of Water Quality for a cumulative loan of \$12,260,596.

**BE IT FURTHER RESOLVED** that the City Manager, or designee so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above and to execute such other documents as may be required in connection with the application.

**BE IT FURTHER RESOLVED** that the Mayor and the City Council have substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting City Secretary of the City of Winston-Salem does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council of the City of Winston-Salem duly held on the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
MELANIE JOHNSON  
City Secretary  
City of Winston-Salem, North Carolina

**City Council – Action Request Form**

**Date:** July 27, 2016  
**To:** The City Manager  
**From:** Ben Rowe, Assistant City Manager

**Council Action Requested:**  
 Consideration of Amendments to the FY 2016-17 Budget Ordinances for the City of Winston-Salem, North Carolina.

**Summary of Information:**

The proposed amendments to the FY 2016-17 budget ordinances authorize adjustments for the following purposes.

**Appropriation of Grants and Other Revenues Received**

- o The Police Department has received additional federal forfeiture funds from the United States Department of Justice totaling \$24,270 and additional state controlled substance tax receipts from the Office of the State Auditor totaling \$26,650 to be used for the purchase of equipment.

**Contingency Appropriations for Capital Projects**

- o The proposed amendment would provide contingency appropriations for the Jamison Park and Quarry Park bond projects. Construction bids received for both projects were higher than approved budgets, and as a result, both projects were value engineered to stay within budgeted funds. The value engineering process for both projects consumed most of the original contingency appropriations in the projects. The Office of the City Engineer is requesting additional contingencies of \$75,000 and \$100,000, for Jamison and Quarry Parks respectively. These funds would allow staff to respond quickly to unknown conditions and better allow staff

<b>Committee</b>		<b>Action</b>
<b>For</b>	_____	<b>Against</b>
<b>Remarks:</b>	_____	_____

to deliver park construction without eliminating additional features. These funds would come from the capital reserve contingency approved by the Mayor and City Council on March 28, 2016. Any funds not used would be returned to the capital reserve contingency.

**Ridgewood Place Development**

- o On May 16, 2016, the Mayor and City Council approved \$1,325,000 for the development of the Ridgewood Place subdivision. As part of this development, S.G. Atkins CDC requested funds for the construction of ten houses and homebuyer assistance. The original action appropriated \$1,000,000 with \$650,000 from 2014 General Obligation bonds, \$325,000 from HOME funds, and \$25,000 from Housing Finance Assistance Funds. The proposed amendment includes a technical adjustment to appropriate the remaining \$325,000 from the anticipated repayment of construction loans provided from HOME funds.

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE  
CITY OF WINSTON-SALEM, NORTH CAROLINA  
FOR THE FISCAL YEAR 2016-2017**

**BE IT ORDAINED** by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2016-2017 be amended to cover changes in the following funds as described herein.

**SECTION 1.** That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 20, 2016, shall be amended by changing the expenditure appropriations in the following funds.

**Special Revenue Funds**

HOME Investment Partnership Fund	
Ridgewood Project	325,000
Forfeiture Funds	
Equipment	50,920
<b>Total Special Revenue Funds Expenditures</b>	<b>\$375,920</b>

**Capital Projects Fund**

Recreation and Culture	
Quarry Park Development	\$100,000
Jamison Park Development	75,000
Capital Improvement Reserve	
2014 GO Bond Capital Contingency	-175,000
<b>Total Capital Projects Fund Expenditures</b>	<b>\$0</b>

**SECTION 2.** That the following revenues will be available to meet the above listed appropriations.

**Special Revenue Funds**

HOME Investment Partnership Fund	
Program Income	\$325,000
Forfeiture Funds	
United States Department of Justice	24,270
State Controlled Substance Tax Receipts	26,650
	<hr/>
	50,920
<b>Total Special Revenue Funds Revenues</b>	<b>\$375,920</b>

**SECTION 3.** That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
<p>Consideration of Items Related to Awarding Contracts for the Reynolds Park Road Bridge Replacements Project. (East Ward and Southeast Ward)</p> <p style="margin-left: 40px;">A. Adoption of a Resolution Authorizing an Agreement for Professional Construction Engineering and Inspection Services.</p> <p style="margin-left: 40px;">B. Adoption of a Resolution Awarding a Construction Contract</p>	
<b>Summary of Information:</b>	
<p>City Council previously authorized an agreement with the North Carolina Department of Transportation (NCDOT) for the replacement of bridge #86 and bridge #87 on Reynolds Park Road. The agreement provides for the City to design and construct the project and for the NCDOT to reimburse the City for 80% of allowable project costs with Federal funds.</p> <p>On February 22, 2016, the City issued a request for Letters of Interest/Statement of Qualifications (LOI/SOQ's) for professional construction engineering and inspection (CEI) services, which provides for all construction inspection and field materials sampling and testing and four letters of interest were received. In accordance with N.C.G.S. §143-64.31 Federal Highway Administration and NCDOT policies and procedures were followed to select a consultant and the selection process follows public policy. A panel of three professional engineers evaluated each of the proposals to identify the firm that was judged to be best suited for this project, based on items such as work to be performed in-house, similar projects completed, experience with working on municipal bridge replacement projects, experience working with NCDOT, project schedule, project approach, and overall presentation. A. Morton Thomas and Associates, Inc. was identified as the most qualified firm to provide CEI services for this project.</p> <p>The City entered into contract negotiations with A. Morton Thomas and Associates, Inc., which included identifying the full scope of services to be provided and a proposed fee for this work. NCDOT approved a final negotiated fee amount of \$527,033.66.</p> <p>Therefore, it is recommended that a contract for professional construction engineering and inspection services for Reynolds Park Road Bridge Replacements be awarded to A. Morton Thomas and Associates, Inc., the most qualified firm, in the amount of \$527,033.66.</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	

Following NCDOT approval to bid, the City solicited bids for construction of Reynolds Park Road Bridge Replacements. Below is a summary of the bids accepted on July 29, 2016:

	<u>City/State</u>	<u>Total Bid</u>
Smith-Rowe, LLC	Mount Airy, NC	\$3,321,112.06
Triangle Grading & Paving, Inc.	Burlington, NC	3,548,064.72
Blythe Construction, Inc.	Charlotte, NC	3,662,207.82
Dane Construction, Inc.	Mooresville, NC	3,677,206.02
Eastern Structures, LLC	Mocksville, NC	3,875,498.40
Crowder Construction Company	Charlotte, NC	4,076,952.00
Lee Construction Company of The Carolinas, Inc.	Pineville, NC	4,293,096.97

Smith-Rowe, LLC has agreed to the Disadvantaged Business Enterprise (DBE) subcontracting goals of 12% established by NCDOT for this project.

It is recommended that a contract for construction of Reynolds Park Road Bridge Replacements be awarded to Smith-Rowe, LLC, the low bidder meeting specifications, in the estimated total amount of \$3,321,112.06. The engineer's estimate was \$3,099,536.28. Award of this contract is contingent upon approval by NCDOT, and prime bidders and DBE subcontractors must be pre-qualified with NCDOT.

M/WBE comment: This project was advertised on the City's website, State website, iSQFT electronic plan room and in the Winston-Salem Journal. Additionally, 58 general contractors and subcontractors were notified directly of this opportunity. No M/WBE contractors offered a bid.

Workforce Demographics: See Exhibit A

**Exhibit A**

Project/Bid Description: Contract for Reynolds Park Rd Bridge Replacements project

Bidder's Company Name: Smith-Rowe, LLC

City/State: Mount Airy, NC

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<b>WORKFORCE DEMOGRAPHICS</b>
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	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian/Pacific Islands	Two or more Races	
	206	6	124	15	58	13	2	212
% of Total	97.2%	2.8%	58.5%	7.1%	27.4%	6.1%	0.9%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



**RESOLUTION AUTHORIZING AN AGREEMENT FOR PROFESSIONAL  
CONSTRUCTION ENGINEERING AND INSPECTION SERVICES FOR REYNOLDS  
PARK ROAD BRIDGE REPLACEMENT PROJECT**

**WHEREAS**, the City of Winston-Salem and the North Carolina Department of Transportation (NCDOT) have previously entered into an agreement for the replacement of Bridge #86 and Bridge #87 on Reynolds Park Road; and

**WHEREAS**, the agreement provides for the City to design and construct the project and for NCDOT to reimburse the City for eighty percent (80%) of all allowable project expenses with Federal funds; and

**WHEREAS**, the City requires the services of a professional engineering firm experienced with bridge construction, particularly Federal bridge replacement projects administered through the NCDOT to provide construction engineering and inspection services (CEI); and

**WHEREAS**, Federal Highway Administration and NCDOT policies and procedures were followed to select a consultant and the selection process follows public policy established in N.C.G.S. §143-64.31; and

**WHEREAS**, after reviewing proposals from four professional engineering firms, A. Morton Thomas and Associates, Inc. was identified as the most qualified firm to provide CEI services for this project; and

**WHEREAS**, it is the recommendation of the Finance Committee that an agreement for CEI services for this project be awarded to A. Morton Thomas and Associates, Inc., the most qualified firm, in the estimated total amount of \$527,033.66.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Winston-Salem that the City Manager is authorized to enter into an agreement with A. Morton Thomas and Associates, Inc. for professional construction engineering and inspection (CEI)

**C-8.a. DRAFT**

services related to the Reynolds Park Road Bridge Replacements Project in the estimated total amount of \$527,033.66.

