

Resolution #22-0145
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RESOLUTION AUTHORIZING THE SALE OF CITY-OWNED LAND TO FRONT STREET CAPITAL VIA NEGOTIATED OFFER AND UPSET BID (N.C.G.S 160A-269)

WHEREAS, the City has included the Union Cross Road/Temple School Road area as a target for economic development since the early 2000s; and

WHEREAS, approximately 72 acres at Union Cross Road and Axle Drive (PINs 6874-04-0097.00 and 6874-14-2634.000) were identified as one of the last large tracts available in the immediate area for future industrial development; and

WHEREAS, because of its proximity to infrastructure and Interstate 40, the City believes the property offers a large, unique site primed for industrial, business park, and/or similar development that will result in quality job creation by companies locating there, as well as growth in the tax base; and

WHEREAS, the City issued a Request for Proposals for the purchase and development of the site; and

WHEREAS, an internal panel of City staff evaluated the proposals and recommends First Street Capital as the purchaser and developer; and

WHEREAS, the proposal from Front Street Capital (FSC) scored the highest and offered the highest purchase price at \$8.0 million; and

WHEREAS, FSC has developed over three million square feet of industrial space in Forsyth County, including the adjacent 100-acre Union Cross Industrial Center; and

WHEREAS, FSC intends to immediately begin the design and planning for a 250,000-300,000 speculative building on the property; and

WHEREAS, FSC projects total investment of \$63 million and annual tax revenue totaling \$700,000-\$1.1 million upon completion of the industrial park.

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 the sale of the lots identified as Tax PINs 6874-04-0097.00 and 6874-14-2634.000 to Front Street Capital, in the amount of \$8.0 million under the provisions of N.C.G.S. 160A-269; that the City Clerk shall cause a notice of proposed sale, containing a general description of the property, amount and terms of the offer, and a notice that within ten days any person may raise the bid by not less than ten percent of the first \$1,000 and five percent of the remainder, be published, without further authorization of the City Council, shall re-advertise the offer at the increased bid; and this procedure shall be repeated until no further qualifying bids are received, at which time the City Council may accept the offer and sell the property to the highest bidder or reject any and all offers.

BE IT FURTHER RESOLVED, in the event that no raised bid is received, the offer set forth above is hereby accepted and the appropriate City officials are hereby authorized to execute instruments required to complete the conveyance to Front Street Capital, or its assigns, as stated herein.

BE IT FURTHER RESOLVED, any upset bid must meet the following standards: target construction of a minimum combined 625,000 square feet of industrial space, achieve a total taxable investment of \$60 million upon completion of the industrial park, prioritize tenants/end-users that provide quality jobs maximizing job creation for the community, and initiate the construction process of a speculative facility or end-user facility within 180 days of closing.

Winston-Salem City Council
APPROVED
March 28, 2022

BE IT FURTHER RESOLVED, that proceeds from the sale be deposited into the Economic Development Project Fund for future investments in Economic Development Sites/Infrastructure.