



Legislation Text

File #: ID 17-0522, **Version:** 1

Resolution Amending Resolution 214-14 Authorizing a Job Creation Extension to Kotis Holdings, LLC for the Design and Construction of Off-Site Public Water & Sewer Infrastructure Improvements to Facilitate Commercial Development and the Recruitment of New Jobs and Retail to East Greensboro at a Site Located at 200 Willowlake Road

Department: Executive / Economic Development & Business Support
Council District: 2

Public Hearing: Thursday - August 15, 2017
Advertising Date/By: Tuesday - August 3, 2017

Contact 1 and Phone: Tom Carruthers - 336-373-2320
Contact 2 and Phone: Kathi Dubel - 336-373-4579

PURPOSE:

The City of Greensboro has been requested to consider an extension to an economic development incentive grant in the amount of up to \$359,833.33 to Kotis Holdings, LLC for the reimbursement of off-site public water & sewer infrastructure improvements necessary to facilitate the commercial development of a site located at 200 Willowlake Road which was originally approved by Council on September 3, 2013, and amended on August 19, 2014. Kotis Holdings is requesting an extension until July 31, 2019 for the creation of 8 full time equivalent jobs.

BACKGROUND:

Kotis Holdings, LLC currently owns a 24-acre site at 200 Willowlake Road that they would like to develop as a large format retail center to include junior boxes, small, shops, and two out-parcels. The site will lie within one of Greensboro's existing reinvestment corridors as defined in the Urban Development Investment Guidelines once it is annexed into the City. In order to drive this development forward and bring retail options to an underserved part of east Greensboro, public participation is necessary to assist in bringing off-site public water & sewer improvements to the area. The City has reviewed the current water and sewer infrastructure in the area. To develop the 24 acre subject site, the City will need to extend the water line north up Willowlake Road from the 12" main currently in-place along Burlington Road. Sewer is currently available to the north of the property as an existing 15" sewer outfall. Public sewer infrastructure will need to be extended south as an 8" sewer main to service the subject property. Total estimated cost of providing these off-site public water & sewer infrastructure improvements is estimated at \$359,883.33. Kotis Holdings will make the improvements and be reimbursed by the City. Reimbursement by the City is contingent on the site being successfully annexed into the City.

Kotis Holdings, LLC projects that the market will eventually justify development of up to 200,000 sq. ft. of retail space in this area of east Greensboro. The site is located at what will be a major crossroad in east Greensboro on the US 70 exit from the Greensboro Urban Loop (I-840) and is expected to draw from a large trade area and prevent some of the current leakage we experience by Guilford County residents travelling out of

the county to buy goods and services. Please note that the City of Greensboro and other Guilford County municipalities all realize a portion of sales tax revenues for purchases made anywhere in Guilford County. The new retail projects will be required to create at least 8 new full-time equivalent jobs by August 20, 2017 as a condition for receiving this reimbursement.

According to Kotis Holdings, LLC, the project has encountered several unforeseen delays, including:

1. The death of one property owner on Willow Lake who had consented an easement over a 100 square foot sliver of his property resulting in the plans being altered to avoid having to use that easement.
2. Altering the location or depth of the lines at the request of the City so the lines could serve a parcel on the other side of Highway 70.
3. Delays in finalizing with NC DOT the location and configuration of access onto Highway 70.

Kotis Holdings LLC is requesting an extension to July 31, 2019, for job creation. Approval and acceptance of the water and sewer improvements by the Department of Water Resources is still pending.

BUDGET IMPACT: N/A

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council adopt an amended resolution approving an extension to July 31, 2019, for the creation of at least 8 full-time equivalent positions.