**BE IT FURTHER RESOLVED** that funds for this agreement have been previously appropriated and are available in account number 304-533010-547909.

**RESOLUTION AUTHORIZING CONSTRUCTION CONTRACT FOR REYNOLDS  
PARK ROAD BRIDGE REPLACEMENT PROJECT**

**WHEREAS**, the City of Winston-Salem and the North Carolina Department of Transportation (NCDOT) have previously entered into an agreement for the replacement of Bridge #86 and Bridge #87 on Reynolds Park Road; and

**WHEREAS**, the agreement provides for the City to design and construct the project and for NCDOT to reimburse the City for eighty percent (80%) of all allowable project expenses with Federal funds; and

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 2:00 PM, Friday, July 29, 2016, for the Reynolds Park Road Bridge Replacements Project; and the following bids were received:

	<u>City/State</u>	<u>Total Bid</u>
Smith-Rowe, LLC	Mount Airy, NC	\$3,321,112.06
Triangle Grading & Paving, Inc.	Burlington, NC	3,548,064.72
Blythe Construction, Inc.	Charlotte, NC	3,662,207.82
Dane Construction, Inc.	Mooreville, NC	3,677,206.02
Eastern Structures, LLC	Mocksville, NC	3,875,498.42
Crowder Construction Company	Charlotte, NC	4,076,952.00
Lee Construction Company of The Carolinas, Inc.	Pineville, NC	4,293,346.97

**WHEREAS**, Smith-Rowe, LLC has agreed to the Disadvantaged Business Enterprise (DBE) subcontracting goals of 12% established by NCDOT for this project; and

**WHEREAS**, it is the recommendation of the Finance Committee that a contract for construction of the Reynolds Park Road Bridge Replacements Project be awarded to Smith-Rowe, LLC, the low bidder meeting specifications, in the estimated total base bid amount of \$3,321,112.06.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Winston-Salem, that a contract for construction of the Reynolds Park Road Bridge Replacements Project be awarded to Smith-Rowe, LLC, the low bidder meeting specifications,

**C-8.b. DRAFT**

in the estimated total base bid amount of \$3,321,112.06, and that all other bids are rejected, and that the City Manager and City Secretary are authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney and bid deposit retained until the successful bidder has provided satisfactory contract and bonds.

**BE IT FURTHER RESOLVED** that the approval of this contract is contingent upon approval by the North Carolina Department of Transportation.

**BE IT FURTHER RESOLVED** that funds have been previously appropriated and are available in account no. 304-533102-547909 to cover the cost of this contract.





**RESOLUTION AWARDING CONTRACT FOR  
SIDEWALK CONSTRUCTION ALONG GERALD STREET**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 3:00 p.m., Friday, July 15, 2016, for sidewalk construction along Gerald Street and the following bids were received:

	<u>City/State</u>	<u>Total Bid</u>
Mayes Landscaping and Concrete, Inc.	Winston-Salem, NC	\$108,875
Dalton Contracting, LLC	Clemmons, NC	131,015
Armen Construction, LLC	Charlotte, NC	151,300
Construction Concepts and Designs, Inc.	Charlotte, NC	202,125

**WHEREAS**, it is the recommendation of the Finance Committee that a contract be awarded to Mayes Landscaping and Concrete, Inc., the low bidder meeting specifications, for sidewalk construction along Gerald Street in the estimated total amount of \$108,875.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that the contract for sidewalk construction along Gerald Street is hereby awarded to Mayes Landscaping and Concrete, Inc. in the estimated total amount of \$108,875. The City Manager and City Secretary are authorized to execute the contract on behalf of the City, with contract forms to be approved by the City Attorney.

**BE IT FURTHER RESOLVED** that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

**BE IT FURTHER RESOLVED** that funds have been previously appropriated and will be made available in account nos. 304-533102-541212 to cover the cost of this contract.



Exhibit A

Project/Bid Description: Gerald Street sidewalk construction  
 Bidder's Company Name: Mayes Landscaping & Concrete  
 City/State: Winston-Salem, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	12	0	0	12	0	0	0	12
% of Total	100.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>		
<b>Date:</b>	August 15, 2016	
<b>To:</b>	The City Manager	
<b>From:</b>	Jerry Bates, Purchasing Director	
<b>Council Action Requested:</b>		
Adoption of Resolution Awarding Contract for HEPA Filter Maintenance.		
<b>Summary of Information:</b>		
<p>The City solicited bids for HEPA Filter Maintenance at the Joint Firearms Training Facility. The scope of work requires monthly, bi-monthly and semi-annual filter change-out and proper disposal. Due to lead fragments within the filtration systems, this facility is deemed a hazardous environment and thereby requires a vendor performing this service to be 40-hour OSHA hazardous waste operations certified, to use personal protective equipment, and to provide medical monitoring of employees. The following bids were accepted on July 14, 2016, with an itemized summary as Exhibit A following the resolution:</p>		
	<u>City/State</u>	<u>Sum of Unit Prices</u>
EVO Corporation	Winston-Salem, NC	\$ 82,295.00
A&D Environmental Services, Inc.	Archdale, NC	293,454.50
<p>This annual contract runs from July 1, 2016, through June 30, 2017. Terms of the bid allow the City the right to extend the contract for as many as two additional annual periods (until June 30, 2019), if both parties agree and funds are made available for that purpose. Unit prices may be adjusted at the beginning of each additional annual period by an amount not to exceed the latest available Consumer Price Index for All Urban Consumers.</p>		
<p>It is recommended that a contract for HEPA Filter Maintenance be awarded to EVO Corporation, the lowest responsive, responsible bidder meeting specifications, in the estimated annual total amount of \$82,295 and the right to extend the contract for as many as two additional annual periods (until June 30, 2019), if both parties agree and funds are made available for that purpose, making the total award possible over three years in the estimated amount of \$246,885.</p>		
<p>M/WBE comment: Notices were sent to eight contractors, including four woman-owned businesses, who may be qualified to perform this type of work. No M/WBE businesses responded to this opportunity.</p>		
<p>Workforce Demographics: See Exhibit B</p>		
<b>Committee Action:</b>		
<b>Committee</b>	<b>Action</b>	
<b>For</b>	<b>Against</b>	
<b>Remarks:</b>		



**RESOLUTION AWARDING CONTRACT FOR HEPA FILTER MAINTENANCE**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 p.m. on Thursday, July 14, 2016, for HEPA filter maintenance during the annual period from July 1, 2016, through June 30, 2017 and the following bids were received:

	<u>City/State</u>	<u>Sum of Unit Prices</u>
EVO Corporation	Winston-Salem, NC	\$ 82,295.00
A&D Environmental Services, Inc.	Archdale, NC	293,454.50

**WHEREAS**, terms of the bid allow the City the right to extend the contract for as many as two additional annual periods (until June 30, 2019), if both parties agree and funds are made available for that purpose, and unit prices may be adjusted at the beginning of each additional annual period by an amount not to exceed the latest available Consumer Price Index for All Urban Consumers; and

**WHEREAS**, it is the recommendation of the Finance Committee that a contract be awarded for HEPA filter maintenance during the annual period from July 1, 2016, through June 30, 2017, to EVO Corporation, the lowest responsive bidder meeting specifications, in the estimated annual amount of \$82,295 with the option to extend for two additional annual periods (until June 30, 2019), if both parties agree and funds are made available for that purpose, making the total award possible over three years in the estimated amount of \$246,885.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that the contract for HEPA filter maintenance is hereby awarded to EVO Corporation, in the estimated amount of \$82,295 with the option to extend for two additional annual periods (until June 30, 2019), if both parties agree and funds are made available for that purpose, making the total award possible over three years in the estimated amount of \$246,885 and that the City Manager and

**C-9.b. DRAFT**

City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney.

**BE IT FURTHER RESOLVED** that the award of this contract constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

**BE IT FURTHER RESOLVED** that funds are available in account no. 011656-527105-9999 to cover the cost of this contract.

