

RESOLUTION AUTHORIZING THE FEBRUARY ONE DOWNTOWN DEVELOPMENT  
PROJECT INCLUDING A CONSTRUCTION REIMBURSEMENT AGREEMENT  
BETWEEN THE CITY OF GREENSBORO AND ELM STREET HOTEL, LLC FOR THE  
CONSTRUCTION OF THE FEBRUARY ONE PARKING DECK AND, AUTHORIZING A  
NOT TO EXCEED AMOUNT OF \$30,000,000 FOR THE FEBRUARY ONE PARKING  
DECK PROJECT

WHEREAS, pursuant to N.C.G.S. 160A-458.3, if the City Council finds that it is likely to have a significant effect on the revitalization of the City's central business district, then the City may enter into binding contracts with one or more private developers with respect to acquiring, constructing, owning, or operating a downtown development project comprising of one or more buildings and including both public and private facilities;

WHEREAS, pursuant to Section 4.55 of the City of Greensboro Charter, the City Council finds that the project will promote and enhance economic development;

WHEREAS, pursuant to Section 16-156 of the Greensboro City Code of Ordinances, the City of Greensboro operates a Public Enterprise which provides public off-street parking in the City and downtown, the public portion of the February One Parking Deck is a significant addition to the City's Parking Enterprise;

WHEREAS, Elm Street Hotel LLC intends to invest \$30,000,000 in the redevelopment of the Elm Street Center and the construction of a new hotel and retail space adjacent to February One Place;

WHEREAS, the new hotel tower will contain approximately 180 rooms located above part of a new public parking structure;

WHEREAS, the City intends to reimburse Elm Street Hotel LLC for the design and construction of the new City parking structure which will contain approximately 850 parking spaces;

WHEREAS, the new hotel and retail space are anticipated to require 180 parking spaces which will be leased from the City at market rates;

WHEREAS, on April 18, 2017, the City Council adopted Resolution #089-17 and authorized the City Manager to enter into a Memorandum of Understanding with Elm Street Hotel, LLC to design and build a public/private parking structure in the 100 block of South Davie Street;

WHEREAS, the February One Downtown Development Project would include the new hotel, new retail space, new parking structure, and renovated event center;

WHEREAS, the current estimated cost to design, purchase land, and construct the public components of the parking structure is approximately \$30,000,000 (estimated \$2,000,000 for design, \$2,133,759 for land, and \$25,866,241 for construction);

WHEREAS, the February One Parking Deck project will be subject to the requirements of the City's MWBE Program Plan;

WHEREAS, annual operating expenses and debt service costs totaling approximately \$2.3 million will be funded from operating revenues from the new deck, existing parking fund revenues, and general fund revenues.

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

- (1) That the foregoing whereas clauses are adopted as findings and incorporated herein.
- (2) That the City Council finds that the February One Downtown Development Project is likely to have a significant effect on the revitalization of the City's central business district and will enhance and promote economic development and revitalization of the City.
- (3) That based on current planning cost estimates, the February One Parking Deck project is currently estimated to cost approximately \$30,000,000 (estimated \$2,000,000 for design, \$2,133,759 for land and, \$25,866,241 for construction) to complete and, will serve as the authorized not to exceed amount for the project until such time more detailed project plans and cost estimates are available. Once available, staff will present the revised project cost estimates to City Council for review and consideration of potential adjustments to the authorized budget and not to exceed amount for the February One Parking Deck project.
- (4) That the City is authorized to expend up to \$30,000,000 for the project and construction of the February One Parking Deck project, provided that City funds do not exceed 50% of the total costs of the February One Downtown Development Project.
- (5) That the City of Greensboro shall pay for the design and construction of the public components of the February One Parking Deck and that Elm Street Hotel, LLC shall pay for the design and construction of the private components of the February One Parking Deck.
- (6) That the City Manager is authorized to negotiate and execute the appropriate construction reimbursement agreement with Elm Street Hotel, LLC in an amount not to exceed \$25,866,241. That said agreement shall allow Elm Street Hotel, LLC to build the February One Parking Deck for the City at an agreed to Guaranteed Maximum Price (GMP). That once agreed to, the final GMP will be communicated to the City prior to the start of construction to allow the City an opportunity to ensure all City pre-construction requirements have been satisfied and to allow the City Manager the opportunity to inform City Council on the GMP result and construction start date.
- (7) That the February One Parking Deck project will be subject to requirements of the City's MWBE Program Plan.
- (8) That the Mayor is authorized to execute any necessary deeds, easements, or other closing documents to effectuate the construction of a new parking structure for the February One Downtown Development Project.