

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
SPECIAL MEETING  
FEBRUARY 19, 2014**

The special meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, February 19, 2014 in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:05 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, and Clinton Gravely. Staff present included Dyan Arkin, Chancer McLaughlin, and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission, and Nancy Hoffmann, City Councilwoman and RCG liaison.

Ms. Arkin introduced Dana Clukey who is a new planner in the department.

**SOUTH ELM STREET REDEVELOPMENT AREA:**

**(a) Presentation of South Elm Street Redevelopment Master Plan**

Ms. Arkin gave a brief history of the process leading up to the presentation of the Redevelopment Master Plan.

Bob Chapman, 2525 Lanier Place, Durham, North Carolina, is a partner with South Elm Development Group (SEDG). He stated that the Downtown University Center will be the anchor tenant for the South Elm Street Redevelopment Area. He introduced John Merrill, Downtown University Center steering committee, who was in the audience. During the ongoing community outreach effort by SEDG, it was decided to adopt the name Union Square at South Elm for the entire area.

Mr. Chapman gave a PowerPoint presentation showing highlights of the Master Plan. He stated that they have been working with the Downtown Greenway designers to incorporate interesting water features in the portion of the Greenway that will run through the South Elm development area. In addition, he said that Lee Street will become Gate City Boulevard.

Mr. Chapman described the footprint of the Union Square Campus. The first of the two proposed buildings will be 105,000 square feet with ground floor retail to enliven the square. A pedestrian walkway will go between the two buildings.

Mr. Chapman discussed the possibility of a new hotel on the site. Four major national brand hotels have toured the site and given good feedback. A 93,000 square foot office building is planned for the site and it will also have retail on the ground floor. The upper stories of the building could become populated by medical related uses. Mr. Chapman also pointed out the proposed three or four story apartment building located on property the Redevelopment Commission traded to members of the Sidney Gray family. The parking garage along South Elm Street will be two decks and will house retail on the ground floor. He described the locations of proposed restaurants, shops, and food trucks. Mr. Chapman stated that a great deal of effort is being put toward traffic calming to improve access to the area from across Gate City Boulevard.

A 12-year build out was originally planned for South Elm Street. However, with the introduction of the Union Square Campus build out could occur in a four-year period. A 24-month build out is planned for the Union Square Campus. Construction is expected to begin late this year or next year with occupancy of the building

sometime during the summer of 2016 in anticipation of the fall semester. Mr. Chapman reviewed data on job creation during the build out along with permanent jobs after completion. He conservatively estimated that 333 new jobs would be created with the project. Most of the new jobs would be related to the Union Square Campus.

Mr. Gravely joined the meeting at 5:26 p.m.

Chair Chaney commented that although she is pleased the Union Square Campus is coming to the area, there is concern that it will consume about 60 percent of the acreage not including the two parking garages. She asked what is being done to provide services for the surrounding areas.

Mr. Chapman stated that if Union Square Campus builds both of the buildings they envision, only one-third of the total site will be utilized. He said SEDG is committed to having vital street life and a 24-hour city environment. The project will continue the recreational, cultural, and night life already in existence in the downtown area. All street frontages facing the square will be filled to provide people with opportunities for use. His preference is to focus on locally owned authentic businesses.

Celestine Simmons, 612 Martin Luther King Jr. Drive, pointed out that New Zion Church plans to build a church on Martin Luther King, Jr. Drive. She asked if Union Square at South Elm will tie into New Zion Church. Mr. Chapman replied in the affirmative and indicated that as many as 100 apartments are planned for the A-2 parcel. He noted that the Greenway will run through the parcel. He felt the apartments on A-2 should happen after New Zion gets the church under construction and after the apartments at Union Square Campus are under construction so that they can have joint management which would reduce rents.

Carl Brower, Ole Asheboro neighborhood resident, asked why the decision was made to build the A-2 apartments following the Union Square at South Elm apartments. Mr. Chapman said that construction would occur at the same time, not afterward. He explained that the Union Square at South Elm apartments is immediately following the Union Square Campus on the schedule for construction. It makes sense to bring all the apartments online at the same time to combine management for greater efficiency as well as to attract developers.

Responding to a question, Mr. Chapman stated that the Union Square apartments will start one year after construction begins on the Union Square Campus.

Mr. Brower expressed his disappointment with the decision to delay building the A-2 apartments and he cited promises made over the years by the City to the Ole Asheboro neighborhood. He pointed out that the New Zion construction will start soon and it was their expectation that the A-2 apartments would begin at the same time or shortly thereafter, not 12 months or in another 24 months. Mr. Chapman clarified that the Master Plan indicates a timeline of 12 months for construction of the Union Square apartments, not 24 months.

Chair Chaney stated that as soon as definite start dates have been determined, a realistic projection should be made as to when the next phase will start. The projection can be relayed to the neighborhood and other people who share this legitimate concern.

Ms. Arkin pointed out that 333 potential jobs have been discussed. The requirement by the federal government for job creation is 130 jobs. Therefore, the development will more than double the requirement. Due to the Union Square Campus, completion of the South Elm Street construction site will be a four to five-year program, not the original 12-year projection.

Ms. Arkin commented that it is still somewhat unknown how quickly things will unfold. If an important developer shows up, it would be unlikely they would be turned away. There is potential for an entity to show up sooner than later.

Ms. Arkin stated that a Request for Qualifications has been sent out for a design team to work on infrastructure. Construction of the infrastructure is expected to begin in July, 2014.

Responding to a question from Mr. Gravely, Mr. Chapman indicated that a target of 20 percent MWBE (Minority and Woman-owned Business Enterprise) participation has been set. He explained that the process of monitoring would be on a dollar volume basis in addition to subcategories by minority and women-owned businesses to determine how the participation is divided up. There is a detailed reporting requirement in the Master Development Agreement. Reports will be made available to the Commission beginning in October, 2014. He indicated that subdevelopers will be required to submit a plan describing how they plan to monitor MWBE participation to match the overall goal.

Ms. Arkin stated that staff and the City will thoroughly vet subcontractors before they are recommended to the Redevelopment Commission. Mr. McQueary suggested that the decision-making process by the RCG be expedited when needed while still providing time for necessary research.

#### **OLE ASHEBORO REDEVELOPMENT AREA:**

- **Single Family Residence Purchase Request from Owners at 612 and 618 Martin Luther King, Jr. Drive.**

Mr. McLaughlin referred to a map of the MLK-North redevelopment area and stated that 612 and 618 Martin Luther King, Jr. Drive are directly across the street from the MLK North A-4 property. The MLK North A-4 site was recently approved for development.

He explained that the RCG created a financing program in 1991 for homes they owned in the Ole Asheboro and Arlington Park redevelopment areas. Federal dollars were used to acquire dilapidated houses designated as contributing structures in the South Greensboro National Register of Historic Places. Due to the historic designation, the City had to devise an agreement to govern the disposition of the residential structures. The City was required to make a good faith effort to rehabilitate historic properties acquired with federal funds before any demolition could be considered. The agreement also required the City to create a marketing plan that included financial assistance in the form of a grant to cover a gap between any rehabilitation costs that could potentially exceed the after-rehabilitation appraisals.

Mr. McLaughlin introduced Celestine Simmons, owner of 612 Martin Luther King, Jr. Drive, along with Tanya and Anthony Bynum, owners of 618 Martin Luther King, Jr. Drive.

Ms. Simmons has indicated to staff that 612 Martin Luther King, Jr. Drive was purchased through this program under the assumption that the City of Greensboro would be performing several activities outlined in the Ole Asheboro Redevelopment Plan adopted in 2004. Ms. Bynum has indicated that 618 Martin Luther King, Jr. Drive was purchased under the same assumptions.

Both parties have indicated in their submitted proposals to staff that an extensive amount of renovations were made to the residences in compliance with the South Greensboro National Register of Historic Places under the district regulations after they had acquired the two properties. To date, many of the recommendations of the Ole Asheboro Redevelopment Plan and the MLK (Martin Luther King, Jr. Drive) TND (Traditional Neighborhood Development) Plan have not materialized into development. They do not feel they have received a fair return on their investments and the City has not completed many of the area

redevelopment activities that initially sparked their interest in purchasing the homes. Both parties indicated their property values have been reduced due to property blight tied to the lack of redevelopment and they have failed in several attempts to sell their properties. In terms of the request, Ms. Simmons is requesting that the City purchase her home for a price of \$247,000 based on an appraisal made in 2006 and documented rehabilitation expenditures between 1997 and 2000. Ms. Bynum is requesting that the RCG purchase 618 Martin Luther King, Jr. Drive for \$162,000.00. Both parties are requesting a 60-day time period to vacate the residences if the sale is approved by the Commission.

Mr. McQueary felt that updated appraisals should be provided before any decisions could be made.

Chair Chaney asked if any historic tax credits were used for renovation of the historic buildings. Ms. Simmons replied in the affirmative.

Ms. Simmons commented that a current appraisal would yield a lower value that would not be appropriate for reimbursement. She has not been able to sell her property and felt that the Family Dollar across the street and the strip center further down the street will serve to diminish her property value even more.

Ms. Bynum stated that her property value would also be lower due to the vacant properties located beside her property. She noted that her property has not appreciated like the Southside development on the other side of the bridge.

Ms. Simmons is approaching the City with this request because they have not followed through with their promises and as a consequence, she has experienced a significant loss on her house. She felt it was not fair for her to carry this burden.

Responding to a question from Chair Chaney, Ms. Arkin and Mr. McLaughlin stated that they was not aware of any instance where the Redevelopment Commission bought back rehabilitated private property because its value was not in keeping with the current market niche. Counsel Blackwood agreed that in his 30-year tenure with the City, the Commission has never bought back rehabilitated private property.

Ms. Simmons pointed out that townhouses cannot be built across the street due to a new market study; however, apartments are planned for the next block. She questioned why apartments could not be built across the street from her property. Chair Chaney responded that the town homes originally designed there would have been for sale to the prospective owners whereas an individual owner usually owns the entire apartment complex. Ms. Simmons felt that the property across the street should be apartments and not the big box business indicated by the market study.

Ms. Simmons clarified that the appraisal represented in her request was based on the value when the property was rehabilitated. A current appraisal will reflect a much lower value because of the economy and the fact that nothing has been done to the area. She felt that the original plan for town homes would have increased values in the area.

Chair Chaney expressed concerned that the Commission not only has no history of buying back rehabilitated private property, it is unknown if the RCG has the resources available to address the purchase.

Ms. Simmons noted that at the most recent City Council meeting; there was intent to make corrections to the process of certain things that were done incorrectly. She suggested that buying back these two properties might set a precedent if this situation occurs again.

City Councilwoman Hoffmann asked Ms. Simmons what she felt the City did incorrectly in regard to her property. Ms. Simons stated that she has been a strong advocate for the neighborhood from the beginning

and she described the neighborhood's pride and positive intentions for the area. Ms. Simmons cited examples of positive growth in other areas of the City and she stated that no one thinks of coming to Martin Luther King, Jr. Drive.

Ms. Bynum stated that the City has not stood behind the initial plans that were provided when they invested in these homes. The initial plans stopped at Southside and did not come across the bridge. The City's commitment was to help the redevelopment of the neighborhood as described in the Ole Asheboro Redevelopment Plan.