BID TABULATION

				EVO Corporation		A & D Environmental			
	<i>Item Description</i>	<i>Qty</i>	<i>Unit</i>	<i>unit cost</i>	<i>subtotal</i>	<i>Qty</i>	<i>Unit</i>	<i>unit cost</i>	<i>subtotal</i>
5.1	Pre-Treatment Filter Removal & Replacement	12	EA	\$535.00	\$6,420.00	12	EA	\$4,365.80	\$52,389.60
5.2	2nd stage MERV Filter Removal & Replacement	6	EA	\$1,170.00	\$7,020.00	6	EA	\$16,262.28	\$97,573.68
5.3	3rd stage HEPA Filter Removal & Replacement	2	EA	\$1,280.00	\$2,560.00	2	EA	\$28,158.75	\$56,317.50
5.4	Add'l Hazardous Waste Disposal Box Costs	12	EA	\$110.00	\$1,320.00	12	EA	\$1,169.60	\$14,035.20
5.5	Transportation of Hazardous Waste Disposal Boxes	6	EA	\$300.00	\$1,800.00	4	EA	\$250.00	\$1,000.00
5.6	Disposal of Hazardous Waste Boxes	65	EA	\$875.00	\$56,875.00	34	EA	\$1,169.60	\$39,766.40
5.9	Spill Kits	0	LS	\$0.00	\$0.00	0	LS	\$0.00	\$0.00
5.10	Bullet Containment System Cleaning	4	EA	\$1,575.00	\$6,300.00	4	EA	\$8,093.03	\$32,372.12
TOTAL ESTIMATED COST					\$82,295.00				\$293,454.50



Exhibit B

Project/Bid Description: HEPA Filter Maintenance  
 Bidder's Company Name: EVO Corporation  
 City/State: Winston-Salem, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	27	3	24	2	4	0	0	30
% of Total	90.0%	10.0%	80.0%	6.7%	13.3%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



**City Council – Action Request Form**

**Date:** August 15, 2016

**To:** The City Manager

**From:** Jerry Bates, Purchasing Director

**Council Action Requested:**

Adoption of Resolution Awarding Contract for the Purchase and Installation of Playground Equipment at Crawford Park (Northeast Ward) and Reynolds Park (Southeast Ward).

**Summary of Information:**

One goal of the Recreation and Parks Department is to draw families to appealing and safe playgrounds across the city. As each playground is upgraded, play surfaces are made safer and exciting new designs are used. Based on historical data for bidding versus purchase-and-install contracts, staff believes the most cost effective means for purchasing new playground equipment is through a cooperative purchasing program where the City can buy direct and receive a discount. Crawford Park and Reynolds Park playgrounds are outdated and in need of replacement.

For Crawford Park and Reynolds Park, chosen designs following the resolution, are available through The Cooperative Purchasing Network (TCPN), a national formally organized and competitive bidding group purchasing program. BCI Burke, Inc., of Fond du Lac, Wisconsin, has been awarded competitive bid contracts #R5199-NC-10129 and #R5199-NC-1012 and provides the equipment through the certified North Carolina authorized installer, Barrs Recreation, LLC of Morrisville, North Carolina. The total cost for the purchase and installation of outdoor fitness equipment will be as follows:

	<u>Crawford Park</u>	<u>Reynolds Park</u>
Equipment, Installation, Freight	\$188,578.05	\$31,954.89
Discount on Equipment	<u>(\$ 19,683.87)</u>	<u>(\$ 1,302.42)</u>
Total Cost	\$168,894.18	\$30,652.47

It is recommended that contract for the purchase and installation of playground equipment at Crawford Park and Reynolds Park be awarded to Barrs Recreation, LLC in the total amount of \$199,546.65.

**Committee Action:**

<b>Committee</b>	<b>Action</b>
_____	_____
<b>For</b>	<b>Against</b>
_____	_____
<b>Remarks:</b>	
_____	

This recommendation is in accordance with N.C.G.S. 143-129(e)(3), which authorizes “purchases made through a competitive bidding group purchasing program, which is a formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies.” TCPN meets this requirement.

M/WBE comment: There are no known area minority- or woman-owned companies that sell this type of equipment.

Workforce Demographics: See Exhibit A

**RESOLUTION AWARDING CONTRACT FOR THE PURCHASE AND  
INSTALLATION OF PLAYGROUND EQUIPMENT  
AT CRAWFORD PARK AND REYNOLDS PARK**

**WHEREAS**, N.C.G.S. 143-129(e)(3) authorizes “purchases made through a competitive bidding group purchasing program, which is a formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies”; and

**WHEREAS**, BCI Burke, Inc. has been awarded contracts #R5199-NC-10129 and #R5199-NC-1012 by The Cooperative Purchasing Network (TCPN) on behalf of interested public entities; and

**WHEREAS**, it is the recommendation of the Finance Committee that a contract for the purchase and installation of playground equipment at Crawford Park and Reynolds Park be awarded to Barrs Recreation, LLC, the certified North Carolina authorized installer, in the total amount of \$199,546.65.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Winston-Salem, that a contract for the purchase and installation of playground equipment at Crawford Park and Reynolds Park is hereby awarded to Barrs Recreation, LLC in the total amount of \$199,546.65 and that the City's specifications, the Company's proposal, and the City's purchase order will constitute the equipment purchase contract. The City Manager and City Secretary are authorized to execute the installation contract on behalf of the City, with contract to be approved by the City Attorney.

**BE IT FURTHER RESOLVED** that award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

**BE IT FURTHER RESOLVED** that funds are available in account 30-305-532102-566640 to cover the cost of this contract.



Exhibit A

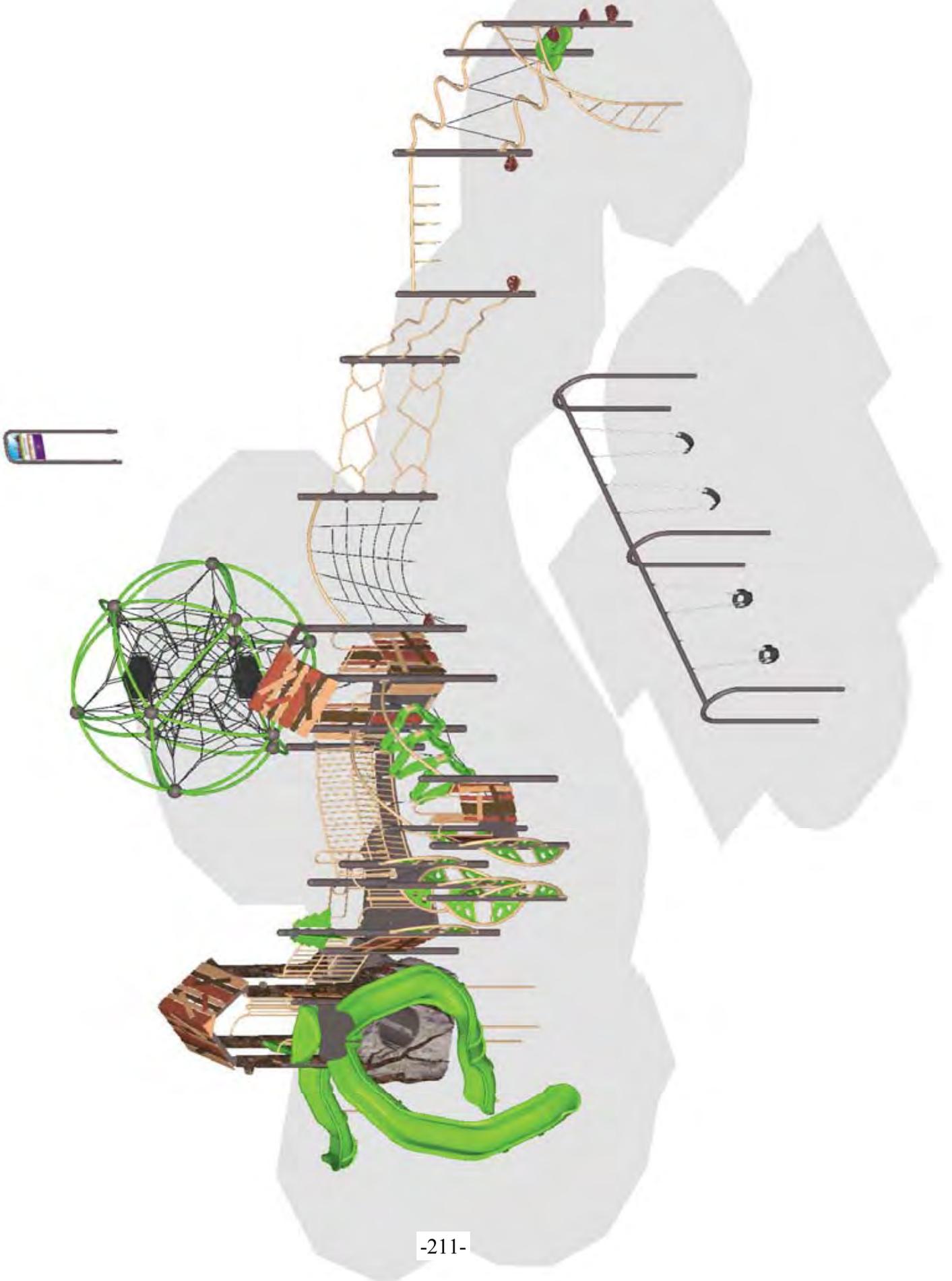
Project/Bid Description: Crawford & Reynolds Park playground equipment  
 Bidder's Company Name: Barrs Recreation, LLC  
 City/State: Morrisville, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	3	4	6	0	1	0	0	7
% of Total	42.9%	57.1%	85.7%	0.0%	14.3%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

