



Legislation Details (With Text)

File #: ID 16-0525 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 6/2/2016 **In control:** City Council
On agenda: 7/19/2016 **Final action:** 7/19/2016
Title: Resolution Authorizing an Urban Development Investment Grant, Not to Exceed \$200,000.00 in Total, to 5 Talents, LLC to Redevelopment of Property Located at 304 East Market Street

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A, 2. 16-0525 Resolution

Date	Ver.	Action By	Action	Result
7/19/2016	1	City Council	adopt	Pass

Resolution Authorizing an Urban Development Investment Grant, Not to Exceed \$200,000.00 in Total, to 5 Talents, LLC to Redevelopment of Property Located at 304 East Market Street

Department: Executive
Council District: 3

Public Hearing: July 19, 2016
Advertising Date/By: July 7, 2016

Contact 1 and Phone: Jim Westmoreland, City Manager - 336-373-2002
Contact 2 and Phone: Kathi Dubel, Manager - Economic Development & Business Support - 336-373-4579

PURPOSE:

The City of Greensboro has been requested to consider a Downtown Urban Development project grant not to exceed \$200,000.00 to 5 Talents, LLC for the renovation of property at 304 East Market Street.

BACKGROUND:

5 Talents, LLC plans to invest at least \$1,964,850.00 in order to renovate and up-fit the historic building at 304 East Market Street, the former Cadillac dealership and service center, to create an event center as phase 1 of the proposed development with additional business development in subsequent phases. This redevelopment will have a significant effect on the commercial prospects, new employment, and revitalization of the Central Business District.

This investment is contingent upon receiving public participation from the City of Greensboro in the amount of a \$200,000.00 grant to assist with the renovations of the property at 304 East Market Street. The grant will be funded in FY16/17 and will be repaid with the incremental tax revenues associated with the increase in the tax assessed value and other taxes and revenues. 5 Talents, LLC will have to confirm sustained creation of 4 new jobs over the full repayment term. 5 Talents, LLC will be liable for repaying the outstanding balance of the loan

if the terms and conditions of the loan (Exhibit A) are not fulfilled.

This project meets the criteria of the Urban Development Investment Guidelines for Downtown projects. The risk that this project is ultimately not a success is mitigated by the developer's high amount of equity in the project and strong track record of redevelopment within the downtown area.

BUDGET IMPACT:

A grant of \$200,000.00 will be funded in FY 16/17 from the Economic Development Fund account 208.0202.02-5931 with a budget adjustment required.

RECOMMENDATION / ACTION REQUESTED:

In accordance with the City's Urban Development Investment Guidelines and City Charter § 4.55 and other urban development authority, it is recommended that City Council approve the request for a \$200,000.00 grant. The conditions of the public participation will be contained in a performance agreement between the City of Greensboro and 5 Talents, LLC.