



Legislation Text

File #: ID 15-0175, **Version:** 1

Resolution Authorizing an Urban Development Investment Forgivable Loan not to Exceed the Amount of \$100,000.00 and a Loan of \$275,000 to Comer-Khori, LLC for Redevelopment of the Vacant Commercial Building Located at 509 South Edgeworth Street

Department: Executive/Economic Development & Business Support
Council District: 3

Public Hearing: Yes
Advertising Date/By: February 20, 2015

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Attachments:

- (1) Attachment A - Resolution
- (2) Attachment B - Exhibit A: Terms and Conditions for \$100,000 Forgivable Loan
- (3) Attachment C - Exhibit B: Terms and Conditions for \$275,000 Loan
- (4) Attachment D - Map

PURPOSE:

The City of Greensboro has been requested to consider a Downtown Urban Development project forgivable loan not to exceed \$100,000.00 and an Economic Development loan not to exceed \$275,000 to Comer-Khori, LLC for the redevelopment of 509 South Edgeworth Street building and site. The funding will be used for the purposes of assisting in the redevelopment of the vacant building and to enhance off-street parking associated with the revitalization of a commercial property located in the Central Business District. This assistance will enable a long-term vacant property to be renovated and returned to service after an almost 7 year vacancy, thereby furthering the revitalization of Greensboro and the commercial prospects of the Central Business District.

BACKGROUND:

The revitalized building, adjacent to the Downtown Greenway, will be developed as an entertainment multiplex, providing expansion for two existing businesses and the start-up of four new ones. Comer-Khori, a proven and successful female owned and operated business, includes Fresh.Local.Good. food group which currently operates Carolina Event Rentals and Catering and Events. The four new businesses will include two restaurants, a bakery (with speakeasy), an event venue space, and office space all individually unique to Downtown Greensboro.

The company intends to invest at least \$3.2 Million in redevelopment of the vacant building and site and to enhance off-street parking. They anticipate creating 90 new jobs (29 full-time and 61 part-time) within two years of issuance of a certificate of occupancy for the building. The project meets the criteria of the Urban

Development Investment Guidelines for Downtown projects. Terms of both the forgivable loan and economic development loan are included in Attachment B and Attachment C.

BUDGET IMPACT:

\$100,000.00 to be funded in FY14/15 as a forgivable loan providing that the developer invests at least \$3,200,000.00 in the project by December 31, 2016 and creates 90 new jobs (29 full-time and 61 part-time) within two years of issuance of a certificate of occupancy for the building. The forgivable loan will be funded from the Economic Development Fund - account 208 0205 01.5931. A loan not to exceed \$275,000 will be funded by the City Parking Fund for parking facility construction in FY 15/16.

RECOMMENDATION / ACTION REQUESTED:

Consideration of a Resolution authorizing an Urban Development Investment Forgivable Loan not to exceed the amount of \$100,000.00 and a Loan of \$275,000 to Comer-Khori LLC for revitalization of the vacant commercial building located at 509 South Edgeworth Street. The conditions of the public participation will be contained in a performance agreement between the City of Greensboro and Comer-Khori, LLC.