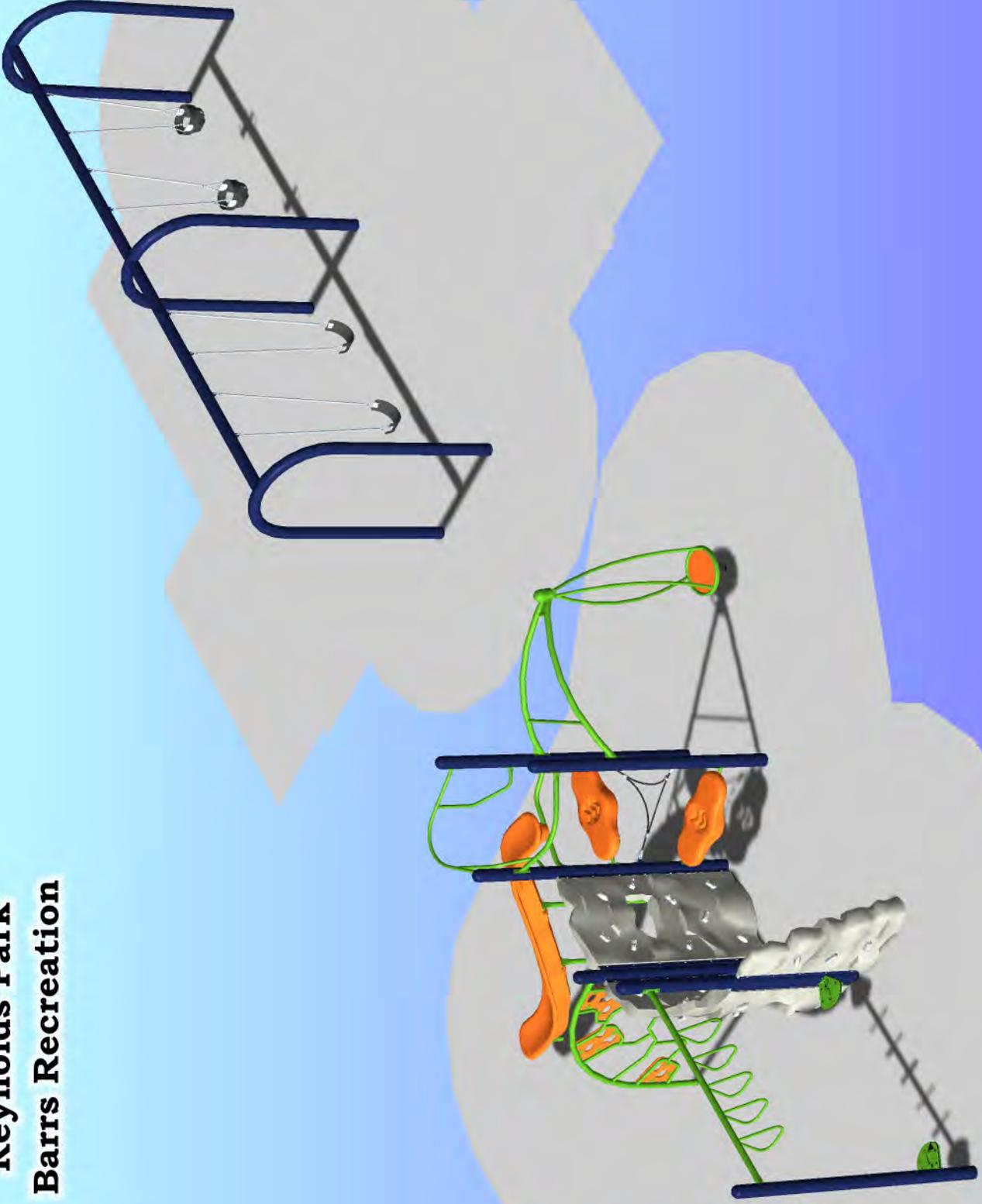






Proposal # 405-93537-1

**Reynolds Park  
Barrs Recreation**









**RESOLUTION AWARDING CONTRACT FOR FURNITURE  
AT THE LOWERY STREET BUILDING**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 10:00 a.m., Friday, July 15, 2016, to provide furniture at the Lowery Street Building, and the following bids were received:

	<u>City/State</u>	<u>Grand Total</u>
Delve Interiors, LLC	Charlotte, NC	\$214,003.52
Contemporary Galleries, Inc.	Charleston, WV	247,842.10
Alfred Williams & Co.	Colfax, NC	251,639.84
ONECBI, LLC	Charlotte, NC	295,636.83

**WHEREAS**, it is the recommendation of the Finance Committee that a contract to provide furniture at the Lowery Street Building per bid specifications be awarded to Delve Interiors, LLC, low bidder meeting specifications, in the amount of \$214,003.52.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a contract to provide furniture at the Lowery Street Building per bid specifications, is hereby awarded to Delve Interiors LLC in the amount of \$214,003.52, and that the City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney.

**BE IT FURTHER RESOLVED** that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

**BE IT FURTHER RESOLVED** that funds have been previously appropriated and are available to cover the cost of this contract.



Exhibit A

Project/Bid Description: Furniture at the Lowery Street Building  
 Bidder's Company Name: Delve Interiors, LLC  
 City/State: Charlotte, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	18	17	30	4	1	0	0	35
% of Total	51.4%	48.6%	85.7%	11.4%	2.9%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.







**RESOLUTION AWARDING PURCHASE ORDER FOR AUDIO/VIDEO EQUIPMENT  
AND INSTALLATION AT THE LOWERY STREET BUILDING**

WHEREAS, after due advertisement, proposals were received by the City/County Purchasing Department at 12:00 p.m. on Thursday, June 16, 2016, for audio/video equipment and installation at the Lowery Street building. Below is a summary of bids received:

	<u>City/State</u>	<u>Total Bid</u>
Clark-Powell Associates, Inc.	Winston-Salem, NC	\$107,146.03

WHEREAS, it is the recommendation of the Finance Committee that a purchase order for audio/video equipment and installation be awarded to Clark-Powell Associates, Inc., low bidder meeting specifications, in the amount of \$107,146.03.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a purchase order for audio/video equipment and installation is hereby awarded to Clark-Powell Associates, Inc. in the amount of \$107,146.03. The City Manager and City Secretary are hereby authorized to execute the contract on behalf of the City, contract forms to be approved by the City Attorney.

**BE IT FURTHER RESOLVED** that the award of this contract constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

**BE IT FURTHER RESOLVED** that funds have been previously appropriated and are available in account no. 3111-534-401802 to cover the cost of this contract.



**Exhibit A**

Project/Bid Description: Contract for Audio/Video Solution for Lowery Street Facility  
 Bidder's Company Name: Clark-Powell Associates, Inc  
 City/State: Winston-Salem, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	47	12	56	3	0	0	0	59
% of Total	79.7%	20.3%	94.9%	5.1%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
Adoption of Resolution Awarding Purchase Order for SPEX Fingerprint System Upgrade.	
<b>Summary of Information:</b>	
<p>The Winston-Salem Police Department (WSPD) has the immediate need to upgrade the SPEX fingerprint system equipment in order to maintain the effectiveness and efficiency regarding fingerprint searches in the SPEX/Horiba database. This upgrade includes the server, workstation, and software. The existing database has far exceeded the programs capacity. Searches that should complete within 5-10 minutes have increased to days. SPEX/Horiba technical support has exhausted measures to assist the current operating system.</p> <p>Horiba Jobin Yvon, Inc., provider of the SPEX/Horiba system used by WSPD, has submitted a quotation for the complete upgrade of the SPEX fingerprint system at a cost of \$39,500. The FY 2016-17 capital equipment budget includes sufficient funds for this purchase; therefore, it is recommended that a purchase order for the complete upgrade of the SPEX fingerprint system per quotation at a cost of \$39,500 be awarded to Horiba Jobin Yvon, Inc. in the total amount of \$39,500.</p> <p>This recommendation is based upon provisions of N.C.G.S. 143-129(e) which provides that formal bid requirements do not apply to purchases of apparatus, supplies, materials, or equipment when performance or price competition are not available; when a needed product is available from only one source of supply; or when standardization or compatibility is the overriding consideration.”</p> <p>The purchase of SPEX fingerprint system will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2016-17 budget.</p> <p>M/WBE comment: Horiba Jobin Yvon, Inc. is the sole source provider for this purchase.</p> <p>Workforce Demographics: See Exhibit A</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	



