

**RESOLUTION TO AMEND THE SECURITY AND SEQUENCE OF PAYMENTS FOR THE
TWO MILLION DOLLAR FORGIVABLE LOAN MADE TO SELF-HELP VENTURES FUND
FOR THE PURPOSE OF REDEVELOPMENT OF THE RENAISSANCE SHOPS AT PHILLIPS
AVENUE (BESSEMER SHOPPING CENTER)**

WHEREAS, on April 15, 2014 at public hearing, the Greensboro City Council awarded a two million dollar forgivable loan to the Self-Help Ventures Fund (Self-Help) to redevelop the former Bessemer Shopping Center, now named the Renaissance Shops at Phillips Avenue; and

WHEREAS, Self-Help agreed to invest up to 2.5 million dollars in the re-development of this shopping center; to negotiate in good faith with Renaissance Community Co-Op to lease up to 10,000 square feet of space for a grocery store; to establish a community advisory committee known as the Renaissance Center Advisory Committee; to earmark a minimum of 25% of the project costs of construction contracted for by Self-Help (including design costs, parking lot and other site work, construction of “vanilla shell” leasable space and tenant improvements) for M/WBE contractors that have been designated as M/WBE contractors by the City; and

WHEREAS, SHVF Renaissance, LLC (SHVF), which is 100% owned and managed by Self-Help acquired this property, guaranteed this loan and secured this loan with a deed of trust on the property; and

WHEREAS, The City provided a 10 year performance based forgivable loan of \$2,000,000 (the “City Loan”) to Self-Help at zero percent (0%) interest for the up fit of the shopping center in accordance with plans and specifications of the Self-Help Offer to Purchase. The City is obligated to disburse the City Loan to Self-Help by reimbursing Self-Help for 50% of the costs and expenses paid by Self-Help for the re-development of the Project up to the \$2,000,000.00 limit; and

WHEREAS, Self-Help and SHVF have secured a commitment from Wells Fargo Bank for an investment of an additional \$2,102,660 through a new market tax credit financing structure pursuant to Section 45D of the Internal Revenue Code, which will allow SHVF to receive total loans and investments in the shopping center, separate from the City of Greensboro loan, of \$6,050,000; and

WHEREAS, this additional funding will allow Self-Help to complete the renovation of the shopping center and to offer more favorable lease terms to the tenants of the center, and

WHEREAS, the new markets tax credit financing structure will require the City to modify the security for the forgivable loan with a new form of security that is functionally equal to the previous security; and

WHEREAS, due to the new financing structure and timing of the renovations, Self-Help has requested a change in the sequence of payments; and

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

The City of Greensboro hereby authorizes the Mayor and City Clerk to release the guaranty and cancel the deed of trust that SHVF granted to secure the \$2,000,000 forgivable loan from the City of Greensboro in exchange for Self Help providing to the City a collateral assignment of its rights as the leverage lender in connection with a leverage loan of \$4,096,340 under a proposed new markets tax credit (NMTC) financing to Self Help for development and construction of the Renaissance Shops at Phillips Avenue and to execute an amended Loan Agreement in order to change the sequence of payments and to reflect the new security to be provided.