Mr. McLaughlin stated that recommendations of Ole Asheboro Redevelopment Plan created the MLK North TND plan. Those plans recommended development of the four key pieces of property, A-1 through A-4.

City Councilwoman Hoffmann pointed out that will all that is currently happening in this area of town; redevelopment is not out of the question.

Mr. McLaughlin identified the location the two subject properties on a map in relation to the four lots identified in the MLK North project area.

Counsel Blackwood stated that the MLK North Plan is an amendment to the Ole Asheboro Redevelopment Plan in 2004. He stated his opinion that in terms of what occurred; things that transpired after the two properties were acquired are not legally germane to where things stood at the time of purchase. Instead of focusing on what occurred after the two houses were purchased, it is more practical to look at what documentation was in existence at the time of purchase. He was unsure if the townhomes had been proposed in the mid-1990s.

Chair Chaney acknowledged the legitimate concerns of Ms. Simmons and the Bynum's but stated that the Commission cannot control what didn't happen in terms of development. In addition, she was not sure if the funds were even available for the buyback.

It was pointed out that an analysis was made several years ago that showed over 20 million dollars of City funding went into the Arlington Park, Ole Asheboro, and Gorrell Street neighborhoods. A significant amount of money and work has been done and it is not unusual to have some projects that the market will not create.

Mr. McQueary felt that a conversation is needed between the two homeowners and the City based on facts as to what happened during this time period. More information is needed for a judgment to be rendered. He suggested that both sides put on paper a better description of what happened to be better able to compare areas of disagreement.

Mr. McLaughlin stated that staff would look into what documentation was in place in terms of a City-initiated process at the exact time the two homes were purchased. They will research possible commitments by the City in the Ole Asheboro Redevelopment Plan of 1997 that was in place when the houses were purchased.

Mr. Brower stated that one of the reasons developers have never come to the area was because the City did not follow up with promises made in the 1990s to work on the infrastructure. He acknowledged that over 20 million dollars had been spent in the three neighborhoods; however, the money was primarily spent on the MLK streetscape and buying properties in the three neighborhoods.

Mr. Gravely asked staff to determine the availability of resources that might be used to sustain the homeowner's request.

Counsel Blackwood stated his position that no commitment was made on the part of the Redevelopment Commission or the City that development would absolutely occur as a legal obligation taken on as an inducement for their purchase and renovations of the property.

Ms. Arkin clarified the Commission's request for staff to research, analyze and summarize documentation along with funding sources. The information will be presented to the Commission at their next meeting.

**STAFF UPDATES:**

Ms. Arkin stated that the Request for Qualifications for the Willow Oaks Village Center has been postponed in order to allow more time for review and input from stakeholders.

Ms. Arkin stated that Mr. Daniels has resigned from the Commission. Angela Harris has been appointed as the newest member of the Redevelopment Commission. Ms. Harris was present in the audience and introduced herself to the Commission.

Mr. McLaughlin updated members on the EDGE (Eastern Development Growth Enterprise) property. The Zoning Commission has approved the development of an urban farm on the EDGE property. They are currently filing for TRC (Technical Review Committee) approval. He anticipated that construction should begin soon.

Ms. Arkin provided an update on the properties recently purchased in Willow Oaks, 1602 and 1604 McConnell Road. The developer who sold the property to the Commission and Builders of Hope are working together to respond to the current Request for Proposals.

Chair Chaney indicated that staff has provided a list of properties in Districts 1 and 2 that are owned by the Redevelopment Commission. She met recently with City Councilwoman Sharon Hightower and City Councilman Jamal Fox to discuss the potential for development in these areas with a focus on bringing good housing to these neighborhoods.

Responding to comments made by Mr. McQueary, staff assured members that contractual agreements through the Redevelopment Commission are subject to internal checks and balances. All agreements are subject to thorough internal audits.

Mr. McQueary asked that monthly reports of open contracts be made available to the Commission.

**ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 7:00 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director

SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
MARCH 12, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, March 12, 2014 in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:00 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, and Clinton Gravely. Staff present included Chancer McLaughlin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission, and City Councilwoman Nancy Hoffmann, RCG liaison.

**ELECTION OF OFFICERS:**

Mr. McQueary moved to nominate Chair Chaney to continue in her position of Chairwoman, seconded by Mr. Gravely. The Commission voted 3-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely. Nays: None.)

**APPROVAL OF MINUTES FROM FEBRUARY 19, 2014 MEETING:**

Mr. Gravely moved approval of the February 19, 2014 meeting minutes as amended, seconded by Mr. McQueary. The Commission voted 3-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely. Nays: None.)

**SOUTH ELM STREET REDEVELOPMENT AREA:**

- **Presentation of Union Square at South Elm Master Development Agreement Documents**

Mr. McLaughlin stated that the Master Development Agreement will be presented in five sections. The Commission is only being asked to approve two of the five sections. Members will vote on the designated sections following presentation. Staff will explain what the Commission is being asked to consider prior to the vote.

Mr. Enochs joined the meeting at 5:06 p.m.

**(1) Master Plan**

Bob Chapman, South Elm Development Group (SEDG) gave a PowerPoint presentation describing the Union Square at South Elm Master Development Agreement and associated documents. The development will be located at the intersection of Gate City Boulevard (Lee Street) and South Elm Street leading people into downtown, universities, and the Coliseum area.

The Union Square Campus will be located in two buildings on the site. The first building will be at the corner of South Elm Street and Lee Street while the second building will be on the corner of Arlington Street and Lee Street. The first building will be approximately 105,000 square feet. Construction management at-risk proposals have already been sent out to a variety of general contracting companies. The Union Square Campus has enthusiastically committed to the 20 percent goal for MWBE (Minority and Women Business Enterprise) participation.

A conference center is also being planned for the Union Square Campus to function as a venue for conferences related to the campus, events, receptions, and wedding parties over time.

Mr. Chapman stated his opinion that the hotel planned for the east side of South Elm Street is much needed in downtown Greensboro. He indicated that approximately 30,000 cars pass the circumference of the project each day. A limited service hotel is being sought, such as Hilton Garden Inn, Hyatt Place, or Residence by Marriott, in the \$90 to \$120 per night range. Meetings have been held with four hotel genres to date and there is a large amount of interest in the site due to the presence of the Union Square Campus.

On the far end of the east side of the site is a one-acre parcel that was traded to the Sidney Gray family. They have contracted to have SEDG develop apartments on the parcel and they plan to work with SEDG to have an adjoining parking deck. As many as 40 courtyard apartments will be facing the Greenway.

Mr. Chapman pointed out the location of a 93,000 square foot office building that could become part of the Union Square Campus. The building could also house related medical offices or it could be a complete variety of commercial offices. He also described the locations of Union Square, residential work-force apartments, on-street retail, and the first parking deck to be built.

In terms of timing, the last components to be built will be the hotel and parking deck simultaneously. Mr. Chapman would prefer the residential component on the Gray family's land be built slightly prior to the hotel because hoteliers generally do not want to attract customers to stay in a construction zone.

The original plan was for the project to take up to 12 years; however, with the introduction of the Union Square Campus, the timing could be accelerated to four years.

Union Square will contain street-level retail use, commercial uses, coffee shops and restaurants that open onto outdoor dining, street vendors and food trucks to enliven the plaza.

Mr. Chapman discussed traffic calming efforts that will be introduced at the intersection of South Elm and Gate City Boulevard.

The parking deck will be constructed using pre-stressed concrete that would cost \$12,000 per slot. If custom fabricated flat plate material is used, the cost would double. He stated that if the parking deck scenario is going to work, City help will be required.

Mr. McQueary asked what approving the Master Plan translates into in terms of action for Mr. Chapman's operation. Mr. Chapman explained that the Master Developer Agreement requires that a plan will be presented to the Commission for approval. If SEDG deviates significantly from the plan, they will come back to the Commission for permission to make the changes. He said that SEDG will keep the Commission fully informed and any tweaks to the plan will be made with their knowledge and approval.

Chair Chaney expressed concern regarding the residential component backing up to the Greenway. Presently under this design the Greenway would go right along the brick wall and she asked if balconies could be incorporated into the design of the building to change the look of the façade along the Greenway. Mr. Chapman said that it would be possible to flip the building's footprint and he agreed to look into the matter.



Ms. Cockburn commented that what the Commission is viewing in the presentation represents the building massing, not the final design. The Commission and other partners in the project will have an opportunity to comment on the design details before they are brought back for final approval. This presentation is a conceptual layout of what could be done at the site. The actual component site will have to come back to the Commission for approval.

Chair Chaney explained the motion and stated that members will be voting on this particular conception of what the South Elm Street footprint will look like, subject to change. Modifications will be forthcoming.

Mr. McQueary moved to approve the conception as presented, seconded by Mr. Gravely. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs. Nays: None.)

## **(2) Design Guidelines**

Mr. McLaughlin clarified that SEDG is not requesting approval of the design guidelines.

Mr. Chapman stated that work is being done to create an active, inviting streetscape for the area. He described a wide range of streetscape elements that included streetscape zones, lighting, art features, and pedestrian passageways. In addition, he briefly reviewed signage and standards for parking, the parking deck, and other building standards.

## **(3) Marketing and Phasing Plan**

Mr. McLaughlin stated that SEDG is requesting approval for this section of the Master Development Agreement.

Mr. Chapman presented a draft marketing plan for review by members. He stated that their primary marketing strategy thus far has been to secure the anchor tenant, Union Square Campus. Their next focus in marketing is to line up a hotelier for the site. They have already interviewed four perspective hotel developers.

Mr. Chapman stated that SEDG does not see an issue with the introduction of residential apartments at the site. Downtown apartments are currently a national trend and because of the occupancy rate of nearby apartments, he feels that if they can produce a better product at a better price, the units will fill up.

Mr. Chapman reviewed the timeline for the four-year build out of the project.

Mr. Gravely asked Mr. Chapman to clarify the City's role in the construction of the parking deck. Mr. Chapman indicated his hope that ideally the City would build the parking decks. He described the financial structure of the parking decks at the American Tobacco Campus in Durham, North Carolina that were built by the City of Durham. He felt that public help with structured parking was necessary and SEDG plans to pursue a scenario similar to the one in Durham.

Following a discussion of parking deck financing options, Ms. Cockburn reassured the Commission that City staff is continuing to work on the parking issue including who would build and who would own it.

Mr. Chapman said that they are researching several financing options such as decks with first floor retail that generates income for free parking on other floors. They are looking into the possibility of the

hotel subsidizing part of the cost. The Gray family has already indicated they would be willing to subsidize a portion of the parking deck cost.

Mr. Gravely expressed concern that the document says the parking structure would ideally be owned and operated by the City of Greensboro which has never been an issue discussed by the Commission. He was not in support of approving the document as written. Members agreed that the document as written would commit the City to be responsible for building the parking decks. It was suggested that the wording of the document be changed to address the Commission's concern.

Counsel Blackwood suggested that wording regarding the parking structure be changed to read as follows: "It is contemplated that there may be two parking structures, the ownership and operation of the same is yet to be determined."