**RESOLUTION AWARDING PURCHASE ORDER FOR  
SPEX FINGERPRINT SYSTEM UPGRADE**

**WHEREAS**, the Winston-Salem Police Department (WSPD) has the immediate need to upgrade the SPEX fingerprint system equipment which includes the server, workstation, and software; and

**WHEREAS**, Horiba Jobin Yvon, Inc., provider of the SPEX/Horiba system used by WSPD, has submitted a quotation for the complete upgrade of the SPEX fingerprint system at a cost of \$39,500; and

**WHEREAS**, G.S. 143-129(e) provides that formal bid procedures “shall not apply to purchases of apparatus, supplies, materials, or equipment when performance or price competition for a product are not available; when a needed product is available from only one source of supply; or when standardization or compatibility is the overriding consideration”; and

**WHEREAS**, it is recommended that a purchase order be awarded to Horiba Jobin Yvon, Inc. for the complete upgrade of the SPEX fingerprint system per quotation at a cost of \$39,500.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City that a purchase order for the complete upgrade of the SPEX fingerprint system per quotation at a cost of \$39,500 is hereby awarded to Horiba Jobin Yvon, Inc.

**BE IT FURTHER RESOLVED** that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the order is duly executed by the City.

**BE IT FURTHER RESOLVED** that this purchase will be financed through the North Carolina Municipal Leasing Corporation and funding for the lease payments is available in the General Fund FY 2016-17 budget.

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

**Exhibit A**

Project/Bid Description: Contract for SPEX fingerprint system

Bidder's Company Name: Horiba Jobin Yvon Inc.

City/State: Edison, NJ

<b>WORKFORCE DEMOGRAPHICS</b>
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	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	166	64	159	10	21	32	6	230
% of								
Total	72.2%	27.8%	69.1%	4.3%	9.1%	13.9%	2.6%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
Adoption of Resolution Awarding Purchase Order for Tandem Axle Dump Trucks.	
<b>Summary of Information:</b>	
<p>On December 9, 2015, bids were accepted for the purchase of eight tandem axle dump trucks intended for use by the DOT Division. On January 19, 2016, the Mayor and City Council awarded the purchase of eight tandem axle dump trucks to White’s Tractor and Truck Co., LLC, low bidder meeting specifications, at a cost of \$905,144.</p> <p>The DOT Street Maintenance Division has a need to purchase five tandem axle dump trucks and Stormwater Division has a need to purchase seven tandem axle dump trucks. These vehicles are scheduled replacements for equipment that has exceeded its useful life and has regular down time with excessive maintenance and costly repairs. See Exhibit A for vehicle replacement information.</p> <p>Terms of the original bid allow the purchase of additional vehicles meeting the same specifications for 12 months following the bid award. White’s Tractor and Truck Co., LLC has offered to sell 12 additional vehicles, meeting all original specifications, at the same cost of \$113,143 each. It is recommended that a purchase order be awarded for 12 tandem axle dump trucks to White’s Tractor and Truck Co., LLC, low bidder meeting specifications, in the amount of \$113,143 each for a total award of \$1,357,716.</p> <p>The purchase will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2016-17 budget.</p> <p>M/WBE comment: There are no known area minority or woman owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit B</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	



**RESOLUTION AWARDING PURCHASE ORDER  
FOR TANDEM AXLE DUMP TRUCKS**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 p.m. on the 9<sup>th</sup> day of December 2015, for eight tandem axle dump trucks; and

**WHEREAS**, the Mayor and City Council did award a purchase order for the purchase of eight tandem axle dump trucks at \$113,143 each to White's Tractor and Truck Co., LLC in the total amount of \$905,144; and

**WHEREAS**, the City has need for an additional 12 tandem axle dump trucks; and

**WHEREAS**, terms of the original bid allows the purchase of additional vehicles meeting the same specifications for 12 months following the bid award; and

**WHEREAS**, White's Tractor and Truck Co., LLC has offered these additional vehicles that meet all specifications, at a cost of \$113,143 each; and

**WHEREAS**, it is the recommendation of the Finance Committee that a purchase order be awarded to White's Tractor and Truck Co., LLC for the purchase of 12 tandem axle dump trucks at \$113,143 for a total award of \$1,357,716.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a purchase order for the purchase of 12 tandem axle dump trucks at \$113,143 each is hereby awarded to White's Tractor and Truck Co., LLC in the total amount of \$1,357,716.

**BE IT FURTHER RESOLVED** that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

**C-9.g. DRAFT**

**BE IT FURTHER RESOLVED** that the purchase is included in the FY 2016-17 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2016-17 General Fund budget..

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

## EXHIBIT A

**Equipment Replacement Information  
Tandem Axle Dump Trucks**

Vehicle#	829	830	845	863
Year	2003	2003	2006	2006
Make	Chevrolet	Chevrolet	Chevrolet	Chevrolet
Model	C8500	C8500	C8500	C8500
Mileage	93094	86853	83511	88090
Acquired Cost	\$75,325.97	\$75,325.97	\$80,235.84	\$79,808.06
Repairs Over Life of Vehicle	\$48,515.50	\$48,735.56	\$40,438.44	\$40,375.47

Vehicle#	815	817	884	841
Year	2006	2006	2006	2002
Make	Chevrolet	Chevrolet	Chevrolet	Chevrolet
Model	C8500	C8500	C8500	C8500
Mileage	109611	104904	102971	106630
Acquired Cost	\$79,997.32	\$81,018.72	\$81,018.72	\$73,778.26
Repairs Over Life of Vehicle	\$42,614.64	\$43,166.56	\$52,327.61	\$60,206.15

Vehicle#	878	675	6020	654
Year	2006	2006	1995	2006
Make	Chevrolet	Chevrolet	Chevrolet	Chevrolet
Model	C8500	C8500	C8500	C8500
Mileage	99712	118844	228178	137564
Acquired Cost	\$82,032.50	\$79,917.50	\$61,325.73	\$80,160.55
Repairs Over Life of Vehicle	\$51,863.00	\$59,262.75	\$63,020.74	\$72,419.70



Exhibit B

Project/Bid Description: Tandem Axle Dump Trucks  
 Bidder's Company Name: White's Truck and Tractor Company, LLC  
 City/State: Greensboro, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	42	8	41	5	3	1	0	50
% of Total	84.0%	16.0%	82.0%	10.0%	6.0%	2.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
Adoption of Resolution Awarding Purchase Order for Front Loading Refuse Trucks.	
<b>Summary of Information:</b>	
<p>On February 4, 2016, bids were accepted for the purchase of two front loading refuse trucks intended for use by the Sanitation Division. On March 28, 2016, the Mayor and City Council awarded the purchase of two front loading refuse trucks to Piedmont Peterbilt, LLC, low bidder meeting specifications, at a cost of \$482,856.</p> <p>The Sanitation Division has a need to purchase two front loading refuse trucks. These vehicles are scheduled replacements for equipment that has exceeded its useful life and has regular down time with excessive maintenance and costly repairs. See Exhibit A for vehicle replacement information.</p> <p>Terms of the original bid allow the purchase of additional vehicles meeting the same specifications for 12 months following the bid award. Piedmont Peterbilt, LLC has offered to sell two additional vehicles, meeting all original specifications, at the same cost of \$241,428 each. It is recommended that a purchase order be awarded for two front loading refuse trucks to Piedmont Peterbilt, LLC, low bidder meeting specifications, in the amount of \$241,428 each for a total award of \$482,856.</p> <p>The purchase will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2016-17 budget.</p> <p>M/WBE comment: There are no known area minority or woman owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit B</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	



**RESOLUTION AWARDING PURCHASE ORDER  
FOR FRONT LOADING REFUSE TRUCKS**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 p.m. on the 4<sup>th</sup> day of February 2016, for two front loading refuse trucks; and

**WHEREAS**, the Mayor and City Council did award a purchase order for the purchase of two front loading refuse trucks at \$241,428 each to Piedmont Peterbilt, LLC in the total amount of \$482,856; and

**WHEREAS**, the City has need for two additional front loading refuse trucks; and

**WHEREAS**, terms of the original bid allows the purchase of additional vehicles meeting the same specifications for 12 months following the bid award; and

**WHEREAS**, Piedmont Peterbilt, LLC has offered these additional vehicles that meet all specifications, at a cost of \$241,428 each; and

**WHEREAS**, it is the recommendation of the Finance Committee that a purchase order be awarded to Piedmont Peterbilt, LLC for the purchase of two front loading refuse trucks at \$241,428 each for a total award of \$482,856.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council, that a purchase order for the purchase of two front loading refuse trucks at \$241,428 each is hereby awarded to Piedmont Peterbilt, LLC in the total amount of \$482,856.

