

On July 24, 2023, WFDD invited Michael Suggs from Goler Community Development Corporation to share information related to the \$477,000 administrative fee the city of Winston-Salem budgeted for the organization. The following is his response in full:

1. Goler received \$152,500 for administration fees, the \$477,000 that you referred is a combination of administrative fees, operational expenses (\$316,790) and market study/business plan. GCDC was only budgeted to receive a total of \$152,500 for two years which turned out to be a multi-year project in which we did not receive any additional compensation (see attached). The operational expenses were utilized to take care of construction overages that were paid to contractors, architects and engineers and at the end of the project all operational funding had been expended on construction. As we received bills from vendors we would submit invoices to the City and a check was written to GCDC as a pass through to pay for work that had been done. This project included much more than erecting a greenhouse, this was akin to developing a campus. We started evaluating sites in 2015 before we were under contract with the City and several were considered before we decided on the current location. The process included finding a site in a food desert community and accessing environmental and zoning issues. The current site had environmental issues that were remediated to dispose of "oil residue" which included extracting some of the bad soil and bringing in new soil which costs time and money. Also due to the uneven topography of the land a retaining wall had to be built to accommodate the site for HOPE which was adjacent. In order to get a building permit it was required make the facility handicapped accessible so a road had to be built along with a handicapped accessible parking lot and sidewalks that would allow wheelchairs for mobility challenged individuals. The process for getting a building permit turned out to be rather tedious and protracted process because standards had not been set for a greenhouse so we were required to meet the standards for any commercial building. These standards required expenses beyond what we had anticipated when we budgeted for this project. When this project finished all the operational funding had been utilized for construction and was not added back to the budget.