Mr. Chapman accepted the new wording.

Mr. Gravely moved approval of the Marketing and Phasing Plan with the change in wording as stated, seconded by Mr. McQueary. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, Gravely, McQueary, Enochs. Nays: None.)

#### **(4) Architectural Deed Restrictions**

Mr. Chapman referred to information distributed to members and indicated that this matter will come back to the Commission in the future.

#### **(5) Green Development Practice Guidelines**

Mr. Chapman highlighted the sustainability and energy efficiency of the project. Based on a score sheet, each developer will have to submit justification that they have achieved at least a minimum score for green building standards. Everyone will be required to explain how they will be energy efficient and how they plan to recycle materials. He commented that it is likely that Union Square Campus will go for LEED certification.

Mr. Chapman said that this section will come back to the Commission for approval once feedback has been received from the other partners.

#### **OLE ASHEBORO REDEVELOPMENT AREA:**

- **Single Family Residence Purchase Request from Owners at 612 and 618 Martin Luther King Jr. Drive**

Mr. McLaughlin stated Celestine Simmons and Tonya Bynum-Kirby presented a proposal at the February 19, 2014 Redevelopment Commission special meeting regarding a request to purchase their single-family residences. The residences were purchased in 1997 through a financing program created by the City to incentivize the rehabilitation of historic homes in the Ole Asheboro redevelopment area. The financial program also provided financing in the form of a grant to cover the gap between the cost of rehabilitation and the appraised value of the homes. The proposal indicated that the residents who purchased were under the assumption the City would be performing several development activities to revitalize the area. Ms. Simmons and Ms. Bynum-Kirby indicated they were instrumental in the adoption of additional regulations under the MLK-North TND Plan which called for mixed-use development in the area. To date many of the recommendations of the MLK-North TND Plan and the Ole Asheboro

Redevelopment Plan have yet to be implemented. Ms. Simmons and Ms. Bynum-Kirby feel that they have not received a fair return on their investment due to the delay of redevelopment activities that initially sparked their interest in purchasing the homes.

The Commission asked staff to research and provide additional information from the redevelopment plan that was in place at the time the homes were purchased. Staff was also instructed to determine the availability of resources that might be utilized to sustain the homeowner's request.

Mr. McLaughlin described the original Ole Asheboro Redevelopment Plan, adopted in 1980, that established the need for the City to go into Ole Asheboro to identify activities that were needed. In 2003, the Ole Asheboro Redevelopment Plan was amended to define strategic initiatives for the neighborhood as the primary focus of redevelopment efforts. Some of the key initiatives created out of the recommendations of the amendment to the plan were the creation of the MLK-North Initiative and the subsequent MLK-North TND Plan, the development of the area under mixed-use regulations, the Single-family Lot Initiative, and the Dorothy Brown Park Initiative. To date many of the recommendations of the Ole Asheboro Redevelopment Plan and the MLK-North TND Plan have yet to be implemented.

In terms of availability of resources and funds that could be used for the repurchase of the properties, Mr. McLaughlin reported that the Commission has \$32,100 of available funds.

Ms. Simmons is requesting that the City purchase her home at 618 Martin Luther King, Jr. Drive for \$247,000 based on an appraisal made in 2006 and documented rehabilitation expenditures between 1997 and 2000. Ms. Bynum-Kirby is requesting the Commission to consider the purchase of her home at 612 Martin Luther King, Jr. Drive for \$162,000.

Celestine Simmons, 618 Martin Luther King, Jr. Drive, shared an article from the Greensboro News and Record, dated April 1, 1994, referencing information that Robert C. Caron with the Piedmont Land Company presented to City Council about the purchase.

Ms. Simmons revised her asking price to reflect the subtraction of the \$40,000 amount of gap funding money that she received from the City. She is asking \$207,000 for the purchase of her home.

Ms. Simmons described her involvement in trying to revitalize the area. She stated that she would never have moved or taken a chance renovating the house if she knew that other activities identified in the plan would not be implemented in the neighborhood.

Yvonne Johnson, City Councilwoman, spoke from the audience and agreed with comments made by Ms. Simmons. She said that Ms. Simmons's account of what happened and the idea of working together to improve Martin Luther King, Jr. Drive was absolutely correct. Although some things have been done, the City has not done anything near what was said would be done.

Mr. McLaughlin stated that a challenge he encountered while researching this matter was that he found significant conversations about ideas and initiatives but most of the conversations did not materialize into an official adopted plan. He indicated that prior to the purchase of the houses in 1997, the only thing on the books that he could find was in the original Ole Asheboro Redevelopment Plan. In addition, he researched the Greensboro News and Record article that Ms. Simmons referred to and there was a discussion at the City Council meeting about building 16 houses but it never materialized into an adopted plan that was pulled into the redevelopment plan. Looking at the MLK-North TND Plan and the 2003 update, there are some activities that have materialized such as the development of the A-1 and A-2 Initiatives. Activities are driven by the market and other factors and some development did move

forward. Mr. McLaughlin stated that although staff found information that substantiated comments made by Ms. Simmons and Ms. Bynum-Kirby, it was a challenge to locate items in adopted plans that never moved forward.

Mr. McQueary asked if the Commission had the authority to repurchase the homes as requested. Mr. McLaughlin said that the Commission has the authority to undertake any decision they see fit and he did not think the action would be illegal; however, there may be an issue of setting precedence.

Counsel Blackwood felt that there were two different issues at hand. The first issue is whether or not there are any obligations or commitments of the Commission or City that are unfulfilled that would give rise to a reason to consider the request. He stated that he is unaware of such an obligation or commitment. The second issue is that this could be looked at as a request for the acquisition of properties. The RCG does have complete legal authority to acquire properties within a redevelopment area. Counsel Blackwood stated his legal opinion that the Commission has no obligation to consider repurchasing these properties because commitments made by the Commission are unfulfilled. There are no legal commitments that are unfulfilled that require the Commission to consider that part of the proposal.

Ms. Simmons reiterated her expectations from the City and stated that the consequent burden of loss is unfair and not right.

Chair Chaney stated it is a shame that continued development has not occurred in this particular area that would have enhanced the value of Ms. Simmons's property. She does not know that the Redevelopment Commission can change this fact and she is unsure if the Commission has the resources to buy back the property. At the same time, if the Commission sets a precedent of buying back properties in areas where development did not occur as it should have due to circumstances beyond control; resources would not be available to continue the precedent throughout any area of the City.

Mr. McQueary stated that he has never seen a case where the Commission was asked to consider purchasing property without at least two appraisals of the property.

Mr. McLaughlin stated that in the past where properties are considered for purchase, there typically is instruction to staff to secure appraisals to establish value. Ms. Cockburn explained that as indicated at the last meeting, until there is further direction from the Commission as to their intent to entertain this request, staff did not want to put the homeowners through the expense of an appraisal. If it is the Commission's intent to purchase the properties, then staff will go through the process of getting appraisals made. If it is not the intent of the Commission to consider the request, then time and money would not have been wasted.

At the request of Mr. McQueary, Counsel Blackwood reviewed options available to the Commission as follows: (1) the Commission could direct staff at the expense of the City to determine the value of the property through neutral third party appraisers without any commitment at all; (2) a motion could be made, even a motion to deny, which would resolve the issue; or (3) no motion could be made and the matter would die, although it could be raised again.

Ms. Simmons stated that she has done much research on this matter and found information that she felt would be relevant to the Commission's decision. She asked if the Commission would consider agreeing to purchase the properties and turn the request over to City Council who could find money to fund the purchase. Counsel Blackwood recommended that the Commission not authorize purchase

under this scenario. It is unknown if funding is available through the City and he advised the Commission not to commit to the purchase.

Mr. Enochs moved that the Redevelopment Commission does not make an offer to purchase the properties at 618 and 612 Martin Luther King, Jr. Drive for reasons previously stated, seconded by Mr. McQueary. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs. Nays: None.)

Mr. Gravely pointed out that the main considerations in this matter were the lack of available funds sufficient to purchase the properties along with the setting of a precedent throughout the City for property owners to come back to the Commission.

#### **STAFF UPDATES:**

Mr. McLaughlin stated that the EDGE lease for the urban farm has officially been executed. They are at the very end of TRC approval pending assistance from the City's engineering department with a plat survey.

Mr. McQueary asked assistance from staff in getting verification from City Council regarding the Commission's charter and how situations involving any future requests for buying back properties should be handled in the future and what part the Commission should have in the consideration.

#### **SPEAKERS FROM THE AUDIENCE:**

Russell Barrett, 610 Glover Street, is treasurer of the Arlington Park Neighborhood Association. He stated that the Arlington Park chartered boundaries were reduced from East Martin Luther King, Jr. Drive to Andrew Street. The neighborhood is too small and former resources have been eliminated. He asked the Commission to replace the Arlington Park charter boundaries back to its original status. The original boundaries were from East Martin Luther King, Jr. Drive and Florida Street to East Whittington Street and along South Elm-Eugene Street. Restoring the original boundaries would allow the Boxing and Fitness Academy to once again be in the Arlington Park neighborhood.

Chair Chaney asked staff to clarify the procedure to change the boundaries and honor Mr. Barrett's request. Ms. Cockburn stated that she has been working with Mr. Barrett on this matter. She explained that the boundaries that matter to the Redevelopment Commission are the boundaries of the area that have been drawn based on the redevelopment plan of the Arlington Park neighborhood. She explained that has very little to do with what has been chartered by the State for an organization that has a geographic boundary as a neighborhood. Although this is not a City process, she expressed willingness to help Mr. Barrett in his efforts. The boundaries of the neighborhood for the redevelopment plan can be revisited by looking at specific things that the City considers under a redevelopment plan boundary which include areas of blight and neighborhood cohesiveness. Their organization's charter and its geography are a separate matter.

Mr. Barrett plans to work with staff on this matter.

#### **ADDITIONAL BUSINESS:**

Members discussed changing the meeting day and time to better accommodate the schedules of all Commissioners. Chair Chaney reviewed the options available to the Commission. It was decided to discuss and finalize this matter at the April, 2014 meeting when the newest member of the Commission will be present.

**ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 6:50 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director

SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION OF GREENSBORO  
REGULAR MEETING  
APRIL 9, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, April 9, 2014 in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:00 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, Clinton Gravely, and Angela Harris. Staff present included Dyan Arkin, Chancer McLaughlin, and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission, and City Councilwoman Nancy Hoffmann, RCG liaison.

**ELECTION OF OFFICERS:**

Ms. Arkin stated that the current slate of officers to be considered for reaffirmation is as follows:

Secretary: Sue Schwartz, Director of Planning and Community Development  
Assistant Secretaries: Hanna Cockburn, Dyan Arkin, Chancer McLaughlin

Mr. Gravely moved to keep the slate of Secretaries as previously appointed, seconded by Mr. McQueary. The Commission voted 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris. Nays: None.)

Chair Chaney introduced Angela Harris to the Commission. Ms. Harris is the newest member of the Redevelopment Commission, representing District One.

