

**RESOLUTION AUTHORIZING THE EXPENDITURE OF
COUNTY GENERAL FUNDS FOR AN ECONOMIC DEVELOPMENT
PROJECT TO AID AND ENCOURAGE WAKE FOREST UNIVERSITY
HEALTH SCIENCES TO EXPAND WAKE FOREST INNOVATION QUARTER
CDC IN FORSYTH COUNTY AND AUTHORIZING EXECUTION OF AN
ECONOMIC DEVELOPMENT AGREEMENT BETWEEN FORSYTH COUNTY,
WAKE FOREST UNIVERSITY HEALTH SCIENCES, AND WEXFORD
EQUITIES, LLC OR OTHER WEXFORD ENTITY**

WHEREAS, North Carolina General Statute 158-7.1 authorizes counties to undertake an economic development project by extending assistance to a company in order to aid and encourage the company to expand its operations within the county; and

WHEREAS, Wake Forest University Health Sciences (WFUHS) is considering the expansion of Wake Forest Innovation Quarter CDC in Forsyth County, through capital investments and job creation and maintenance in Forsyth County; and

WHEREAS, Forsyth County is considering entering into an economic development incentives agreement with WFUHS and Wexford Equities, LLC or other Wexford entity (Wexford) to aid and encourage the expansion of Wake Forest Innovation Quarter CDC in Forsyth County in which the County will appropriate and expend County funds to reimburse WFUHS for construction of a parking deck and public infrastructure improvements, and job creation and maintenance in a proposed amount not to exceed \$4,000,000 from available revenues in the County's General Fund over a thirteen-year period, which annual incentive amounts will not exceed 85% of the actual annual property taxes generated by the parking deck and the 90's Building South to be constructed by WFUHS and/or Wexford in Forsyth County and paid to the County during the term of the proposed agreement, based upon and contingent upon these capital investments by WFUHS and/or Wexford over a five (5) year period of \$90,905,000 with a taxable value of \$55,633,000, including \$6,000,000 to construct a 425 space parking deck to be owned by WFUHS; \$2,000,000 to construct public infrastructure improvements, including streetscape enhancements, utility line relocations and fiber optic installation; the renovation of the 90's Building South to be owned by Wexford; the creation and maintenance of at least 40 new full-time or full-time equivalent (FTE) jobs to be located in the 90's Building South in Forsyth County over a seven (7) year period; the maintenance of the 90's Building South and the parking deck as taxable, or in the alternative, entering into a written agreement to make payments in lieu of property taxes, during the term of the incentive agreement, plus an additional thirteen-year period thereafter; and an agreement by WFUHS not to request additional incentives from the County for the development of buildings 60-1, 60-2 or 60-3, if WFUHS is able to fund the development with the full range of State and Federal tax credits; all as will be more specifically set forth in an agreement between Forsyth County, WFUHS and Wexford; and

WHEREAS, the Board of Commissioners of Forsyth County has duly advertised and conducted a public hearing to consider whether to participate in and expend County General Funds for an economic development incentives agreement between Forsyth County, WFUHS, and Wexford based on the proposed expansion of Wake Forest Innovation Quarter CDC through capital investments and job creation and maintenance in Forsyth County as outlined herein; and

WHEREAS, the proposed expansion of Wake Forest Innovation Quarter CDC by WFUHS and Wexford in Forsyth County will stimulate the local economy, promote business, create and maintain permanent jobs in the County, increase the property tax base and revenues therefrom, and increase business prospects of the County.

NOW, THEREFORE, BE IT RESOLVED that the Forsyth County Board of Commissioners, after duly advertised public hearing held, finds that the proposed economic development incentives agreement as outlined herein with WFUHS and Wexford will stimulate the local economy, promote business, create and maintain permanent jobs in the County, increase the property tax base and revenues therefrom, and increase business prospects of the County.

