

**RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN
AGREEMENT FOR THE VENTURE WINSTON GRANTS PROGRAM**

WHEREAS, the City of Winston-Salem has been approached with a request to consider providing financial support to a new local initiative called the Venture Winston Grants program; and

WHEREAS, the Venture Winston Grants program is an initiative backed by a collaborative of local organizations associated with the City's entrepreneurial ecosystem including Inmar, Venture Café, Winston Starts, Flywheel and the Winston-Salem Chamber of Commerce; and

WHEREAS, the initiative is modeled after the Arch Grants program based in St. Louis, Missouri; and

WHEREAS, Arch Grants is a nonprofit organization that attracts start-up businesses to St. Louis by providing \$50,000 in equity-free grants and pro bono support services to entrepreneurs selected through its competitive Global Startup Competition; and

WHEREAS, as a condition of award, entrepreneurs are required to locate at least 51% of their early-stage business in St. Louis and locate at least one co-founder in St. Louis for a period of no less than one year; and

WHEREAS, the Arch Grants program has been in operation for seven years and touts many successes including the creation of more than 1400 jobs with revenue generation of \$135 million and attraction of more than \$173 million in follow-on capital; and

WHEREAS, the aforementioned local organizations are seeking a commitment of \$7.5 million from public and private sources to operate the Venture Winston initiative for an initial five-year period; and

WHEREAS, the City is being requested to provide a total of \$1.5 million in financial assistance over a five-year period to be disbursed in installments of up to \$300,000 per year; and

WHEREAS, the City would immediately transfer the current balance of \$874,000 in the program code for Inmar incentives and appropriate \$156,500 over the next four fiscal years beginning in FY 20-21 to achieve the \$1.5 million total commitment; and

WHEREAS, the City's support would be used exclusively for the purposes of supporting the operational and administrative expenses associated with the start-up competition that would be administered by the Venture Winston Grants program; and

WHEREAS, financial support from the City for the Venture Winston initiative would come from funds previously allocated for incentive payments to Inmar, Inc.; and

WHEREAS, the Venture Winston Grants program would seek to identify and award up to 20 start-up businesses with \$50,000 in equity-free capital on an annual basis; and

WHEREAS, the City of Winston-Salem would be granted representation on the committee that determines both the selection criteria and award winners; and

WHEREAS, the release of funding from the City of Winston-Salem to support the Venture Winston initiative is contingent upon demonstration that a minimum of \$3 million in private sources has been raised by way of pledges or cash on hand; and

WHEREAS, the release of City funding would also be conditioned upon financial participation from the County in an amount equal to or greater than that of the City.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Winston-Salem authorizes, pursuant to N.C.G.S. 160A-456, \$1.5 million to be disbursed as described herein for the Venture Winston Grants and authorize the City Manager to take such steps as are necessary to execute an agreement with the appropriate entity for the administration of the appropriated funds.