



Legislation Text

File #: ID 21-0348, **Version:** 1

Public Hearing for a Resolution Authorizing an Urban Development Investment Grant in the Amount of \$250,000 to PAW Greensboro, LLC

Council Priority: Create an Environment to Promote Economic Development Opportunities and Job Creation

Department: Planning
Council District: 2

Public Hearing: May 18, 2021
Advertising Date/By: May 6, 2021/Clerk

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PURPOSE:

The City of Greensboro has been requested to consider an Urban Development Investment Grant in the amount of \$250,000 to PAW Greensboro, LLC for the redevelopment of the property located at 800 Pastor Anderson Way in the East Market Street Reinvestment Corridor with a total investment of \$2,579,000 and the creation of at least 5 new full-time equivalent jobs.

BACKGROUND:

PAW Greensboro, LLC, has requested assistance from the City of Greensboro in its redevelopment of the vacant and blighted property located at 800 Pastor Anderson Way that it purchased in 2018. The development team plans to repurpose the 12,000 square foot structure on the property into a hub for music makers through provision of rehearsal, recording, and performance spaces via a new business entity that it would also own called Rhythm Works. The facility will include sound-proof recording studios, rehearsal rooms, video production, and editing capability, podcasting rooms, an online radio booth, and gathering space for meetings, ideation, and discussion. The plans also include a 3,000 square foot rooftop performance venue and a large outdoor stage.

The Rhythm Works business concept is based off a membership model, in which an individual would pay a set fee in exchange for full access to the facility for music instruction, education, production, recording, and performance. Rhythm Works also has presented plans to partner with Guilford County Schools on youth music education programs, the non-profit Notes for Notes on a variety of music programs for youth, and local higher education institutions.

The development team has invested \$340,000 in the purchase of the property and stabilization of the building and has plans for an additional \$2,239,000 investment in building upfit, furniture, and equipment for a total investment of \$2,579,000 in the project by December 31, 2022 to include at least \$522,000 of owner equity. At least 5 new full-time equivalent jobs will be created by December 31, 2023 and be retained for a period of 5

years. The projected average wage for the full-time jobs would be \$37,857.

Specifically the developer is requesting an Urban Development Investment Grant of \$250,000 to complete the building upfit.

The project is expected to generate public benefit to the City of Greensboro by positively impacting the property and sales tax revenues and creation of at least 5 new full-time equivalent jobs. This project is subject to the City's Minority/Women Business Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals. The MBE goal established for this project is 17.5% and the WBE goal is 21.2%.

BUDGET IMPACT:

Funding support of this project would come from unencumbered balance in FY 20/21 accounts 101.2205.03-5931 and 101.2205.04-5931

RECOMMENDATION / ACTION REQUESTED:

The project meets all base eligibility criteria of the Urban Development Investment Guidelines for consideration of City support. Planning staff recommends City Council consider providing City support to the project in an amount of \$250,000.