

Resolution #24-0080
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**RESOLUTION ACCEPTING A DIRECTED STATE GRANT OF \$35 MILLION FOR
THE MIDTOWN ECONOMIC DEVELOPMENT PROJECT AND AUTHORIZING
AGREEMENTS WITH THE STATE OF NORTH CAROLINA AND
CARTER USA/FRONT STREET CAPITAL**

WHEREAS, the State of North Carolina’s FY 2023-2024 budget included a Directed State Grant of \$35 million to the City of Winston-Salem for the “Midtown Economic Development Project” (Project); and

WHEREAS, this Project represents a partnership between the City and Wake Forest University to create a vibrant, mixed-use development adjacent to Allegacy Federal Credit Union Stadium, Lawrence Joel Veterans Memorial Coliseum, Couch Ballpark, and the Winston-Salem Fairgrounds and Annex; and

WHEREAS, the Project would support economic development activities and reinforce Winston-Salem’s position as a tourism, sports, and entertainment district serving the Piedmont region and Northwest North Carolina; and

WHEREAS, as the major property owner within the Midtown area, Wake Forest University has engaged the development team of Carter USA and Front Street Capital to carry out the master planning and development of this district; and

WHEREAS, the Directed State Grant, which is appropriated from the Regional Economic Development Reserve, would support the development of the infrastructure needed for this district, including roadway development and improvements and utility improvements and extension; and

WHEREAS, under State guidelines, the City must expend the grant within two years of approval, or October 2025; and

Winston-Salem City Council
APPROVED
March 4, 2024

WHEREAS, Carter USA/Front Street Capital would serve as a sub-recipient of the grant funds, with the City disbursing the funds as work progresses on the Project; and

WHEREAS, under the State grant guidelines, the City must execute an agreement with the State and provide an executed sub-recipient agreement along with the scope of work; and

WHEREAS, the sub-recipient agreement will specify the planned uses of the grant funds, timeline for expending the funds, reporting requirements, and disbursement schedule. For the avoidance of doubt, the sub-recipient agreement also shall specify terms and conditions for the payment of all soft costs related to the Project that may include, but are not limited to, payments to engineers, consultants, legal fees, and project management fees (the various terms and conditions set forth in this clause, the “Material Terms”).

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby accept a \$35 million Directed State Grant for the Midtown Economic Development Project.

BE IT FURTHER RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby authorize the City Manager and City Clerk to execute an agreement with the State of North Carolina to receive the \$35 million Directed State Grant, with approval from the City Attorney as to form and legality.

BE IT FURTHER RESOLVED that the Mayor and City Council of the City of Winston-Salem hereby authorize the City Manager and City Clerk to negotiate (including determining commercially reasonable terms and conditions) and to execute a sub-recipient agreement, containing the Material Terms, with Carter USA/Front Street Capital to use the \$35 million Directed State Grant, with approval from the City Attorney as to form and legality.