**APPROVAL OF MINUTES FROM MARCH 12, 2014 MEETING:**

Mr. Gravely moved approval of the March 12, 2014 meeting minutes as amended, seconded by Chair Chaney. The Commission voted 3-0-1 in favor of the motion. (Ayes: Chaney, McQueary, Gravely. Nays: None. Abstain: Harris.) Ms. Harris did not vote on the approval of minutes as she was not present at the meeting.

**SOUTH ELM STREET REDEVELOPMENT AREA:**

Mr. Enochs joined the meeting at 5:09 p.m.

**a) Presentation of Union Square at South Elm Master Development Agreement Documents**

- (1) Design Guidelines**
- (2) Architectural Deed Restrictions**
- (3) Green Development Practice Guidelines**

Ms. Arkin noted that at the last meeting, the Commission approved the Master Development Plan and the Marketing Plan with one change to it. The Design Guidelines and Green Development Practice Guidelines were also presented at the last meeting and neither has changed since they were presented. Staff will answer any questions about the items and then will ask members to consider approving the two documents along with authorization for staff to be responsible for minor revisions or additions in the future with the caveat staff will bring anything substantial back to the Commission.

Once all documents are approved, there will be a final publishing of each of the documents and copies will be provided to members for their records.

Bob Chapman, 2525 Lanier Place, Durham, North Carolina, was present to answer questions from the Commission.

Ms. Arkin stated that the Architectural Deed Restrictions are actually restrictions that will go on the deeds as the properties are sold off. They are normally referred to as covenants, conditions, and restrictions (CC&R), in the Master Development Agreement. Mr. Chapman will answer questions about the document and bring back any necessary information to the next meeting when the Commission will be asked to approve the restrictions.

Mr. Chapman referred to a 43-page draft entitled Declaration of Covenants, Conditions and Restrictions for Union Square at South Elm. Copies of the draft have been given to Ms. Arkin and also to Counsel Blackwood to make sure he is comfortable with the language before it is put out for further distribution.

The key parts of the document are the creation of a South Elm Architectural Review Board and the creation of the Assembly which is the equivalent to a property owners association. Voting would be in accordance with an allocation of interest based on square footage of the building. The Architectural Review Board would ultimately pass to the Assembly and it would have the right to make assessments for common purposes for everything from common area maintenance to cultural activities. The document also goes into the design review process, the guidelines, and covenants and restrictions regarding commercial uses. Mr. Chapman felt that the document would be a plus to the long-term success of Union Square at South Elm. He stated that the deed restrictions would be declaring this document as a set of covenants, conditions, and restrictions.

Mr. McQueary stated that based upon the discussion, not enough information has been given for members to ask questions or form an opinion about the document. Members will need to receive the document and review its contents.

Chair Chaney asked if specific restrictions will be spelled out when the document is distributed to members. Staff replied in the affirmative. They will make sure the items most pertinent to the Commission's interest can be easily found in the document.

It was noted that members are being asked to approve the content of what was presented at last month's meeting. Approval was not requested at the last meeting because comments had not yet been received from the Greenway Design Team and Union Square Campus, Inc. Design Team. Comments from both groups have been received and incorporated into the documents. Ms. Arkin commented that that the subsequent changes were very minor.

Ms. Harris asked to abstain from the vote because she was not present the last meeting when the content was presented.

Mr. Chapman clarified that the Green Development Practice Guidelines and the Design Guidelines provide the content of guidance for how the project should look and feel. The CC&R document that will come back next month is the enforcement mechanism.

It was noted that Rentenbach Construction Company has been chosen as the construction manager for the project.



Ms. Arkin asked the Commission to consider approving the Design Guidelines and the Green Development Guidelines.

Mr. Gravely moved to approve the Design Guidelines and the Green Development Guidelines. There was no second and the motion failed.

Mr. McQueary expressed concern over the manner in which approval of the documents is being handles in that members are being asked to approve something before the final documents are distributed. He felt that the matter should be voted on at the next meeting when everything can be handled at one time.

Mr. Chapman commented that the CC&Rs refer to the Design Guidelines that are currently being followed by Rentenbach Construction. The guidelines stand alone and the CC&Rs are simply the mechanism enforcing the guidelines.

Counsel Blackwood explained that the distinction is that the CC&R document is designed to contain and use the guidelines as properties are sold and developed. None of the parcels have been sold or developed yet but they have been reviewed and people are starting to rely on them. The two documents will be exhibits to the CC&R when it is recorded. Approving the CC&R in effect also does involve approving these guidelines. The CC&R speaks to a general overall development and structure of how decisions are to be made in terms of approval and enforcement regarding the property. The guidelines are specific documents that deal with trying to move forward with the development of the parcels with the design aspects because the CC&Rs haven't been recorded yet.

Ms. Arkin summarized that there is not any confusion about what the documents are meant to do but members prefer not to vote on a document when they have not seen the absolute final draft. She did not think there was a problem in terms of timing by delaying the vote until the next meeting. Land cannot be conveyed in any way until all of these documents have been approved by the Redevelopment Commission. Staff has tried to move quickly with the documents to be able to focus on the next components of the process. In terms of the full schedule, the rest of what needs to happen would not be approved until the next meeting anyway. She asked the Commission to understand that these are guidelines and they are not set in stone. However, they are already being utilized as what will be used over time. She felt certain the final documents would be acceptable but she noted that if there was an issue with the guidelines, changes could be made.

Mr. McQueary offered the possibility of a conditional approval based on information provided at the last meeting with the condition being removed after the Commission sees the final documents.

Mr. Chapman pointed out that waiting to approve the documents would put a burden on Counsel who would have to review the 43-page CC&R document. Counsel Blackwood stated that he has reviewed the document and his main concern is in terms of some of the terminology or semantics. There is a duplication of names in the document that creates confusion. Overall, he had very few concerns about the document.

Ms. Arkin commented that there is a possibility land conveyance will occur in September or early October of 2014. Staff plans to continue to fast track the process. She is comfortable with the documents that have been introduced and feels they have been well vetted by professionals across various disciplines. She was amenable to waiting until the next meeting to approve the documents.

Mr. Chapman suggested that the Commission pursues a conditional approval of the documents. He would like to be able to deal in good faith that these are the documents that are highly likely to be approved by the Redevelopment Commission.

Mr. McQueary moved to conditionally approve the documents subject to a review of the final product at the next Commission meeting, seconded by Mr. Gravely. The Commission voted 4-0-1 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs. Nays: None. Abstain: Harris)

**b) Recommendation for Design Engineer for Infrastructure Improvements**

The South Elm Development Group (SEDG) is recommending that the design engineer for the infrastructure improvement be J. C. Waller and Associates. The South Elm Development Group sent out a Request for Proposals (RFP) and received six responses to the request. Details of their analysis leading to the selection of J. C. Waller and Associates have been provided in the information packet distributed to members. The standard form of agreement to be used between SEDG and J. C. Waller and Associates for the infrastructure improvement design work is also included in the packet. An infrastructure funding agreement between the City and SEDG will be used to fund this work because SEDG is responsible for oversight of the design engineer.

Ms. Arkin explained that the pricing came in at \$43,000 for the work from J. C. Waller and Associates. The South Elm Development Group has asked that an additional amount of \$27,000 be approved for a full total cost of infrastructure design work of \$70,000. An additional amount is being requested because J. C. Waller and Associates cannot do the signalization piece in-house and will have to subcontract for the work. Greensboro Department of Transportation (GDOT) has indicated that they have no problem working with an engineer separately for that piece of work. The work is contingent upon J. C. Waller and Associates providing invoices for specific pieces of work that will be laid out within the funding agreement. Payment will be made as the work is completed.

Mr. Chapman commented that it is always nice when the low bidder also has high recommendations from other customers. Members of the team for Union Square Campus have worked with J. C. Waller and Associates in the past and had many positive things to say about them. He expressed his usual hesitancy to go with the lowest bidder but felt that J. C. Waller and Associates is a very competent company that really wants the work.

Responding to questions, Mr. Chapman stated that SEDG evaluated the scores in-house and all references were checked. Members discussed the wide range of bids that were received for the work. Mr. Chapman stated that Mr. Waller is well aware of what is involved with this project and has been coming to meetings with the Union Square team. In addition, staff has worked with Mr. Waller in the past on several projects and expressed their confidence in him.

Juhann Waller, 524 South Elm Street, was present to answer questions from the Commission. He stated that he is confident that they can do the work. He noted the completion date for this part of the project is July 1, 2014.

Yvonne Smith, 443 Arlington Street, is with South Elm Development Group. She explained how the evaluation scores were derived and spoke to the selection process of choosing J. C. Waller and Associates. In the analysis of the bids, there were numerous firms with teams for professional service. When there are so many people on the team, costs will significantly increase. Mr. Waller did not have outside sources on his team and therefore, they were able to keep their price lower.

Mr. Enochs moved to approve the recommendation of Waller and Associates for design engineer for infrastructure improvements, seconded by Mr. Gravely. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

Commission members agreed that the supplemental funding amount of \$27,000 was included in the recommended \$70,000 amount approved with the motion.

#### **WILLOW OAKS REDEVELOPMENT AREA:**

##### **a) Termination of Master Development Agreement with Urban Atlantic**

Ms. Arkin stated that members are in receipt of a draft of the final termination letter that staff would like sent to Urban Atlantic to terminate the Master Development Agreement. Members were in support of sending the termination letter.

#### **OLE ASHEBORO REDEVELOPMENT AREA:**

##### **a) 815 Pearson Street**

Ms. Cockburn stated that the City's Historic Preservation staff has met several times with the current owners of 815 Pearson Street. It has been determined that this property could be one of the oldest residential units in the City dating back to the late 1800s. The property went into foreclosure and is now being held by the State Employee's Credit Union. Their initial outreach to the City was to determine what it would take to tear down the property. However, when they learned the property was in a National Register Historic District and that it has unique historic value, they met with staff to determine what could be done to restore the home. The matter is being brought to the Redevelopment Commission to see what might be possible to help leverage investment in that block. The property is located in the section of Pearson Street close to the future Greenway so there are opportunities to reinvigorate the block that will encourage revitalization in other parts of Ole Asheboro.

The State Employee's Credit Union is currently restoring a house of similar age in Tarboro, North Carolina. They plan to bring the contractor working on the house in Tarboro to meet with Historic Preservation staff and visit the property to make determinations on how to move forward. The intent of the State Employee's Credit Union would be to restore the property and rent it. Ms. Cockburn indicated that they may be eligible for both state and federal historic tax credits.

Chair Chaney pointed out that action must be taken quickly to take advantage of tax credits. The work must be completed by December 31, 2014 or historic tax credits will be lost.

Ms. Cockburn updated the Commission on 919 Spring Garden Street. She reviewed the history of the property and said that the College Hill neighborhood voted and City Council approved a revision to their MSD (Municipal Service District) plan to allow the MSD program to acquire properties of a historic nature to prevent them from being demolished. Using MSD funds, the City stepped in and purchased the property from Preservation Greensboro which had an option on the property. Preservation Greensboro Development Fund has been active in searching for and identifying a final buyer for the property. Although the person's name has not been identified, Preservation Greensboro has made a presentation for a Certificate of Appropriateness (COA) to the Historic Preservation Commission to make renovations to the property based on their plan. Interior and exterior renovations are being proposed. A determination will be made at the Historic Preservation Commission's next meeting on April 30, 2014. The house will be sold with preservation covenants that require it to be used for single-family use for perpetuity.

