



Legislation Text

File #: ID 20-0641, **Version:** 1

Resolution Authorizing a Revised Commitment of \$1,807,235.10 to Printworks Ventures LLC for the Printworks Lofts Apartments Housing Development Project

Council Priority: Maintain Infrastructure and provide Sustainable Growth Opportunities; Promote Public Safety and Reduce Crime

Department: Neighborhood Development
Council District: 2

Public Hearing: No
Advertising Date/By: N/A

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PURPOSE:

City Council is requested to approve a revised City loan commitment of \$1,807,235.10 from 2016 Housing Bonds funds to Printworks Ventures LLC for the approximately \$54 million acquisition and adaptive re-use of a distressed mill facility into 143 affordable units and 74 market rate units located at 1700 Fairview Street.

BACKGROUND:

In April 2018, Council approved a \$2,800,000 local bond and federal HOME program loan commitment to Printworks Ventures LLC for the acquisition and adaptive re-use of a distressed mill facility at 1700 Fairview Street into 217 housing units. Subsequent to that approval, the City funding was reduced to \$1,200,000 in local housing bond funds as the site was unable to meet the federal HOME program environmental conditions due to the proximity of N. Buffalo Creek to the building's garage and parking area.

During the construction period, there have been additional significant costs incurred for the City-dedicated greenway construction, and delays and costs associated with the impacts of a large sinkhole in the adjacent City street. The developers have invested a \$1.6 million loan to cover the withdrawn City funds, plus nearly all of their developer fee, and foregone all design fees associated with the project, but have not been able to cover the funding shortfall.

The City of Greensboro would provide \$607,235.10 in additional 2016 Housing Bond funds as a modification to the current loan at 1% interest ending August 1, 2050.

This award would use the remainder of the 2016 Housing Bonds currently allocated to multi-family development.

BUDGET IMPACT:

Funds are available in the following accounts

\$607,235.10 483-2201-03 2016 Housing Bonds - Multi-family

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council authorize a revised financing commitment of \$1,807,235.10 for Printworks Ventures LLC for the Printworks Lofts Apartments project and authorize the City Manager to execute loan closing documents for the additional \$607,235.10 in 2016 housing bond funds for this multi-family housing development project.