**BE IT FURTHER RESOLVED** that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

**C-9.h. DRAFT**

**BE IT FURTHER RESOLVED** that the purchase is included in the FY 2016-17 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2016-17 General Fund budget..

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

**EXHIBIT A****Equipment Replacement Information  
Front Loading Refuse Trucks**

Vehicle#	478	470
Year	2001	2003
Make	Volvo	Autocar
Model	WX64	WX64
Mileage	151,580	160,200
Acquired Cost	\$143,510.02	\$139,052.97
Repairs Over Life of Vehicle	\$192,647.00	\$175,171.87



Project/Bid Description: (2) Front-Loading Refuse Trucks  
 Bidder's Company Name: Piedmont Peterbilt, LLC  
 City/State: Greensboro, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	63	5	65		2		1	68
% of Total	92.6%	7.4%	95.6%	0.0%	2.9%	0.0%	1.5%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
Adoption of Resolution Awarding Purchase Order for Rear Loading Refuse Truck.	
<b>Summary of Information:</b>	
<p>On February 17, 2016, bids were accepted for the purchase of one rear loading refuse truck intended for use by the Sanitation Division. On March 28, 2016, the Mayor and City Council awarded the purchase of one rear loading refuse truck to Piedmont Peterbilt, LLC, low bidder meeting specifications, at a cost of \$159,619.</p> <p>The Sanitation Division has a need to purchase one rear loading refuse truck. This vehicle is a scheduled replacement for equipment that has exceeded its useful life and has regular down time with excessive maintenance and costly repairs. See Exhibit A for vehicle replacement information.</p> <p>Terms of the original bid allow the purchase of additional vehicles meeting the same specifications for 12 months following the bid award. Piedmont Peterbilt, LLC has offered to sell one additional vehicle, meeting all original specifications, at the same cost of \$159,619. It is recommended that a purchase order be awarded for one rear loading refuse truck to Piedmont Peterbilt, LLC, low bidder meeting specifications, in the amount of \$159,619.</p> <p>The purchase will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2016-17 budget.</p> <p>M/WBE comment: There are no known area minority or woman-owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit B</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
_____	_____
<b>For</b>	<b>Against</b>
_____	_____
<b>Remarks:</b>	



**RESOLUTION AWARDING PURCHASE ORDER  
FOR REAR LOADING REFUSE TRUCK**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 p.m. on the 17<sup>th</sup> day of February 2016, for one rear loading refuse truck; and

**WHEREAS**, the Mayor and City Council did award a purchase order for the purchase of one rear loading refuse truck to Piedmont Peterbilt, LLC in the total amount of \$159,619; and

**WHEREAS**, the City has need for one additional rear loading refuse truck; and

**WHEREAS**, terms of the original bid allows the purchase of additional vehicles meeting the same specifications for 12 months following the bid award; and

**WHEREAS**, Piedmont Peterbilt, LLC has offered this additional vehicle that meets all specifications, at a cost of \$159,619; and

**WHEREAS**, it is the recommendation of the Finance Committee that a purchase order be awarded to Piedmont Peterbilt, LLC for the purchase of one rear loading refuse truck at \$159,619.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a purchase order for the purchase of one rear loading refuse truck at \$159,619 is hereby awarded to Piedmont Peterbilt, LLC in the total amount of \$159,619.

**BE IT FURTHER RESOLVED** that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

**BE IT FURTHER RESOLVED** that the purchase is included in the FY 2016-17 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2016-17 General Fund budget.

**C-9.i. DRAFT**

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

**EXHIBIT A**

**Equipment Replacement Information  
Rear Loading Refuse Truck**

Vehicle#	424
Year	2006
Make	Chevrolet
Model	T7500
Mileage	165,030
Acquired Cost	\$98,062.52
Repairs Over Life of Vehicle	\$72,882.27



Project/Bid Description: Rear-Loading Refuse Truck  
 Bidder's Company Name: Piedmont Peterbilt, LLC  
 City/State: Greensboro, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	63	5	65		2		1	68
% of Total	92.6%	7.4%	95.6%	0.0%	2.9%	0.0%	1.5%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.



<b>City Council – Action Request Form</b>	
<b>Date:</b>	August 15, 2016
<b>To:</b>	The City Manager
<b>From:</b>	Jerry Bates, Purchasing Director
<b>Council Action Requested:</b>	
Adoption of Resolution Awarding Purchase Order for Scow Bed Dump Trucks.	
<b>Summary of Information:</b>	
<p>On September 2, 2015, bids were accepted for the purchase of two scow bed dump trucks intended for use by the Sanitation Division. On October 26, 2015, the Mayor and City Council awarded the purchase of two scow bed dump trucks to White’s Tractor and Truck Co., LLC, low bidder meeting specifications, at a cost of \$167,700.</p> <p>The Sanitation Division has a need to purchase four scow bed dump trucks. These vehicles are scheduled replacements for equipment that has exceeded its useful life and has regular down time with excessive maintenance and costly repairs. See Exhibit A for vehicle replacement information.</p> <p>Terms of the original bid allow the purchase of additional vehicles meeting the same specifications for 12 months following the bid award. White’s Tractor and Truck Co., LLC has offered to sell four additional vehicles, meeting all original specifications, at the same cost of \$83,850 each. It is recommended that a purchase order be awarded for four scow bed dump trucks to White’s Tractor and Truck Co., LLC, low bidder meeting specifications, in the amount of \$83,850 each for a total award of \$335,400.</p> <p>The purchase will be financed through the North Carolina Municipal Leasing Corporation. Funding for the lease payments is available in the General Fund FY 2016-17 budget.</p> <p>M/WBE comment: There are no known area minority or woman-owned companies that sell these vehicles.</p> <p>Workforce Demographics: See Exhibit B</p>	
<b>Committee Action:</b>	
<b>Committee</b>	<b>Action</b>
<b>For</b>	<b>Against</b>
<b>Remarks:</b>	



**RESOLUTION AWARDING PURCHASE ORDER  
FOR SCOW BED DUMP TRUCKS**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 12:00 p.m. on the 2<sup>nd</sup> day of September 2015, for two scow bed dump trucks; and

**WHEREAS**, the Mayor and City Council did award a purchase order for the purchase of two scow bed dump trucks at \$83,850 each to White's Tractor and Truck Co., LLC in the total amount of \$167,700; and

**WHEREAS**, the City has need for an additional four scow bed dump trucks; and

**WHEREAS**, terms of the original bid allows the purchase of additional vehicles meeting the same specifications for 12 months following the bid award; and

**WHEREAS**, White's Tractor and Truck Co., LLC has offered these additional vehicles that meet all specifications, at a cost of \$83,850 each; and

**WHEREAS**, it is the recommendation of the Finance Committee that a purchase order be awarded to White's Tractor and Truck Co., LLC for the purchase of four scow bed dump trucks at \$83,850 for a total award of \$335,400.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a purchase order for the purchase of four scow bed dump trucks at \$83,850 each is hereby awarded to White's Tractor and Truck Co., LLC in the total amount of \$335,400.

**BE IT FURTHER RESOLVED** that the award of this purchase order constitutes a preliminary determination as to the qualification of the bidder. The City is not legally bound to perform the purchase order until the purchase order is duly executed by the City.

**BE IT FURTHER RESOLVED** that the purchase is included in the FY 2016-17 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2016-17 General Fund budget..

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

## EXHIBIT A

**Equipment Replacement Information  
Scow Bed Dump Trucks**

Vehicle#	4004	4006	4001	4003
Year	1995	1995	1995	1996
Make	Chevrolet	Chevrolet	Chevrolet	Chevrolet
Model	70 Scow DP	70 Scow DP	70 Scow DP	70 Scow DP
Mileage	88009	99689	88718	97029
Acquired Cost	\$45,100	\$45,100	\$45,100	\$42,835.42
Repairs Over Life of Vehicle	\$26,744.69	\$23,784.43	\$21,835.51	\$23,017.51



Exhibit B

Project/Bid Description: Scow Bed Dump Trucks  
 Bidder's Company Name: White's Truck and Tractor Company, LLC  
 City/State: Greensboro, NC

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	African-American	Hispanic	Asian	Native-American	
	42	8	41	5	3	1	0	50
% of Total	84.0%	16.0%	82.0%	10.0%	6.0%	2.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.