**STAFF UPDATES:**

Ms. Arkin stated that a well attended annual meeting of the Willow Oaks community was recently held. She announced that Willow Oaks has joined the Neighborhood Congress. Working with staff, they have approved and are moving forward with a Request for Qualifications (RFQ) for the Village Center retail component. Four individuals from the Willow Oaks community volunteered to help with the evaluation process for developers.

Staff is in process of putting together a RFQ for housing at Willow Oaks. They hope to be back on track by the end of the year.

Ms. Arkin reported that an application has been received for the South Elm Corridor Economic Development Grant Program. The application is to do \$142,000 worth of up fit work at Tiger Leather. She stated that the total amount of money available for the grant is \$50,000. The grant can be used to up fit a space for a new tenant or to up fit a space to retain a business that may have to move if they cannot up fit. The maximum grant award for a single space is \$25,000 and the grant funds must be matched at a 2 to 1 ratio. Ms. Arkin has set up an appointment to meet with the applicant at the site. The application will be brought back to the Commission for approval if the application meets all of the qualifications for the grant.

**ADDITIONAL BUSINESS:**

Ms. Arkin stated that a request has been received from Union Square Campus, Inc. to enter into an agreement whereby they can actually access the site prior to acquisition. They would like to do geotechnical testing to better understand soil issues they will be working with during design.

Counsel Blackwood has drawn up a specific access agreement for Union Square Campus, Inc. who is trying to put together a proposed offer of purchase. Normally in a purchase agreement rights would be granted relating to access to inspect the property for purposes of due diligence. They would like to fast track this process and therefore, a proposed agreement has been put together that incorporates standard language found in most commercial real estate agreements to grant them access during local working hours to be able to inspect, examine, and conduct geotechnical examinations as necessary. He reviewed details of the agreement for the benefit of the Commission. He commented that this is a Brownfields site and environmental conditions have already been noted. The agreement does not allow environmental testing and stipulates that none of the dirt at the site will be disturbed or removed.

Mr. Enochs moved to approve the proposed agreement subject to finalization of terms as determined by the Commission's attorney and staff, seconded by Mr. McQueary. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

Following a discussion on changing the monthly meeting time, it was decided that the Redevelopment Commission will meet on the first Wednesday of the month at 5:00 p.m. in the Plaza Conference Room, starting in June, 2014.

Mr. Enoch moved to make a resolution to change the meeting time to the first Wednesday of the month at 5:00 p.m. in the Plaza Level Conference Room beginning with the June, 2014 meeting, seconded by Mr. Gravely. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

Mr. McLaughlin announced that the public meeting for the MLK-North A-4 parcel that was sold to the Devon Group will be held on April 24, 2014 at 7:00 p.m. at the Ole Asheboro Enrichment Center. The developer will make their presentation at the meeting.

Mr. McLaughlin stated that North Carolina A&T University approached staff for a potential school project. They are interested in the redevelopment area for Phillips Avenue. He met with juniors at A&T in the Landscape Architecture department on site to provide them with information. The current scope of work is to identify feasible development of the property and it may evolve as a senior project next year. They are interested in the portion of land adjacent to the land leased to EDGE for an urban farm.

Ms. Arkin referred to the Willow Oaks RFQ for the Village Center and asked for a member of the Redevelopment Commission to serve as a representative to help with the evaluation. Chair Chaney and Mr. McQueary offered to help with the process and bring a report back to the Commission.

**ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 6:32 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director

SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
MAY 14, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, May 14, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:00 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, Clinton Gravely, and Angela Harris. Staff present included Dyan Arkin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission, and City Councilwoman Nancy Hoffmann, RCG liaison.

**APPROVAL OF MINUTES FROM APRIL 9, 2014 MEETING:**

Mr. McQueary moved approval of the April 9, 2014 minutes as amended, seconded by Ms. Harris. The Commission voted 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris. Nays: None.

Mr. Enochs joined the meeting at 5:02 p.m.

**SOUTH ELM STREET REDEVELOPMENT AREA:**

**(a) Presentation of Union Square at South Elm Master Development Agreement Documents  
--- Deed Restrictions (Covenants, Condition and Restrictions)**

Bob Chapman, South Elm Development Group (SEDG), gave an overview of the deed restrictions document. In keeping with New Urbanism language, the property owners association will be known as the Assembly and the common area will be called the community commons. The Assembly is primarily responsible for maintaining the common areas and enforcing rules on parking, landscaping, lighting, coordinating trash collection, pest control, and the handling of nuisances, complaints, and dispute resolutions.

The design guidelines that were written are being followed by the project's first component sub-developer, Union Square Campus, Inc. There have been many interactive review sessions between Seth Harry, chief designer for SEDG, and Ken Mayer, architect for Union Square Campus, talking about the overall goal for the best outcome for the entire project. They would like the area to be a 24-hour neighborhood where there is a lot of activity. The architectural review process involves the creation of an Architectural Review Board. Seth Harry has been appointed as the sole member of the Architectural Review Board. Six months after SEDG loses control over any interest in the property, the property owners will elect the Assembly Board by proportional representation based on square footage.

The Assembly has the right to make assessments which would cover a variety of things including parking, trash collection, and management of the overall community commons. There will also be a Merchants Council which will operate under the jurisdiction of the Assembly. They plan to create the Union Square Trust which would be focused on civic software. The Trust would be funded by assessments that would come through the Assembly. The Union Square Trust would program cultural events, serve as an information clearing house, maintain the website, and communicate through social media.

Ms. Arkin asked Mr. Chapman to describe how the document would further the goals of the original redevelopment plan. He described the commitment of SEDG for a hotel, commercial building, and the apartment buildings. Phase I of the apartments will be on the west side of South Elm Street and there is a contract with the Gray family to build Phase II of the apartments on their property. All of these components will have a relationship with each other as part of Union Square at South Elm. The document creating the Assembly is the vehicle to manifest the relationship. The coordinator, hired by the Assembly through the Union Square Trust, will insure that everyone has involvement in cultural programming. There will be self identity as a place in perpetuity as part of deed restrictions.

Mr. Chapman explained the difference between the Merchants Council and the Assembly. The Assembly would be the property owners while the Merchants Council would be the people actually operating a business. In addition, he described the goal of creating a sense of ownership of the property by the neighborhood.

Chair Chaney commented on the importance of implementing regulations, policies and procedures further down the road when the project has been completed.

### **(b) Consideration of Final Approval for Design and Green Guidelines**

Commissioners are in receipt of the final Design and Green Guidelines documents. Staff is asking for consideration of final approval of the documents.

Mr. McQueary commented that the documents appear to be very professional and create a good image for the project.

Mr. McQueary moved approval of the Design Guidelines and Green Development Guidelines, seconded by Mr. Gravely. The Commission voted unanimously 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris, Enochs. Nays: None.)

### **(c) Developer Update**

Ms. Arkin distributed copies of the last two monthly reports from SEDG for February and March, 2014. At this point, the documents describe what has been spent by SEDG and the public in terms of moving the project forward. The first component describes private investment by SEDG which includes the value of the time they have put into the project along with actual cash expenditures. The public component represents the sum total of the contracts with SEDG to do certain things associated with the project. The developer report is required by the Master Development Agreement and an auditing opportunity does exist.

Mr. McQueary commented on the importance of making sure the work that was accomplished is consistent with the amount of money spent. Ms. Arkin pointed out that the Master Development Agreement sets out certain requirements for the developer and staff is monitoring this very closely. With the aid of a new software package, staff can craft a report to respond to this concern.

Chair Chaney asked staff to provide a specific breakdown of public funds made up of general categories.

Responding to a question regarding additional long-term money requested from the City, Ms. Arkin said that there is a conversation in the City Manager's office about what the City's final participation may be. The conversation is primarily around the parking structure and infrastructure. The City has made a

commitment to finance the infrastructure but they have not made a formal commitment to finance 100% of the parking structure.

**STAFF UPDATES:**

Ms. Arkin reported that a community meeting of the Ole Asheboro neighborhood was held recently on the A-4 section of the project. Ms. Cockburn stated that the A-4 property is going forward to the Planning Board at their next meeting for an amendment to the Traditional Neighborhood Plan that encompasses the site as well some additional properties in Ole Asheboro. The requested plan amendment is the addition of a new use to the table of permitted uses in the Traditional Neighborhood construct. This is a request to amend the plan and specifically add an additional use for general merchandise stores. If approved, the Zoning Commission will hear a request at their June, 2014 meeting for consideration of a special use permit to allow the building to be larger than 8,000 square feet. The maximum allowed under the special use permit is 10,000 square feet.

Russell Barrett, 610 Glover Street, is the treasurer of the Arlington Park Neighborhood Association. He discussed the boundary of the neighborhood and activity at the Greensboro Boxing Academy. Ms. Arkin informed him that private investment is occurring near the Boxing Academy. She plans to ask Chancer McLaughlin, City of Greensboro, to contact him with more information. Ms. Cockburn reviewed the difference between the boundary of the neighborhood and the official redevelopment boundary as seen on the map.

Ms. Arkin stated that members are in receipt of a memo from Gene Brown, Community Housing Solutions, which updates the status of houses in Eastside Park. She plans to provide more information at the next meeting as the houses are nearing the sales process. The Eastside Park Community Center is located on land owned by the Redevelopment Commission. The Commission has a lease which requires that a community center is maintained for the good of the Eastside Park community. She noted that leadership changes are occurring in the Eastside Park community. East Market Street Development Corporation and a group of neighborhood supporters are in conversation about making some administrative changes to the structure of the community center. If a new entity takes over the responsibility, then a new lease will need to be drawn up.

Ms. Arkin noted safety concerns at the Bingham Park site. Staff is working with the Cottage Grove community as well as the Eastside Park community to address the issues at Bingham Park.

A Request for Qualifications (RFQ) was sent out for the Willow Oaks Village Center commercial retail development and no responses were received. Staff has decided to pull back and look at alternative ways to create interest toward development in the area. They are working with the community and consultants to develop a strategy. The residential RFQ will be sent out in several months.

**ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 6:00 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director



SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
JULY 2, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, July 2, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:04 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, and Clinton Gravely. Staff present included Dyan Arkin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission; Terry Jones, City Attorney's Office; Sue Schwartz, Planning Director; and City Councilwoman Nancy Hoffmann, RCG liaison.

Sharon Hightower, Greensboro City Councilwoman, was also in attendance at the meeting.

**APPROVAL OF MINUTES FROM MAY 14, 2014 MEETING**

Mr. McQueary moved approval of the May 14, 2014 minutes as written, seconded by Mr. Gravely. The Commission voted 3-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely. Nays: None.)

Mr. Enochs joined the meeting at 5:10 p.m.

**SOUTH ELM CORRIDOR REDEVELOPMENT GRANT APPLICATION**

Ms. Arkin stated that two completed grant applications have been received. Members are in receipt of supplemental information relevant to the applications.

