

NORTH CAROLINA)
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FORSYTH COUNTY)

AMENDMENT TO THE
GOLER COMMUNITY DEVELOPMENT CORPORATION
HYDROPONICS PROGRAM GRANT AGREEMENT

THIS AMENDMENT TO THE GOLER COMMUNITY DEVELOPMENT CORPORATION HYDROPONICS PROGRAM GRANT AGREEMENT (“Amendment”), made this 14 day of April, 2020 by and between the CITY OF WINSTON-SALEM, a North Carolina municipal corporation (hereinafter referred to as the City), and the GOLER COMMUNITY DEVELOPMENT CORPORATION, a North Carolina Non-profit Corporation (hereinafter referred to as “Goler”).

WITNESSETH:

WHEREAS, Goler is a 501(c)(3) organization that specializes in urban real estate development, economic entrepreneurship, employment development and quality of life initiatives for families throughout Winston-Salem; and

WHEREAS, Winston-Salem City Council Resolution adopted on August 15, 2016 (“Resolution”), attached as Exhibit A1; and

WHEREAS, Goler and the City entered into a Grant Agreement on September 14, 2016 (“Original Agreement”) for the development of a hydroponics and aquaponics job training facility to help train hard to place individuals while simultaneously providing fresh fruit and vegetables to a food desert in the community (Collectively referred to hereinafter as the “Hydroponics Project”); and

WHEREAS, Goler identified for the Hydroponics Project a site: 355 NW Crawford Place Winston-Salem, NC 27105, PIN # 6836-03-7855, Deed Book 1222 at page 1643; and

WHEREAS, Goler entered into the appropriate lease with the City for the Kimberley Park Site for the Hydroponics Project; and

WHEREAS, the City has also approved a one-time grant in the amount of \$962,000 comprise of \$485,000 from the 2014 GO Bond-Economic Development to be used for site acquisition/construction, equipment and pre-development costs related to such (“Construction Costs”) and \$477,000 for administrative/operation and marketing costs for the first two years of operation (“Operating Costs”); and

WHEREAS, several unanticipated costs, many related to the site preparation work, have pushed the project beyond the amount originally budgeted; and

WHEREAS, these unforeseen costs included the need for additional asphalt and curb work around the HOPE building to meet zoning requirements, reinstalling fencing that was removed for building construction, repair work to sidewalks around the HOPE building and the construction of a new access road in order to meet the requirements of the City’s Inspections Department

("Unforeseen Costs"); and

WHEREAS, the Winston-Salem City Council approved on January 21, 2020 an additional amount up to, but not to exceed \$500,000 to be paid from the 2014 GO Bond- Economic Development ("Resolution 2"), attached as Exhibit A2.

NOW, THEREFORE, and in consideration of the covenants herein contained, the City and Goler do hereby agree to amend the Original Agreement as follows:

1. Statement of Work, Budget and Term

Except as amended herein, the original Statement of Work, Budget and Term ("SWBT") shall remain in full force and effect. The SWBT is hereby amended as follows:

- a. The budget, due to the Unforeseen Costs, is hereby revised to allow a total of \$747,210.00 for Construction Costs as reflected in Revised Exhibit B, attached hereto and incorporated herein. The Operating Costs will be remain the same at \$477,000 for a total grant amount of \$1,234,000.00 ("Revised Grant"). Due to a temporary transfer of funds from Operating Costs to temporarily cover Construction Costs. Goler is hereby authorized to transfer back funds sufficient to restore the Operating Costs account to \$477,000 upon the terms and conditions set forth herein.
- b. The Revised Grant shall be expended in accordance with: (i) the Budget as set forth in the Revised Exhibit B, attached hereto and incorporated herein by reference; (ii) the revised work program and the restrictions and conditions attached to this Agreement as the Revised Exhibit C attached hereto and incorporated herein; and (iii) with all applicable federal, state and local laws. Any and all alterations in the restrictions and conditions upon the grant of the funds herein shall be subject to prior review and written approval by the City. Goler covenants and agrees to expend the Revised Grant and perform the services in consideration of the receipt of the Revised Grant in accordance with Revised Exhibits B and C.
- c. The Revised Grant funds shall be disbursed in accordance with the Disbursement Schedule set forth Revised Exhibit D, attached hereto and incorporated herein. All grant funds shall be disbursed by April 15, 2020. Otherwise, the City may recapture and redirect said funds.
- d. The term of this Agreement shall remain the same as set for in the original grant Agreement.
- e. To the extent the cost of the Program exceeds the Revised Grant funds, Goler shall be responsible for funding or procuring non-city funds for the additional cost. The City shall not be responsible for the additional cost.

