

City Council – Action Request Form

Date: April 15, 2025

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Scott Tesh, Budget and Performance Management Director

Council Action Requested:

Ordinance Amending the Fiscal Year 2024-25 Budget Ordinances for the City of Winston-Salem, North Carolina

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The proposed amendments to the Fiscal Year 2024-25 budget ordinances authorize adjustments for the following purposes.

Appropriation of Grants and Other Revenues Received

- ☐ The Neighborhood Services Department has been awarded an additional \$169,286 in Emergency Solutions Grant (ESG) funding from the North Carolina Department of Health and Human Services. This grant provides funding for the operation and utilization of the Homeless Management Information System (HMIS). The City will receive this grant to pay costs on behalf of all NC counties participating in the system.

Committee Action:

Committee	Finance Committee	Action	Approval
	04/15/2025		
For	Unanimous	Against	
Remarks:			

- The proposed amendment appropriates a total of \$1,169,920 received for FY 23 and FY 24 Federal Transit Administration (FTA) capital grants. The Section 5339 grant for FY 23 increases by a total of \$444,700, with funding split between the Federal Transit Administration (\$342,260) and WSTA fund reserves (\$102,440). The proposed amendment also appropriates a total of \$725,220 for the FY 24 Section 5339 grant, with funding split between the Federal Transit Administration (\$580,170) and WSTA fund reserves (\$145,050).

HOME Funds for the Development of Affordable Housing

- In May 2024, the Mayor and City Council approved \$4 million in permanent “gap” financing for the development of two properties for affordable rental housing known as Zachary Pointe Apartments and Poplar Forest at Old Vineyard. Both projects were awarded Low-Income Housing Tax Credits by NCHFA. The proposed amendment moves \$4 million in existing appropriations of HOME grant funds to be available for these projects.

Forsyth County Reimbursement for TransAid

- On August 20, 2024, Forsyth County requested reimbursement for overpayment for TransAid services. According to the current Interlocal Agreement with the County, actual expenses to support said service shall be invoiced to Forsyth County Government on a pro rata share of the net distributable cost for each fiscal year based on trip and mileage data, when data is available. Both the City of Winston-Salem Department of Transportation and Budget and Management departments reviewed the financial discrepancy outlined from the County and determined the actual mileage and trip data is less than the actual invoiced amount, which represents fifteen percent of net expenses. Using applicable mileage data sets, the City of Winston-Salem calculated \$1,929,032.62 to Forsyth County Government for repayment related to actual TransAid services rendered. The proposed amendment appropriates \$1,929,040 in Risk Management Reserve fund balance to cover this reimbursement.

Technical Adjustments

- On April 7, 2025, City Council approved a Speculative Building Revolving Loan in the amount of up to \$3.5 million to Front Street Capital for the development of a speculative building at the Union Cross Industrial Center. The proposed amendment allocates funding for this loan.
- On April 7, 2025, City Council approved the use of up to \$1,735,000 of Winston-Salem/Forsyth County Utility Commission funds generated by out-of-county service fees

for the construction of municipal infrastructure improvements serving 72 acres at Union Cross Industrial Center. The proposed amendment allocates that assistance in the form of a \$735,000 grant and \$1 million loan.