Requirements for the grant include the following criteria: (1) The property must be within the designated area; (2) The business must be commercial or retail; (3) Grant funds must be matched by private investment at a 2:1 ratio, at the least; (3) Projects generally have to exceed \$10,000 in total cost; and (4) The project must create or retain at least two full time jobs. Ms. Arkin explained that the maximum award amount is \$25,000 per space. A space is defined not as the whole building but as a single retail or commercial space within a building.

Describing the process, Ms. Arkin indicated that staff has conducted the design review component of the process for the Commission and a packet of information has been made available. Funds are granted at the discretion of the Commission. Once the funds are awarded, a Letter of Commitment will be issued as authorization of the funding. Construction activities will be monitored. The funds are reimbursement funds and will be reimbursed to the applicant once the work has been completed and appropriate invoices have been submitted to staff. Funding is subject to a satisfactory review of the finished construction and meeting the terms of the program.

▪ **JH&T Holding**

The first application was received on April 25, 2014 from JH&T Holding for a company called Tiger Leather. Ms. Arkin reported that the company did meet the requirements of the grant. The anticipated project will cost approximately \$81,000 and six to ten new jobs will be created. Grant funds will be matched at a 2:1 ratio and the improvements include roof replacement, parking lot replacement, and exterior repairs. Two bids were received from independent contractors. One contractor is a 50 percent

woman-owned business while the second is 75 percent woman-owned. The contractors meet the City's MWBE (Minority and Women-Owned Business Enterprise) process and policy.

Maura Post, Tiger Leather, does business at 936 South Elm Street. She distributed marketing materials to Commissioners for their review. She stated that Tiger Leather is 14 years old and they sell high quality leather to hospitality venues such as casinos and restaurants. Their business is growing and they recently expanded into Asia and England. She described the company's commitment to the area and described the repairs they plan to make. Ms. Post would like to begin construction as soon as possible and hopes to be completed within 60 days.

Mr. Gravely expressed concern that no other minorities were represented in the contractor bids. Ms. Arkin commented that during the approval process the Commission can request additional actions to provide opportunities for minorities to be verified by staff in the implementation process. Ms. Post was amendable to adding minority subcontractors under the contractor that they choose. Mr. Gravely stated that he would like to pursue increasing minority participation.

Responding to a question from Mr. Enochs, Ms. Arkin confirmed that Tiger Leather is requesting \$25,000 from the grant and the second applicant is asking for \$25,000. Chair Chaney stated that \$50,000 is the total of the grant. Members pointed out that there is a lot of need in the target area; however, only two (2) applications have been received since the opening date in December, 2013. Ms. Arkin explained that there have been calls concerning the grant but only two formal applications were received.

Members felt that the application was worthy of the grant money and comments were made validating the need for repairs to the building.

Mr. McQueary moved to accept the application, seconded by Mr. Gravely. Mr. Gravely noted that the applicant indicated she would get additional information on MWBE participation.

Counsel Blackwood felt that the motion should be more specific and he offered additional wording to be considered.

For purposes of clarification for staff, Ms. Arkin summarized that a request has been made for the applicant to make an effort to include other minority contractors as well. Staff will verify that the effort was made by the applicant and will provide information on the effort along with their rate of success. A breakdown of MWBE will be provided to the Commission. Members commented that there is no contingency implied in the motion. The MWBE requirement has been met; however, members would like additional effort and clarification as to what the applicant is doing as far as other minority participation is concerned.

In addition, Ms. Schwartz suggested clarity on the use of "approve" or "accept" in regard to the motion. Members agreed that they wish to approve the motion.

Mr. McQueary restated his motion and moved to approve the application of Tiger Leather and/or the owner as appropriate for a grant of up to \$25,000 in accordance with their application for said amount to be dispersed under the South Elm Corridor Redevelopment Grant Program, seconded by Mr. Gravely. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Enochs, Gravely. Nays: None.)

- **QUB Studios**

Ms. Arkin stated that the second application was received on May 8, 2014 from QUB studios. The owner of the mill property is QUB Studios. The anticipated project cost based on two estimates is between \$103,000 and \$163,000. They hope to create 7 full time and 20 part time jobs. Grant fund anticipated ratio of private to public investment will be between 3:1 and 5:1, depending on which estimate is accepted. Proposed improvements include HVAC, plumbing, electrical, and sprinkler system among others. One of the proposed contractors is minority-owned and the applicant has stated in their application that contractors will be required to verify good faith efforts to increase minority to their staff with laborers or subcontractors.

Eric Robert, QUB Studios, is owner of the mill property located at 816 South Elm Street. In the presentation, he described the growth of the mill property and its philosophy. He explained that they have had 65 percent MWBE participation to date and they are 85 percent reclaimed. He would like to have construction completed in September or October, 2014. Mr. Robert explained that he does not have signed contracts with tenants to move in after completion. He has signed leases for two of the spaces but he will assume the responsibility for the third space until completion. He signed QUB Studios as the potential tenant for the third space.

Counsel Blackwood asked for clarification on the potential tenant for the third space. Mr. Robert stated that he signed the lease as owner of the building because he will be taking responsibility for the three spaces. The mill actually consists of nine individual spaces and will be mixed use. As of now, only two spaces are occupied. Counsel Blackwood clarified that the lease is between the Limited Liability Company, QUB Studios, and Mr. Robert, individually. Mr. Robert's intention is to have a sublease for a potential restaurant.

Responding to questions, Mr. Robert stated that until he leases the space he plans to meet the requirements for potential employees by opening up as an event space since the restaurant will not happen any time soon. He will do the hiring himself. The mill is located in the Central Business zoning district and there are no parking requirements.

Mr. Enochs moved to approve the grant request for QUB Studios, LLC and that \$25,000 be granted, seconded by Mr. McQueary. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Enochs, Gravely. Nays: None.)

Staff plans to monitor the progress of Tiger Leather and QUB Studios and provide updates to the Commission at their monthly meetings.

### **SOUTH ELM STREET REDEVELOPMENT AREA**

- **Update on Union Square Campus Component and Status of Other Activities**

Ms. Arkin informed the Commission that representatives from Union Square Campus were unable to attend the meeting; however, a representative from South Elm Development Group (SEDG) is present to speak on the overall project.

Union Square Campus is on a fast timeline. They have completed the schematic design for the building and are working on a site plan. An August, 2016 opening date is projected for the building. Construction should begin in early March, 2015.

Union Square Campus has been working with City staff and SEDG to finalize terms and conditions for conveyance of the land. Conditions will include the set of standard Redevelopment Commission conveyance conditions. There are also conditions related specifically to this project including removal of a storm sewer line that runs through the Union Square Campus site; options regarding construction, ownership and operation of ground floor retail space; and finalization of the Brownfields Agreement. Ms. Arkin stated that Union Square Campus has gone to the City to ask for a reduced land cost. City staff has determined this is possible if the Commission agrees to sell the land at zero cost so that CDBG funds can be used to repay that portion of the HUD Section 108 loan. Staff has shared the financial information with the City Manager's office. Counsel Blackwood described the process that would occur if the Commission agrees to sell the land at zero cost. He noted that City Council has a veto right on the sale of the land.

Chair Chaney pointed out that there is a plan to sell other component parts of the land that would service the debt loan.

Mr. Gravely asked for an update on the proposed parking structure. Ms. Arkin said that the City Manager's office, Planning Department, and Greensboro Department of Transportation (GDOT) are looking at different ways to assist in funding the structure. The developer has requested the City's assistance to fund the parking structure. She indicated that Union Square Campus has also asked to have 250 parking spaces within the parking structure at no capital cost to them.

Bob Isner, 447 Arlington Street, was present on behalf of the developer, SEDG. He said that a lot of progress has been made. A site work engineer has been selected and a transportation engineer has been selected to design the infrastructure. SEDG meets with representatives from the Union Square Campus once a month. Union Square Campus has selected an architect and construction manager. Construction on the campus is scheduled to begin in March 15, 2015 and will be completed by June 1, 2016 to be able to meet the educational cycle for classes. Planning the parking deck is critical at this point to achieve the completion date. An RFP will be issued later in the month for the apartment complex. The apartment complex will have a mixed use component as part of the requirement.

Ms. Arkin informed members that due to the fast track of Union Square Campus, a Special Meeting of the Redevelopment Commission will likely be called before the end of July.

## **COLLEGE HILL REDEVELOPMENT AREA**

### **▪ Informational Presentation on College Hill Neighborhood Plan**

Jeff Sovich, City of Greensboro Senior Planner, gave a presentation of the College Hill Neighborhood Plan. Development of the Plan began with a neighborhood summit in January, 2009 to introduce the process and engage community residents. Staff analyzed data on conditions and trends in College Hill that was collected as a result of the meeting. Staff developed a draft vision and goals for the neighborhood that was presented at a second neighborhood in April, 2009 where participants discussed preferences, priorities, and a strategy of action steps to accomplish the vision and goals. Using this material, staff developed an initial draft Plan document in November, 2009. At that point, the neighborhood association informed the City of their wish to place the planning process on hold to focus on issues related to the development of the Neumann Machine property, now the Province Apartments. In October, 2013 the neighborhood was ready to resume the planning process with a third neighborhood summit where participants gave their feedback on the draft vision, goals, strategies and actions. A new website and mobile phone app was created to help facilitate greater engagement in the planning process and information was updated using the 2010 census and other more recent information. The updated document was presented to the neighborhood at a fourth summit on June 16, 2014. The action plan

components of the Plan are organized into six sections: (1) Housing and Historic Character, (2) Private Safety, (3) Communications and Governance, (4) Neighborhood Development, (5) Parking and Traffic, and (6) Quality of Life. The document incorporates 120 strategies and 150 separate action steps that the neighborhood and City will work together on over the course of the Plan to address neighborhood issues and concerns. The College Hill Neighborhood Association recently voted unanimously to adopt the draft College Hill Neighborhood Plan. Tools that are incorporated in the Plan include the Current Land Use Map, the Future Land Use Map, and the Potential Reinvestment Opportunities Map, Mr. Sovich pointed out that College Hill was designated a redevelopment area in 1979. Redevelopment activities in the neighborhood were instrumental in stabilizing and transforming the neighborhood. College Hill is now a designated local historic district.

Retaining the redevelopment area designation allows for new redevelopment activities to be carried out at a later time. The neighborhood association is eager to begin implementation of the Neighborhood Plan and some of the tasks of the Plan may require approval by the RCG for funds in the future.

A Public Hearing will be held on the College Hill Neighborhood Plan at the July meeting of the Planning Board. The Planning Board will make a recommendation to City Council regarding the Plan and associated amendments to the Generalized Future Land Use Map (GFLUM). City Council will hold a Public Hearing on the Plan and the GFLUM amendments to consider adoption at its August 19, 2014 meeting.

James Keith, 303 South Mendenhall Street, is president of the College Hill Neighborhood Association. On behalf of the neighborhood he thanked Mr. Sovich for his research, analysis, and interaction with residents leading up to the Plan. He felt the document was very comprehensive and will lead to improvements in the neighborhood.