**RESOLUTION AWARDING PURCHASE ORDER FOR RADIOS AND THE SALE OF TRADE-IN PROPERTY FOR THE CITY OF WINSTON-SALEM FIRE DEPARTMENT**

**WHEREAS**, on September 15, 2014, City Council awarded the purchase of 43 Motorola APX6000XE radios for use by the Winston-Salem Fire Department (WSFD) to Motorola Solutions, Inc.; and

**WHEREAS**, the radios did not completely perform to the expectations of WSFD and Motorola Solutions, Inc., has proposed to exchange all 43 Motorola APX6000XE radios with a purchase cost of \$211,972.80 and offer as a trade-in allowance of \$179,088.60 toward the purchase of the upgraded APX8000XE series radio making the total award amount of \$32,884.20; and

**WHEREAS**, in accordance with N.C.G.S 143-129.7, which provides "...the awarding authority may award a contract for both the purchase of the apparatus, supplies, materials, or equipment and the sale of trade-in property taking into consideration the amount offered on the trade-in when applying the criteria for award..."; and

**WHEREAS**, it is the recommendation of the Finance Committee that a purchase order for 43 Motorola APX8000XE radios be awarded to Motorola Solutions, Inc., in the amount of \$211,972.80 less the trade-in offer of \$179,088.60 making the total award amount of \$32,884.20.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a purchase order for 43 Motorola APX8000XE radios is hereby awarded to Motorola Solutions, Inc., in the amount of \$211,972.80 less the trade-in offer of \$179,088.60 making the total award amount of \$32,884.20, and that the City's specifications, the vendor's offer, and the City purchase order shall constitute the contract.

**C-9.k. DRAFT**

**BE IT FURTHER RESOLVED** that the purchase is included in the FY 2016-17 capital budget and will be financed through the North Carolina Municipal Leasing Corporation with funding for the lease payments available in the FY 2016-17 General Fund budget.

**BE IT FURTHER RESOLVED** that the City may reimburse itself for the capital expenditures identified herein with the proceeds from the sale of tax-exempt obligations.

Exhibit A

Project/Bid Description: Contract for Motorola Radios  
 Bidder's Company Name: Motorola Solutions, Inc.  
 City/State: Atlanta, GA

**WORKFORCE DEMOGRAPHICS**

	Gender		Race/Ethnic Identification					Total
	Male	Female	White	People of Color				
	4900	2000	4900	2000	0	0	0	6900
% of Total	71.0%	29.0%	71.0%	29.0%	0.0%	0.0%	0.0%	

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.







**RESOLUTION REJECTING ALL BIDS FOR RENOVATIONS TO  
FIRE STATION #7 AND FIRE STATION #9**

**WHEREAS**, after due advertisement, bids were received and publicly opened by the City/County Purchasing Department at 2:00 p.m., Tuesday, July 12, 2016, for renovations to Fire Stations #7 and #9 with the following bids received:

	<u>City/State</u>	<u>Base Bid</u>	<u>Total with Required Alternates</u>
Bar Construction Co., Inc.	Greensboro, NC	\$2,809,000	\$3,196,200
R.P. Murray, Inc.	Kernersville, NC	2,852,000	3,208,100
J.G. Coram Co., Inc.	Mount Airy, NC	2,915,000	3,091,510
KMD Construction	Salisbury, NC	3,025,050	3,500,516

**WHEREAS**, three of the bidders, including the low base bidder, provided an incorrect bid and the basis of award is the lowest base bid with alternates accepted as funding allows; and

**WHEREAS**, staff conferred with the City Attorney and recommends that the City exercise its right to reject all bids; and

**WHEREAS**, it is the recommendation of the Finance Committee that a contract for Fire Stations #7 and #9 renovations not be awarded and that all bids be rejected.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council that a contract for Fire Stations #7 and #9 renovations will not be awarded and that all bids be rejected.



SUMMARY OF MINUTES

FINANCE COMMITTEE

4:00 p.m., Monday, June 13, 2016

COMMITTEE ROOM

Room 239, City Hall

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*MEMBERS PRESENT:* Mayor Allen Joines  
 Council Member Robert C. Clark, Chair  
 Council Member Denise D. Adams, Vice Chair  
 Council Member Vivian H Burke  
 Council Member Derwin L. Montgomery

*OTHERS PRESENT:* Council Member Molly Leight  
 Council Member Jeff Macintosh  
 Council Member James Taylor, Jr. (arrived at 4:08p.m.)  
 Council Member Dan Besse (arrived at 4:32 p.m.)

Chair Clark called the meeting to order and stated that without objection, the Committee would first consider the Consent Agenda. Council Member Burke pulled Items C-6(a), (b) and (e) and Item C-8 for discussion. No other items were removed.

Council Member Adams made a motion to approve the balance of the Consent Agenda. The motion was duly seconded by Council Member Burke and carried unanimously.

CONSENT AGENDA

Property Matters

- C-1. RESOLUTION AUTHORIZING ACQUISITION OF PROPERTY AT 2619 BETHABARA ROAD FOR NEW PARI( CONSTRUCTION (NORTH WARD).
- C-2. RESOLUTION AUTHORIZING THE SALE OF CERTAIN CITY-OWNED PROPERTY AT 426 WEST CLEMMONSVILLE ROAD UNDER THE UPSET BID PROCEDURE N.C.G.S. 160A-269 (SOUTHEAST WARD). [*\$35,000*]

Community and Economic Development

- C-3. RESOLUTION DESIGNATING WHITAKER PARK DEVELOPMENT AUTHORITY, INC. AS THE BEST QUALIFIED DEVELOPER AND ESTABLISHING A PUBLIC HEARING DATE FOR APPROVAL OF THE PUBLIC-PRIVATE PARTNERSHIP CONTRACT IN ACCORDANCE WITH G.S.143-128.1 C. Public Hearing: August 15, 2016.
- C-4. CONSIDERATION OF ITEMS RELATING TO THE DOWNTOWN WINSTON-SALEM BUSINESS IMPROVEMENT DISTRICT:
- a. RESOLUTION AWARDING A CONTRACT WITH THE DOWNTOWN WINSTON-SALEM PARTNERSHIP TO PROVIDE SERVICES WITHIN THE DOWNTOWN WINSTON-SALEM BUSINESS IMPROVEMENT DISTRICT.
  - b. ORDINANCE AMENDING CHAPTER 2 OF THE CITY CODE ENTITLED "ADMINISTRATION".
- C-6. CONSIDERATION OF ITEMS RELATED TO CONTRACTS:
- c. RESOLUTION AWARDING CONTRACT FOR STRUCTURE ADJUSTMENTS – *Ascent Construction Solutions, LLC - \$149,875.000 (Estimated Amount).*
  - d. RESOLUTION AWARDING CONTRACT FOR SIDEWALK CONSTRUCTION ALONG OLD TOWN DRIVE – *Dalton Contracting, LLC - \$122,789 (Estimated Amount).*
  - f. RESOLUTION AWARDING CONTRACT FOR ROAD SALT - *The Detroit Salt Company, LLC. - \$202,440 (Estimated Amount).*
  - g. RESOLUTION AWARDING PURCHASE ORDER FOR CONVENTIONAL CAB TRUCK WITH HOOK LIFT HIST BODY – *White's Tractor and Truck Co., LLC. - \$128,540.67 (Estimated Amount).*
  - h. RESOLUTION AWARDING A PURCHASE ORDER FOR VEHICLE PARTS AND SUPPLIES – *NAPA Auto Parts, Inc. - \$150,000 (Estimated Amount).*
  - i. RESOLUTION AWARDING PURCHASE ORDERS FOR AUTO AND TRUCK TIRES – *Goodyear Tire & Rubber Company - \$100,000 (Estimated Amount); Parrish Tire Company, Inc. - \$120,000 (Estimated Amount); Mock Tire & Automotive, Inc. - \$70,000 (Estimated Amount); and Snider Tire Company - \$160,000 (Estimated Amount).*
  - J. RESOLUTION AWARDING PURCHASE ORDERS FOR EQUIPMENT FOR THE FLEET DEPARTMENT WITH CERTAIN SOLE SOURCE VENDORS – *Various Vendors - \$982,000 (Estimated Amount).*

- k. RESOLUTION AWARDDING A PURCHASE ORDER FOR AUTO AND TRUCK PARTS AND SUPPLIES – *Auto Supply Company, Inc.* - \$130,000 (Estimated Amount); *Carquest Auto Parts* - \$90, 000 (Estimated Amount); and *Auto Zone Stores, LLC* - \$35,000 (Estimated Amount).
  - l. RESOLUTION AWARDDING PURCHASE ORDER FOR TOWING SERVICES –*Davis Garage, Inc.* - \$120,000 (Estimated Amount).
  - m. RESOLUTION AWARDDING CONTRACT FOR SPRAYGROUND AT REYNOLDS PARK POOL – *DreamBuilt Construction, Inc.* - \$297,250 (Estimated Amount).
  - n. RESOLUTION AWARDDING CONTRACT FOR SPRAYGROUND AT SEDGE GARDEN PARK.
- C-7. CONSIDERATION OF ITEMS RELATED T CONTRACT FOR WINSTON LAKE AQUATIC PARK:
- a. RESOLUTION AWARDDING CONTRACT FOR WINSTON LAKE AQUATIC PARK –*Bar Construction Company* - \$4, 713,000 (Estimated Amount).
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.
- C-9. CONSIDERATION OF AMENDMENTS TO THE FISCAL YEAR 2015-2016 BUDGET ORDINANCES FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA:
- a. ORDINANCE AMENDING THE ANNUAL APPROPRIATION AND TAX LEVY ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.
  - b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.