- f. Pursuant to the Iran Divestment Act, Goler hereby certifies that, to the best of its knowledge, it is not on the North Carolina State Treasurer's list of persons engaging in business activities in Iran, prepared pursuant to N.C.G.S. § 147-86.58, nor will Goler utilize on the Contract Documents any entity on such list.
- g. Pursuant to the Divestment From Companies Boycotting Israel Act, Producer certifies that, to the best of its knowledge, it is not on the North Carolina State Treasurer's list of companies engaged in a boycott of Israel in violation of N.C.G.S. § 147-86.80 et. seq., nor will Producer utilize on the Contract Documents any entity on such list.
- h. Producer, and its employees and subcontractors, are not entitled to employee benefits of any kind. This Addendum will not be construed in any way to be a joint venture, partnership or employer-employee relationship.
- i. Neither party may assign, transfer or delegate any of the rights or obligations herein without the prior written consent of the other party.
- j. The laws of the State of North Carolina shall govern the validity, interpretation, performance and enforcement of the Contract Documents and this Addendum, and the venue for any litigation arising out of this Addendum or the Contract Documents shall be Forsyth County, North Carolina.
- k. For purposes of the statute of limitations (N.C.G.S. § 1-47), both parties will treat this Addendum as if a corporate seal has been affixed hereto.
- l. The City, and others so designated by the City, shall have the option to audit all accounts directly pertaining to the Grant Agreement, and any amendments thereto, and any other companion documents for the term of said documents and for a period of five (5) years thereafter or longer if required by applicable local, state and federal law. Records shall be made available during normal working hours for this purpose

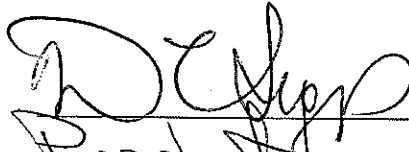
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*SEPARATE SIGNATURE PAGE TO
ADDENDUM TO PERFORMANCE CONTRACT*

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Goler Development Hydroponics Program Grant Agreement to be executed by their duly authorized representatives and signed under seal effective as of the date first written above. If this instrument is executed in duplicate, each of said copies shall be considered as an original.

GOLER COMMUNITY DEVELOPMENT CORPORATION, a North Carolina Non-profit Corporation

SIGNATURE:



President

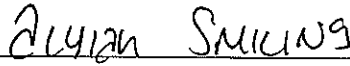
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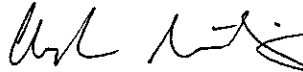
State of North Carolina
County of Forsyth

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Michael L. Suggs, President of Goler Community Development Corporation.

Official Signature of Notary



Notary's printed or typed name, Notary Public



[NOTARIAL SEAL]

My Commission expires:

05.22.2023



[SIGNATURES CONTINUE ON NEXT PAGE]

Goler CDC - Kimberly Park Project
 Hydroponics - Healthy Food Economic Development Facility
 Project Budget

SOURCE	City of Winston Salem
Total Revenue sources	\$ 1,274,214

EXPENSES:

CONSTRUCTION:	
Construction/Up-fit**	\$ 662,424
Predevelopment/Grading/Fencing/ Retaining Wall	\$ 100,000
Technical Consultants - Construction	\$ 10,000
Hydroponics/Aquaponics Consultant	\$ 25,000
Subtotal - Construction	\$ 797,424
Administrative Expenses	\$ 152,500
Operational Expenses	\$ 316,790
Market Feasibility Study/Business Plan	\$ 7,500
Subtotal - Administrative/Operational	\$ 476,790
TOTAL EXPENSES	\$ 1,274,214
Excess revenue (or under)	\$ (0)

EXHIBIT A
WINSTON-SALEM CITY COUNCIL RESOLUTION

Ordinance #19-0707
Ordinance Book, Volume 2, Page 18

**ORDINANCE AMENDING THE PROJECT BUDGET ORDINANCE FOR THE
CITY OF WINSTON-SALEM, NORTH CAROLINA
FOR THE FISCAL YEAR 2019-2020**

BE IT ORDAINED by the Mayor and City Council of the City of Winston-Salem that the Project Budget Ordinance for the Fiscal Year 2019-2020 be amended to transfer 2014 General Obligation Bond funds for the Hydroponics/HOPE project.