## **EASTSIDE PARK REDEVELOPMENT AREA**

### **▪ Update on Eastside Park Community Center Operations**

Ms. Arkin stated that the Commission has a leasehold interest in the property by owning the land underneath the community center, not the building itself. The requirements of the lease require that the facility be operated as a community center for the benefit of the Eastside Park community. If this requirement is met, the lease continues in perpetuity.

Ms. Arkin noted upcoming changes in the neighborhood leadership and partnerships. East Market Street Development Corporation is working closely with the neighborhood association. They have made a commitment to analyze the center's financial profile, programming, and interactions with the community. A report will be provided to the neighborhood association board before the end of July. It is likely that a partnership with East Market Street Corporation will be recommended to provide additional infrastructure that will facilitate a healthier organization. Once a direction has been established, they would like to meet with the Redevelopment Commission to explain their vision for the community center.

## **STAFF UPDATES**

Ms. Arkin stated that the Eastside Park community has been identified as a pilot location to study and produce an action plan about rail safety. There is a Rail Safety Summit on July 24, 2014 and the City Manager's office has pulled together a task force of department heads to work on a different approach to make rail crossings safer.

\* \* \* \* \*

**ADJOURNMENT**

There being no further business before the Group, the meeting adjourned at 6:37 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director

SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
AUGUST 6, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, August 6, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:01 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Angela Harris, and Clinton Gravely. Staff present included Dyan Arkin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission; Terri Jones, City Attorney's Office; and City Councilwoman Nancy Hoffmann, RCG liaison to City Council.

**APPROVAL OF MINUTES FROM JULY 2, 2014 MEETING**

Mr. Gravely moved approval of the July 2, 2014 minutes as written, seconded by Mr. McQueary. The Commission voted 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris. Nays: None.)

**EASTSIDE PARK REDEVELOPMENT AREA**

▪ **Update on Eastside Park Community Center Operations**

Ms. Arkin stated that the Redevelopment Commission owns the land that is under the Eastside Park Community Center. The Community Center is run by a non-profit organization and the lease extends in perpetuity. East Market Development Corporation is present to update the Commission on changes that are occurring in the operation of the Community Center.

Max Sims, East Market Street Development Corporation, provided background information on their involvement with Eastside Park and the development of the Community Center. The Redevelopment Commission of Greensboro owned and provided the land for the Center that began operating in 2002. Marie Stamey, former president of the Eastside Park Neighborhood Association, is a leader in the community and was instrumental in the creation of the Center. Ms. Stamey has experienced recent health challenges and plans to step down from her leadership role. There are plans to transition to new leadership and East Market Development Corporation has agreed to work with Ms. Stamey to continue the Center. The Community Center has had several issues lately and East Market Street Development Corporation would like to help with resolution of the problems to allow the community to continue to grow. They have an agreement with the Board of Rectors to operate the Center collectively with their management to raise funds, review bills, and help with programming and volunteers so that the Center can continue its operation.

Mr. Sims indicated that the Community Center's lease has certain requirements and he is present to ensure that the requirements can be met for the continued operation of the Center in Eastside Park.

Ms. Arkin explained that the Commission owned considerable land in the community at the time the Center came into existence. There were several pieces of remaining land after the housing was built and there happened to be two parcels of land on a corner that lent itself naturally to a Community Center by being centrally located. In partnership with Westminster Presbyterian Church, the Eastside Park Community Center asked that the land be leased to them in January, 2002.

Mr. Sims stated that the monthly Eastside Park neighborhood meeting is held at the Center along with an afterschool program and other community-centered events. Responding to questions, he stated that



the current terms of the lease state that the facility should operate only as a Community Center for the benefit of the Eastside Park community. The lease fee for the property is \$1.00. He commented that Westminster Church continues to assist with the afterschool program. East Market Street Corporation plans to act as a support system for Ms. Stamey.

Ms. Arkin commented that the volunteer Board at the Center has struggled off and on through the years with funding issues. She expressed support for East Market Street Corporation taking a larger role in the operation of the Community Center primarily because of the infrastructure they already have in place. The Community Center Board is very supportive of the change and Ms. Arkin felt that it was a positive step.

Responding to questions, Mr. Sims stated that East Market Street Corporation is not taking over the Center; rather, they will be acting in a consulting capacity. Eastside Park will still be the entity who owns the Community Center and will be responsible for carrying insurance on the Center. Mr. Sims indicated that Glenda Clark is chairperson of the Eastside Park Community Center Board.

### **SOUTH ELM STREET REDEVELOPMENT AREA:**

#### **(a) Alley Closure**

Ms. Arkin stated that there is an existing alley located off of Elm Street on property that is owned by the Commission. The Commission owns all three parcels that butt up against the alley. There are plans to close the alley in order to facilitate a clean set of parcels for conveyance to other entities. The process to close an alley is the same as the process to close a street. A petition has been given to Chair Chaney for her signature as owner of the parcel. The Technical Review Committee (TRC) will then recommend the alley closing to the Planning Board and the request will go to City Council for a Public Hearing. The alley has been cleaned-up and certified from an EPA (Environmental Protection Agency) standpoint and is part of the Brownfields Agreement.

Counsel Blackwood commented that this is a private alley between separate owners for the benefit of each other. It has never been a public alley. He questioned if going through a public petition process was necessary in this circumstance. There are no utilities in the alley. Ms. Arkin indicated that staff will check on the matter.

#### **(b) Right-of-Way Dedication**

Ms. Arkin referred to a map and described the location of a right-of-way dedication. The subject parcel sticks out about five or six feet into South Elm Street. This matter will impact the Brownfields Agreement and needs to be resolved quickly. She asked the Commission to consider dedicating the part of the lot that is actually within the street right-of-way to the City of Greensboro. The area is approximately 400 to 415 square feet.

Counsel Blackwood indicated that he would like to review the document and asked that the motion be worded "subject to approval by the Attorney". There was a discussion regarding the property line and the description of the "road bed" rather than the right-of-way. Ms. Arkin informed members that although it is unknown if there will be additional right-of-way in the future, GDOT (Greensboro Department of Transportation) has looked at the possibility of taking some additional right-of-way along Lee Street. They are working through the Traffic Impact Study and the conceptual drawings for Lee Street in order to understand what can be done with the existing amount of road and whether or not that is sufficient for what needs to be done.

Mr. McQueary moved approval to abandon the alley at 730 and 724 South Elm Street, seconded by Mr. Gravely. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, Gravely, McQueary, Harris. Nays: None.)

Mr. Gravely moved approval of the right-of-way dedication at 730 South Elm Street to the City of Greensboro, seconded by Mr. McQueary. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, Gravely, McQueary, Harris. Nays: None.)

### **(c) Brownfields Agreement Status**

The Brownfields Agreement final draft is in review by an outside environmental attorney who has done work on this project and others in the past. A conference call is planned with the attorney to finalize the document. As soon as there is agreement between NCDNR (North Carolina Department of Natural Resources) and the City of Greensboro on the document, a 30-day public comment period will begin. The final document will be sent to Commission members for their review. Once the comment period is complete and if there are no significant changes required by NCDNR, it will take about two weeks to finalize the document. Staff expects that the document will be completed and recorded around the middle of September. The document must be recorded before any land can be conveyed.

### **(d) Development Status**

Mr. McQueary commented to staff that it would be helpful to see the same presentation format each month. Notations of activity that have occurred since the last meeting would make it easier to evaluate the progress that is being made.

Bob Isner, 447 Arlington Street, is part of the development team with South Elm Development Group (SEDG). He provided an update on technical issues involved in the project including Covenants, Conditions, and Restrictions (CCRs). Documents have been drafted by SEDG and submitted for review by the City. The CCRs are necessary to convey the land and move the project forward.

Conveyance of the land for Union Square Campus has been changed to early fall. Union Square Campus has been working with a consultant on their design and drawings were released last week. Referring to the drawings, he described the significance of the proposed building planned for the corner of Elm Street and Lee Street. The drawings provide credibility for future marketing efforts.

Chair Chaney commented on earlier discussions for the buildings to maintain a historic façade. Mr. Isner said that the architect, Ken Mayer, and Union Square Campus wanted a more modern look which is in the design guidelines.

Mr. Isner said that the building would be 100,000 square feet with four stories. There will be two teaching auditoriums and two retail spaces.

Ms. Arkin stated that there are plans for a joint public meeting in early September between SEDG and USCI (Union Square Campus, Inc.). It is likely that the drawings will be released to the public at that time.

Responding to a question from Mr. McQueary regarding the intersection of Elm and Lee Streets, Mr. Isner indicated that SEDG has been working closely with GDOT and the Planning Department. The introduction of the Union Square Campus required a second modeling of traffic and the Traffic Impact Analysis has been completed. John Davenport, Transportation Consultant for the project, is working on how to direct the traffic to serve the campus and South Elm and also make it pedestrian friendly. In addition, Mr. Isner said that the requests for interested multifamily developers for the apartment

component should be ready to send out within 10 days. The apartments are being serviced by the decks for parking.

Mr. Gravely asked if there would be HUD (Housing and Urban Development) involvement in the apartments. Ms. Arkin stated that there will be a percentage of units that will need to be affordable. Additional funding will be offered to the apartment developer to bring some of the units to an even more affordable price point.

Mr. Isner said that J. C. Waller and Associates has been hired for infrastructure improvement design and construction.

Mr. Isner identified the design and financing of the parking structures as a critical component to get the users of the adjacent buildings on board. The parking deck is on the west side and the campus is on the east side. Eventually the east side parking deck will be the one to service the campus buildings. Getting potential developers on board is critical to the design. The parking decks must match up to the planned adjacent buildings.

Ms. Arkin addressed financing and stated that the developer has made a request that the City finance the parking. City staff has been working for quite a while on how a funding stack can be done. A potential set of funding pieces have been identified that can come together to build the first parking deck of the two that are anticipated. She explained that alternate forms of transportation are being explored that can be provided or accessed to reduce the need for parking on the actual site. They have also considered the possibility of building just one parking deck that would be much larger. More land would be freed up that could be developed in a different use that would produce tax revenue in the future.

Chair Chaney pointed out that parking garages in the future may become obsolete and are likely to be less in demand. She asked how calculations were made to determine the demand for parking for the apartment component and the Union Square Campus. Ms. Arkin indicated that staff had this conversation earlier and they have gone back to the developer to look at trends that impact parking not only in the short term but also in the long term.

Ms. Arkin stated that Economic Development Administration (EDA) has a series of grant applications that can be applied for on a quarterly basis. The City applied for a grant for the South Elm project but did not receive it. However, they received excellent feedback and partnership from the EDA. They have crafted a new way of requesting the grant through a different set of activities. The EDA feels that the new request contains a more compatible set of uses. The \$3 million grant request will be submitted in October, 2014 by the lead agency, Union Square Campus, Inc. The funds will be used to substitute for other funding that they are getting elsewhere and will be used for infrastructure improvements. Staff will continue to update the Commission and will likely request a letter of support at the September, 2014 RCG meeting.

#### **DISTRIBUTION OF 2013-2014 REDEVELOPMENT COMMISSION ANNUAL REPORT DRAFT:**

Ms. Arkin stated that electronic and hard copies of the Report will be sent out to Commissioners for their review when it has been completed. The Report will be considered for approval at the next meeting of the RCG.