BE IT FURTHER RESOLVED that the Forsyth County Board of Commissioners hereby approves and authorizes Forsyth County's participation in an economic development incentives project to aid and encourage the expansion of Wake Forest Innovation Quarter CDC in Forsyth County in which the County will appropriate and expend County funds to reimburse WFUHS for construction of a parking deck and public infrastructure improvements, and job creation and maintenance in a proposed amount not to exceed \$4,000,000 from available revenues in the County's General Fund over a thirteen-year period, which annual incentive amounts will not exceed 85% of the actual annual property taxes generated by the parking deck and the 90's Building South to be constructed by WFUHS and/or Wexford in Forsyth County and paid to the County during the term of the proposed agreement, based upon and contingent upon these capital investments by WFUHS and/or Wexford over a five (5) year period of \$90,905,000 with a taxable value of \$55,633,000, including \$6,000,000 to construct a 425 space parking deck to be owned by WFUHS; \$2,000,000 to construct public infrastructure improvements, including streetscape enhancements, utility line relocations and fiber optic installation; the renovation of the 90's Building South to be owned by Wexford; the creation and maintenance of at least 40 new full-time or full-time equivalent (FTE) jobs to be located in the 90's Building South in Forsyth County over a seven (7) year period; the maintenance of the 90's Building South and the parking deck as taxable, or in the alternative, entering into a written agreement to make payments in lieu of property taxes, during the term of the incentive agreement, plus an additional thirteen-year period thereafter; and an agreement by WFUHS not to request additional incentives from the County for the development of buildings 60-1, 60-2 or 60-3, if WFUHS is able to fund the development with the full range of State and Federal tax credits; all as will be more specifically set forth in an agreement between Forsyth County, WFUHS, and Wexford.

BE IT FURTHER RESOLVED by the Forsyth County Board of Commissioners that the Chairman or the County Manager and the Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, the necessary documents for Forsyth County to participate in an economic development incentives agreement with WFUHS and Wexford as further described herein, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

Adopted this the 13th day of May 2013.

NOTICE OF PUBLIC HEARING

Notice is hereby given by Forsyth County that, pursuant to the provisions of N.C.G.S. 158-7.1, the Forsyth County Board of Commissioners will hold a public hearing on Monday May 13, 2013 at 6:00 p.m. in the Commissioners' Meeting Room on the Fifth Floor of the Forsyth County Government Center located at 201 N. Chestnut Street, Winston-Salem, N.C. on a proposal to appropriate and expend County funds for an economic development project to aid and encourage Wake Forest University Health Sciences (WFUHS) in the expansion of the Wake Forest Innovation Quarter CDC (WFIQ) in Forsyth County. Specifically, WFUHS and Wexford Equities, LLC, or other Wexford entity (Wexford) propose to construct a 425 space parking deck at an estimated cost of \$6 Million to be owned by WFUHS or other Wake Forest University entity, to construct public infrastructure improvements consisting of streetscape enhancements, utilities, electric lines and fiber principally on E. Fifth, E. Seventh and Linden Streets, along with adjacent streets, at an additional estimated cost of \$2 Million, and to create 40 new full-time jobs to be located in the 90's Building South to be owned by Wexford. The Forsyth County Board of Commissioners intends to consider entering into an economic development agreement with WFUHS and Wexford to provide incentives to reimburse WFUHS up to \$4,000,000 for the parking deck, the said public infrastructure improvements, and the job creation and retention. The County incentives would be paid over a thirteen (13) year period in annual amounts not to exceed 85% of the net new property taxes generated by the parking

deck and 90's Building South and paid to the County. This proposed economic development incentives contract is based upon and contingent upon capital investments by WFUHS and/or Wexford in the proposed parking deck, public infrastructure, and the 90's Building South in the current estimated amount of \$90,905,000 with a total taxable value of \$55,633,000 within five (5) years; the creation and retention of at least 40 new full-time jobs to be located in the 90's Building South within seven (7) years; the maintenance of the 90's Building South and the parking deck as taxable during the term of the incentive agreement plus an additional thirteen (13)-year period thereafter, and an agreement by WFUHS not to request additional incentives from the County for the development of buildings 60-1, 60-2 or 60-3 if WFUHS is able to fund the development with the full range of State and Federal tax credits; all as will be more specifically set forth in an agreement between Forsyth County, WFUHS, and Wexford. In the opinion of the Forsyth County Board of Commissioners, this proposed project will stimulate the local economy, promote business, create new jobs, increase the property tax base and revenues, and increase business prospects of the County.

Forsyth County Board of Commissioners
Carla Holt, Clerk to the Board