

RESOLUTION AUTHORIZING AN URBAN DEVELOPMENT INVESTMENT FORGIVABLE LOAN
NOT TO EXCEED \$150,000.00 TO AZ DEVELOPMENT, LLC FOR THE REDEVELOPMENT OF
PROPERTIES AT 120 W LEWIS ST AND 215 W LEWIS ST

WHEREAS, AZ Development, LLC is planning to commit in excess of \$2,100,000.00 of private capital to the renovation of the building at 120 W Lewis St and revitalization of the property at 215 W Lewis St in downtown Greensboro's Central Business District;

WHEREAS, this investment is contingent upon receiving public participation from the City of Greensboro in the amount of a \$150,000.00 forgivable loan;

WHEREAS, the purpose of this loan will be to assist with the demolition, renovation, streetscape improvements, and exterior upgrades at the two Lewis Street properties which City Council finds will have a significant effect on the commercial prospects, new employment, and revitalization of the Central Business District;

WHEREAS, this public participation will enable both a long-term blighted property and a property with a pattern of problematic use to be renovated and upgraded to productive service that is complimentary to projects already completed and underway in the Lewis Street Corridor, thereby furthering the revitalization of Greensboro and the commercial prospects of the Central Business District;

WHEREAS, the \$150,000.00 forgivable loan is to be funded in FY15/16 and is to be paid from the City's Economic Development Fund to AZ Development;

WHEREAS, if AZ Development, LLC, fails to invest at least \$2,100,000.00 in the project by December 31, 2017, or fails to create 3 new full-time equivalent jobs within one year of issuance of a certificate of occupancy for the building at 120 W. Lewis St and maintain at least 3 jobs for the repayment term of 17 years, AZ Development, LLC must repay the \$150,000.00 forgivable loan on a pro rata basis and supply collateral to secure the repayment of the loan, if necessary, through an irrecoverable letter of credit or other security approved the City;

WHEREAS, AZ Development, LLC will comply with the City's Minority/Women Business Enterprise Program Plan as it pertains to economic development projects;

WHEREAS, in order to prevent future problematic uses of the properties known as 215 W. Lewis Street and 120 W. Lewis Street, these properties will be designed and used as a multi-unit space and multi-tenant development, with not more than one-third of the floor space of any building to be to used as a nightclub, as defined in the Greensboro Land Development Ordinance;

WHEREAS, a public hearing was held setting out the particulars of the request and the public benefits to be derived from said improvements;

WHEREAS, this Urban Development Investment Loan is made pursuant to N.C.G.S. Section 160A-458.3 and other urban and economic development authority;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That in accordance with the City's Urban Development Investment Guidelines, NCGS § 160A-458.3, and other urban development authority, a forgivable loan of up to \$150,000.00 and

participatory agreement between the City of Greensboro and AZ Development, LLC to renovate the building at 120 W Lewis St and revitalize the property at 215 W Lewis St and the ultimate creation of new jobs and capital investment resulting from the completion of the urban development project is hereby approved, and the City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement, including but not limited to M/WBE compliance and restrictions on the use of the property.