



Legislation Text

File #: ID 21-0071, **Version:** 1

Resolution Authorizing the Redevelopment Commission of Greensboro Sale of 100 East Gate City Boulevard, 725 and 727 South Elm Street, and 508 and 518 Arlington Street to the South Elm Development Group for Mixed Use Development within the South Elm Street Redevelopment Plan Area

Council Priority: Create an Environment to Promote Economic Development Opportunities and Job Creation; Maintain Infrastructure and Provide Sustainable Growth Opportunities

Department: Planning
Council District: District 2

Public Hearing: N/A
Advertising Date/By: N/A

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PURPOSE: Consider approving the sale of 100 East Gate City Boulevard, 725 and 727 South Elm Street, and 508 and 518 Arlington Street to the South Elm Development Group (SEDG) by the Redevelopment Commission of Greensboro (RCG) under the terms and conditions of a [Sales/Development Agreement \(SDA\)](https://www.greensboro-nc.gov/home/showpublisheddocument?id=48340) [<https://www.greensboro-nc.gov/home/showpublisheddocument?id=48340>](https://www.greensboro-nc.gov/home/showpublisheddocument?id=48340) for the purpose of developing approximately 250 apartments, with 20% of the units affordable to residents earning 80% or less than Area Median Income; over 2,000 square feet of retail space, a minimum of 500 parking spaces, and a public plaza in the South Elm Street Redevelopment Plan area.

BACKGROUND:

The South Elm Street Redevelopment Plan was adopted in February of 2006. The Plan area includes the blocks to the east and west of South Elm Street between Gate City Boulevard and Bragg Street. In 2013, the Redevelopment Commission of Greensboro executed a Master Development Agreement (MDA) with SEDG to procure component developers to develop the South Elm Street Redevelopment Plan area in accordance with the adopted Plan.

In August 2019, SEDG proposed that staff and RCG work with the Rea Ventures Group of Atlanta to negotiate terms and conditions for the sale of land and subsequent development of the east block of the site.

Summary of terms and conditions:

1. The Purchase Price shall be \$428,694.00 per acre subject to said amount being increased by an annual inflation rate adjustment as outlined in the MDA. Actual acreage shall be determined by a survey as required by the SDA.

2. SEDG shall convey the land to Rea-South Elm, LLC, a single purpose LLC, for the development of approximately 250 apartments, with 20% affordable to residents earning 80% or less than Area Median Income; over 2,000 square feet of retail space, a minimum of 500 parking spaces, and a public plaza.
3. Final development program, plans, and specifications, along with evidence of financial ability to complete the improvements shall be received and approved by RCG prior to closing. The developer will follow the process and guidelines of the City's MWBE program.
4. Improvements shall commence within 450 days after the effective date of the SDA and be completed within two (2) years of closing.

RCG approved the terms and conditions of the SDA at their meeting on Wednesday, March 10, 2021 and voted unanimously to request City Council consideration for sale of the land to SEDG under the terms of the SDA.

BUDGET IMPACT: The City will be asked to provide development assistance up to \$4 million in 2016 Community and Economic Development Bond Funds earmarked for the South Elm Street Redevelopment area. An agreement outlining specific terms and conditions for development assistance will be approved by RCG and brought before Council for consideration prior to closing on the sale of the property.

RECOMMENDATION / ACTION REQUESTED:

City Council is asked to consider approval of Redevelopment Commission of Greensboro sale of the land at 100 East Gate City Boulevard, 725 and 727 South Elm Street, and 508 and 518 Arlington Street to the South Elm Development Group for \$428,694.00 per acre subject to said amount being increased by an annual inflation rate as outlined in the Master Development Agreement under the terms of the Sale/Development Agreement approved by the Redevelopment Commission.