

RESOLUTION AMENDING RESOLUTION 256-13 AUTHORIZING AN ADDITIONAL REIMBURSEMENT NOT TO EXCEED \$47,972.33 TO KOTIS HOLDINGS, LLC FOR THE DESIGN AND CONSTRUCTION OF OFF-SITE PUBLIC WATER & SEWER INFRASTRUCTURE IMPROVEMENTS BY PROVIDING AN ADDITIONAL REIMBURSEMENT FOR INFLATION AND ADDITIONAL SITE PREPARATION COSTS TO FACILITATE COMMERCIAL DEVELOPMENT AND THE RECRUITMENT OF NEW JOBS AND RETAIL TO EAST GREENSBORO AT A SITE LOCATED AT 200 WILLOWLAKE ROAD

WHEREAS, on March 7, 2006, the City Council adopted the Urban Development Investment Guidelines to aid interested developers by providing information on what projects will be accepted for consideration of public participation by the City, what information is required to be submitted, and what criteria will be used in evaluating and recommending requests for City assistance;

WHEREAS, on August 6, 2007, the City Council adopted Urban Development Investment Guidelines – Corporate/Industrial Park Addendum whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, on October 2, 2012, the City Council adopted the Urban Development Investment Guidelines – Long-Term Vacant Big Box Revitalization Loan program Addendum to provide a fair and consistent set of criteria that can be used to evaluate loan requests from private developers requesting public participation in redeveloping vacant big box shells of 25,000 feet or greater that have been vacant for 2 or more years;

WHEREAS, Kotis Holdings, LLC is evaluating an investment in new retail development at an existing site that the company owns at 200 Willowlake Road in eastern Guilford County;

WHEREAS, the development is expected to bring new retail investment and jobs to an area of Greensboro that is currently underserved;

WHEREAS, the development is not financially feasible without public participation in bringing City water & sewer public infrastructure and access to the site;

WHEREAS, the developer will be seeking voluntary annexation into the City of Greensboro;

WHEREAS, on September 3, 2013, the City Council approved Resolution 256-13 authorizing a reimbursement not to exceed \$311,911.00 to the developer for the design and construction of off-site public water and sewer infrastructure improvements at a site located at 200 Willowlake Road;

WHEREAS, the developer has requested an inflation-adjusted estimate of the costs for the infrastructure, and based on the consumer price index the adjusted estimate is \$329,883.33;

WHEREAS, the developer has also requested that the City provide for an additional reimbursement for other site preparation in addition to the off-site public water & sewer infrastructure being designed and installed by the developer to City standards which additional amount of requested participation is estimated at no more than \$30,000.00;

WHEREAS, it is further anticipated that the developer will invest up to \$20,000,000.00 in capital over that 96 month period and create at least 8 new full-time equivalent jobs;

WHEREAS, the site upon annexation will be located in a designated reinvestment corridor in the City limits of Greensboro;

WHEREAS, the addition of at least 8 new full-time equivalent jobs and new retail sales are expected to generate public benefit by positively impacting the City's ad valorem, sales, and use tax revenues in addition to increasing business prospects for the City and surrounding area, City Council authorizes an additional reimbursement grant of up to \$47,972.33 if the company chooses move forward with having the 200 Willowlake Road site annexed into the City of Greensboro and initiate the development of the new large format retail concept in the City's designated reinvestment corridor;

WHEREAS, a public hearing was held in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

WHEREAS, it is deemed in the best interest of the City to enter into a participatory agreement with Kotis Holdings, LLC to share the cost of the above mentioned improvements whereby the City shall reimburse the company up to a maximum of \$359,883.33 for off-site public water & sewer infrastructure and annexation costs based on a portion of new anticipated taxes to be received from the new project and upon the creation of new employment. The grant shall be paid before the jobs are created and the total capital investment has been made, and after the City has confirmed that the developer has invested up to \$359,833.33 in designed and constructing the proposed public off-site water and sewer infrastructure improvements to City standards.

WHEREAS, Kotis Holdings, LLC will be required to repay the City of Greensboro the entire \$359,833.33 of public investment in the new water and sewer infrastructure if new development has not resulted in new retailers creating at least 8 new full-time equivalent jobs on the site and/or outparcels by August 20, 2017.

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 and pursuant to N.C.G.S. 158-7.1, a grant reimbursement and participatory agreement between the City of Greensboro and the Company not to exceed a total of \$359,883.33 for up to \$20,000,000.00 of new capital investment and the creation of at least 8 new full-time equivalent jobs over the next 3 years is hereby approved, and the Mayor and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.