Transportation

- C-10. CONSIDERATIONS OF ITEMS RELATED TO THE BUSINESS 40 PROJECT BETTERMENTS:
- a. RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION FOR PEDESTRIAN AND SIDEWALK IMPROVEMENTS ON CLOVERDALE AVENUE AND MILLER STREET.

- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE CITY OF WINSTON-SALEM, NORTH CAROLINA FOR THE FISCAL YEAR 2015-2016.

General Government

C-11. APPROVAL OF FINANCE COMMITTEE SUMMARY OF MINUTES – May 9, 2016.

- a. RESOLUTION APPROVING FUNDING TO THE S.G. ATKINS COMMUNITY DEVELOPMENT CORPORATION TO COMPLETE A DESIGN STUDY FOR THE MARTIN LUTHER KING, JR. DRIVE/WAUGHTOWN STREET AREA. [*\$80,000*]
- b. ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE FISCAL YEAR 2014-2015.

C-6. CONSIDERATION OF ITEMS RELATED TO CONTRACTS.

- a. RESOLUTION APPROVING A CONTRACT WITH DATA NETWORK SOLUTIONS, INC. FOR COMPUTER STORAGE EQUIPMENT – *Data Network Solutions, Inc. \$309, 754.00.*

Mr. Tom Senin, Information Systems Department, gave a presentation on this item.

Council Member Adams made a motion to approve this item. The motion was duly seconded by Council Member Burke and carried unanimously.

- b. RESOLUTION AWARDED CONTRACT FOR DITCH MAINTENANCE – *Carolina Asphalt Paving, Inc. - \$361,250 (Estimated Amount).*

Mr. Jeny Bates, City/County Purchasing Director gave a presentation on this item.

In response to Chair Clark, Mr. Bates stated these are ditches mostly along ribbon streets that must be re-trenched.

In response to Council Member Burke, Mr. Gregory Turner, Assistant City Manager, stated the jobs are inspected by the City's Department of Transportation and the Street Division.

Council Member Burke made a motion to approve this item. The motion was duly seconded by Council Member Adams and carried unanimously.

- e. RESOLUTION AWARDED CONTRACT FOR CONCRETE BASE STREETS REHABILITATION – *APAC-Atlantic, Inc., Thompson-Arthur Division - \$3,097,298 (Estimated Amount).*

Mr. Bates gave a presentation on this item. In response to Council Member Adams, Mr. Turner, stated these are the only streets that were identified as having problems. There are other concrete base streets but none that we anticipate have evidence of failing sub-surface conditions.

In response to Council Member Adams, Mr. Turner stated when the City issues contracts they have a completion date and liquidated damages require them to complete or pay those damages. He indicated additional information about the project will be provided to Council.

Chair Clark indicated this is not a typical street repair project, and stated he would be willing to sign off on a letter of explanation to the residents affected by this issue.

Council Member Burke inquired about the number of local companies currently contracted for Street projects with the City.

Council Member Burke made a motion to approve this item. The motion was duly seconded by Council Member Adams and carried unanimously.

**C-8. RESOLUTION AUTHORIZING THE CITY MANAGER TO WAIVE BONDING REQUIREMENTS BELOW THE STATUTORY LIMITS.**

Mr. Derwick Paige, Assistant City Manager gave a presentation on this item.

In response to Chair Clark, Mr. Lee Garrity, City Manager stated the bond requirements would be waived prior to bidding.

In response to Council Member Macintosh, Mr. Bates stated the City has only had to seek damages for non-performance one time within the last six and half years.

Council Member Montgomery made a motion to approve this item. The motion was duly seconded by Council Member Adams and carried unanimously.

Council Member Adams indicated she would like to discuss Item C-5.

**C-5. RESOLUTION AUTHORIZING UP TO \$236,000 IN ADDITIONAL PERMANENT FINANCING FOR THE DEVELOPMENT OF 64 UNITS OF RENTAL HOUSING FOR FAMILIES, TO BE KNOWN AS ROCKWOOD AT OLIVER'S CROSSING APARTMENTS (SOUTH WARD). *Items continued from the April and May meetings of the Finance and Community Development/Housing/General Government.***

Mr. Ritchie Brooks, Director of Community Business and Development gave the Staff presentation on this item.

In response to Chair Clark, Angela Carmon, City Attorney stated the total cost of the damages exceeded \$280,000 and \$40,000 was recovered.

In response to Council Member Montgomery, Mr. Brooks stated the petitioner could benefit from the loans they had requested from the City which would assist them along with the HOME funds however there is no obligation to the City to disperse additional funding. The responsibility is on the developer.

In response to Chair Clark, Mrs. Carmon stated, the petitioner sued the seller of the property. They got \$40,000 and this was not all of what they needed for repairs.

Council Member Adams made a motion to deny this item for additional assistance. The motion was duly seconded by Council Member Burke and carried unanimously.

#### GENERAL AGENDA

#### G-1. RESOLUTION AUTHORIZING THE CITY OF WINSTON-SALEM TO PARTICIPATE IN THE SUBMISSION OF A CHOICE NEIGHBORHOODS PLANNING GRANT WITH THE HOUSING AUTHORITY OF WINSTON-SALEM.

Mr. Ritchie Brooks, Director of Community Business and Development, gave the staff presentation on this item.

Council Member Adams requested more details to the distribution of the use of the grant funds and how the funds will be allocated.

In response to Council Member Montgomery, Mr. Brooks stated the Housing Authority of Winston-Salem staff, believes this is the best for the development of the project. As the lead agent, HAWS is not solely responsible for the work being done.

In response to Chair Clark, Mr. Brooks stated staff has seen the proposal for funding the project, and at this point, most details have not been established.

In response to Chair Clark, Mr. Paige, Assistant Manager stated this is the initial request. HAWS only has a general idea of what the needs are at this time. The details will be developed if the grant is approved.

Council Member Montgomery requested information on screening and case management.

Mayor Allen Joines suggested staff amend the resolution, giving Council more flexibilities.

Council Member Clark made a motion to forward this item to Council with the amended language without a recommendation. The motion was duly seconded by Council Member Burke. The motion carried three in favor, none opposed and one abstaining. Voting in favor were Council Members Clark, Adams, and Burke, with Council Member Montgomery abstaining from the vote.

G-2. INFORMATION REGARDING A REQUEST FOR ASSISTANCE FROM THE HOUSING AUTHORITY OF WINSTON-SALEM FOR THE REDEVELOPMENT OF NEW HOPE MANOR APARTMENTS.

Mr. Brooks gave the presentation on this item.

Council Member Burke requested a breakdown of spending for this project.

Council Member Adams requested staff bring visuals such as maps to see where projects such as G-1 and G-2 are located and their appearance.

Chair Clark requested staff bring back to Council the cost of this project.

G-3. RESOLUTION APPROVING VARIOUS LEASE AGREEMENTS AND ESTOPPELS NECESSARY TO EFFECTUATE THE SALE OF THE DOWNTOWN MARRIOTT AND EMBASSY SUITES HOTELS TO HOSPITALITY VENTURES MANAGEMENT GROUP.

Mr. Ben Rowe, Assistant City Attorney introduced Mr. Richard Jones, Senior Vice-President of Hospitality Ventures Management, 140 Milnrwood Lane, Alpharetta, Georgia.

Mr. Jones gave a brief overview on this item.

In response to Council Member Montgomery, Mr. Jones stated no major changes are anticipated. Hospitality Ventures Management wants to promote Winston-Salem as a destination to conduct business.

Council Member Adams requested details of the project be provided to the residents in these specific areas. She also suggest that Marketing and Communications Department adveliiies infonnation regarding the project.

Mayor Joines noted that in the past, conducting business with the private sector was a way to institute a reduction in the City's operating losses.

In response to Council Member Taylor, Mrs. Cannon stated there will be no changes in the lease agreement.

Mr. Jones explained all of the original employees will be retained.

Inresponse to Council Member Macintosh, Mr. Rowe stated this would be a 30 year loan.

Council Member Montgomery made a motion to move the item forward without a recommendation. The motion was duly seconded by Council Member Adams and caiTied unanimously.

G-4. REPORT ON DEMOLITION ASSESSMENT AT 4640 INDIANA AVENUE.

Mr. Paige gave a staff presentation on this item.

Mr. George Richardson, 2505 Lewis Street, stated he intends to repair the property and has been compliant with all requests.

The Committee Members requested more details for action and agreed to bring this back in August.

ADJOURNMENT: 6:15 p.m.