SECTION 1. That the Project Budget Ordinance of the City of Winston-Salem, adopted on June 17, 2019 and amended on August 19, 2019, September 16, 2019, October 21, 2019, November 18, 2019, and December 2, 2019, shall be amended by changing the expenditure appropriations in the following funds.

Capital Projects Fund

2014 GO Bond – Economic Development Sites/Infrastructure	-500,000
2014 GO Bond – Hydroponics/HOPE	500,000
Total Capital Projects Fund Expenditures	\$0

SECTION 2. That this amendment to the Project Budget Ordinance shall become effective as of the date of adoption.

EXHIBIT B – PURPOSE, BUDGET, RESTRICTIONS, AND
ADMINISTRATIVE PLAN

1. **Purpose of Grant Award** – The grant award is to provide Goler with partial funding to construct and maintain a hydroponics facility and to create a job training facility/environment to help train hard-to-place individuals while simultaneously providing fresh fruit and vegetables to a food desert in the community.

2. **Budget (Attached)**

The City may request documentation to support all expenditures.

Goler CDC - Kimberly Park Project
Hydroponics - Healthy Food Economic Development Facility
Project Budget

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TOTAL EXPENSES	\$ 1,274,214
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Exhibit C

- 1) Hire Hydroponics Consultant within 90 days of executing agreement.
- 2) Complete Marketing Feasibility Study by January 1, 2017;
- 3) Begin construction/installation of the facility, structures and raised community garden beds by June 15, 2020.
- 4) Complete construction/installation of the Hydroponics facility, structures and raised community garden beds by June 15, 2020 This work item/benchmark also includes the following tasks:
 - Identify, select, implement and maintain appropriate procedures and protocols that, at a minimum, address planting, harvesting, post-harvesting, waste disposal, scheduling and pest management. Manage daily the hydroponics system.
 - Identify markets and transportation methods for distributing the products generated by the hydroponics facility.
- 5) Contingent award of additional funds January 21, 2020
- 6) Goler funds disbursement February 1, 2020
- 7) Hire Master Grower June 1, 2020
- 8) Complete Access road June 30, 2020

- 9) Hire Part-Time Staff June 30, 2020
- 10) Certificate of Occupancy July 15, 2020
- 11) Open facility July 15, 2020
- 12) First Crop yield September 30, 2020
- 13) Beginning July 2020, host at least two community events per year relative to healthy eating and food preparation until the expiration of the companion Lease Agreement.
- 14) Goler shall maintain or make sure the hydroponics facility is maintained in compliance with all applicable codes and in a condition acceptable to the City. Goler shall: (i) allow or require any subcontractor/sub-lessee to allow employees/workers to use the restroom; (ii) provide or require its subcontractor/sub-lessee to provide office space in the HOPE building and (iii) provide programming for the community relative to healthy eating and food preparation.

EXHIBIT D-Disbursement Schedule

Note: In July of 2016, the Mayor and City Council authorized a total of \$962,000 in 2014 economic development general obligation bond funding for the Goler Community Development (GCDC) Corporation to support the development of a hydroponics facility. While the total amount paid to GCDC as of March 5, 2020 is \$808,512.76, the entire balance of funding authorized by the Mayor and City Council to support the project has been exhausted. Funds not paid directly to GCDC were used by the City to cover unanticipated costs associated with the preparation of the site for both the hydroponics facility and an adjacent building operated by the organization Help Our People Eat. A significant portion of the funding paid to GCDC to-date has been devoted to construction costs with some of the funding coming from the operational side of the funding. As a result, some of the new funding will be used to replenish the administrative operation account.

I. New funding.

The amount from the new allocation of \$500,000 shall be disbursed as follows:

A. Administrative/operation account: \$264,233.50

Said amount is to be disbursed in the following amounts and upon the following schedule:

1. \$36,667 available for administrative expenses to be disbursed upon the completion of construction or as otherwise deemed necessary.
2. \$227,566.50 for operational expenses available for disbursement upon completion of construction or as otherwise deemed necessary.

B. Construction account: \$235,766.50

Said amount is to be disbursed upon the following schedule:

1. \$201,468.14 available for disbursement immediately upon execution of this agreement.
2. \$34,298.36 shall be reserved for the purposes of project contingency and disbursed only as deemed necessary for the completion of construction.