#### **PROCEDURE FOR REDEVELOPMENT COMMISSION CHECKS:**

Ms. Arkin said that staff has formalized their procedure for receiving checks using the process adopted by the Greensboro Housing Development Partnership (GHDP). She described the process that will receive a yearly audit. The new process will allow for more careful tracking of checks.

**STAFF UPDATES:****▪ South Elm Corridor Redevelopment Grant Applications**

Ms. Arkin updated members on the Southeast Corridor Redevelopment Grant applications awarded to Tiger Leather Company and QUB, Inc. at the last meeting. Tiger Leather Company has provided necessary information and has signed both required agreements. The administrative piece has been completed and they are ready for construction to begin.

Ms. Arkin is in receipt of several emails from Tiger Leather Company keeping staff apprised of MWBE (Minority and Women-Owned Business Enterprise) efforts. Staff plans create a summary of what has been done by Tiger Leather in terms of their process along with the results.

QUB, Inc. is still working on administrative pieces of the application. Mr. Robert went out of the country shortly after the last meeting and therefore, the contractual pieces are incomplete.

**▪ Eastside Park Housing Rehabilitation**

Community Housing Solutions is rehabbing two houses in Eastside Park that were moved from Willow Oaks. There is a buyer for one of the houses and a closing is anticipated for late in September or early October, 2014. There is a prospective buyer for the second house who is working with the lender to get prequalified.

**▪ Willow Oaks Redevelopment Activity**

A consultant is working on the housing program in Willow Oaks to give recommendations on changes that should be made to get back on a successful track given the changes in the real estate market. The report should be completed within the next few weeks. Interest from several builders has been received and will be followed-up after the consultant's report has been reviewed. The community is working with the Homeowner's Association and Russ Clegg, Planning Department, who has taken over a lot of the day-to-day activities at Willow Oaks. Mr. Clegg plans to prepare an outline on community development at Willow Oaks that will be presented at the next meeting.

**ADJOURNMENT**

There being no further business before the Group, the meeting adjourned at 6:25 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director

SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
SEPTEMBER 3, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, September 3, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:01 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, Angela Harris, and Clinton Gravely. Staff present included Dyan Arkin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission.

**APPROVAL OF MINUTES FROM AUGUST 6, 2014 MEETING**

Mr. Gravely moved approval of the August 6, 2014 minutes as written, seconded by Mr. McQueary. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

**SOUTH ELM STREET REDEVELOPMENT AREA:**

▪ **Brownfields Summary**

Ms. Arkin reported that the project is almost a week into the 30-day public comment period for the Brownfields Agreement. The agreement must be executed and put on each of the properties as part of the deed prior to conveyance of any property. The agreement was vetted by a local environmental attorney prior to the public comment period. The public comment period will expire on September 28, 2014. If there are no significant public comments, the agreement can be executed and recorded. The document will first be signed by NCDENR (North Carolina Department of the Environment and Natural Resources) and then the City will sign and record the document with each parcel.

Elizabeth Link, Neighborhood Development Department, explained that this is an agreement with the State which allows the developer [Redevelopment Commission] of the properties to only have to clean it up to the standards for whatever will be built on the property. The Brownfields Agreement is based on the need to prevent additional contamination and to prevent individuals from coming into contact with any contaminants that might remain, which could include vapor from contaminated ground water. The agreement contains land use restrictions that run with the land and become part of the plat. She said that basically this document is NCDENR's covenant not to sue the City because the site has not been cleaned up to pristine conditions. The site will not be made pristine, but current and future land owners must agree to abide by requirements in the Brownfields Agreement. If an owner does not abide by the requirements the agreement would not be cancelled; however, the owner would have to make reparations to fix whatever is wrong.

Responding to questions, Ms. Link indicated that special requirements will not be required for the construction of a medical teaching facility on the site. Requirements were covered in the educational component of the agreement. Staff at NCDENR felt that the commercial definition provided in the agreement would address the requirements necessary for other medical facilities if proposed.

Chair Chaney asked about the requirements for remediation of the soil when the multi-family apartment complex is built. Counsel Blackwood stated that high-density residential use is one of the allowed uses.

Ms. Arkin responded to a question regarding the best way to pass on responsibilities relating to the Brownfields Agreement to the landowners. A possible solution includes listing the responsibilities in the Sales Development Agreement. Counsel Blackwood felt that enforcement provisions between the City and the new owner should be included in the Sales Development Agreement.

Bob Chapman, 447 Arlington Street, is with South Elm Development Group (SEDG). He commented that the agreement provides really good protection to future owners and sub-developers. The testing that took place on the corner of South Elm and Lee Street where the Union Square Campus (USC) campus will be located turned out much better than expected. The good results will save USC developers several dollars in cost per square foot for not having to put in vapor barriers.

Ms. Arkin stated that the City has contracted to test the remainder of the site similar to the testing that was done on the corner of South Elm and Lee Street. They anticipate that positive results that can be used as a selling point for future component developers.

Counsel Blackwood asked members to consider a motion to pass authorization to Chair Chaney on behalf of the Commission to execute both the Brownfields Agreement and notice of Brownfields property that need to be recorded at the Registrar of Deeds office following execution by the City and NCDENR. He explained that these actions need to occur prior to the next scheduled meeting of the Redevelopment Commission. Members felt that approving a motion granting Chair Chaney authority in these matters would be preferable to calling a Special Meeting of the Commission.

Mr. McQueary moved to authorize Chair Chaney to sign the documents as described by Counsel Blackwood, seconded by Ms. Harris. The Commission voted unanimously 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris, Enochs. Nays: None.)

## **COLLEGE HILL REDEVELOPMENT AREA**

### **▪ College Hill Redevelopment Program**

Mike Cowhig, Planning Department, provided background information on the College Hill redevelopment area. During the 1980's and 1990's the City purchased 30 homes in the blighted area that were sold to people who agreed to rehabilitate and restore architectural features and live in the houses. Following the redevelopment period, the City recognized that without further attention to the neighborhood over the long-term, it could slip back into its previous state. He felt that for long-term success of the College Hill neighborhood, it would be beneficial to have a program for purchasing and selling at-risk properties for restoration when opportunities arise. He commented that it takes a reasonable level of home ownership in the neighborhood to have a successful historic district.

College Hill is a special tax district and recently used \$50,000 of their Municipal Service District (MSD) funding to acquire a property that was going to be demolished as a result of fire damage. That project is now getting ready to close and the new owner hopes to qualify for tax credits.

Mr. Enochs commented that College Hill seems to be doing very well. He questioned the community's need for the funding and asked why College Hill could not just come to the Commission when they see a property that qualifies for redevelopment and follow the regular process to determine if funding can be allocated.

Mr. Cowhig said that although College Hill is a successful community today and there is a market that was not there in 1978, it could slip back into its blighted condition if the City is not vigilant in its efforts to maintain the neighborhood's current level of success. He referred to fire damaged property located at

919 Spring Garden Street and said if there had not been a proactive approach to save the property; there would be a hole in an otherwise very nice, historic block face along Spring Garden Street. It is not a large neighborhood and the City's efforts over the years could easily be undermined if similar properties cannot be saved. He stated that this program would protect the City's investment in a historic and redevelopment area. The community was identified as a redevelopment area because of the historic properties.

Counsel Blackwood explained the source of the surplus funding available for use by the Redevelopment Commission as it sees fit. This is money that came by homeowners with mortgages in College Hill but there is no legal stipulation regarding the use of the funds by the Commission.

It was noted that a specific project was presented to the Commission several months ago. A church was the owner of the fire damaged property on Spring Garden Street and planned to demolish the structure until Preservation Greensboro bought the property. Ms. Cockburn clarified that after Preservation Greensboro purchased the Spring Garden Street property; it was then sold to the City of Greensboro for \$50,000 of MSD funds. Those funds have been expended. The City planned to dispose of the property for a nominal fee which means that the funds are coming back. The requested funds cannot be directed to that purchase. The request before the Commission is to allocate funds for a similar type of purchase in the future based on the MSD Plan and the College Hill Plan.

Mr. Enochs clarified that the subject funds are for projects in the future that have not yet been identified.

Ms. Cockburn stated that the Spring Garden property generated the change in the MSD Plan that allowed the neighborhood to identify at-risk historic properties that could be restored for single-family use. Staff has found a way to make the \$25,000 funding request possible through the use of the undesignated redevelopment funds that are available at the discretion of the Commission. She noted that there are advantages to the Commission's involvement including the ability to set terms and conditions that the City cannot set through the MSD Plan.

Mr. McQueary commented that he was uneasy allocating \$25,000 to College Hill when there are groups all over the City that would benefit from the funding.

Marsh Prause, 516 Woodlawn Avenue, is the Chairman of the Board of Trustees for the Preservation Greensboro Development Fund. He reviewed the history of the fire damaged property on Spring Garden Street and their subsequent purchase of the structure. He noted the significance of the house in College Hill and the need to protect investment in the neighborhood overall. Preservation Greensboro Development Fund purchased the property in partnership with College Hill who used \$50,000 of their MSD money toward the purchase. A private owner had not been identified at that time; however, Mr. Prause stated that a closing is scheduled for next week for a new homeowner who plans to put considerable money into the property's renovation. He felt this was an opportunity for the Commission to support College Hill and show their appreciation to the neighborhood for their leap of faith to make MSD funds available to partner with the Preservation Greensboro Development Fund to make the Spring Garden Street project happen. He mentioned that College Hill has some expectation of reimbursement and they would be limited with less available MSD funding. He expressed support for the Commission to partner with the College Hill neighborhood and Preservation Greensboro Development Fund to make funding available.

Ms. Arkin stated that there are benefits of the Commission having control of the money. The Commission can identify the funds as earmarked for College Hill and the decision can be changed at any time. They can still ask College Hill residents to come to the Commission with their project to have

it approved at the time. She reiterated that the money is available for the Commission to use in any way it chooses.

Counsel Blackwood asked for clarification on the intention of the College Hill neighborhood.

James Keith, 303 South Mendenhall Street, is President of the College Hill Neighborhood Association. He summarized that the intention of the presentation stems from the unorthodox and unprecedented nature of the Spring Garden Street project. The original thought was to work with the Commission and establish a collaborative partnership for future business relationships to address at-risk homes in the neighborhood as they arise. The main goal from the neighborhood's perspective was to save the Spring Garden Street property which has occurred thanks to Preservation Greensboro's efforts in securing a buyer. He said that it would be nice to have the \$25,000 focused in their direction as a sign of collaborative effort between the Commission and the neighborhood. Their intention is to establish a new relationship with the Commission.

Counsel Blackwood asked Mr. Keith if he was asking for a transfer and if so to whom or simply for a resolution by the Commission where they would allocate the funds to College Hill neighborhood activities to be determined in the future. Mr. Keith deferred to the City's presentation.

Ms. Cockburn stated that the original request was for a simple transfer. From an administrative point of view the comingling of program income funds and the MSD special tax district funds is problematic. It is being requested that the funds be earmarked by resolution for a specific set of purposes that align with the MSD Plan and create an ongoing relationship with the Redevelopment Commission.

Responding to a question, Mr. Keith indicated that although there are currently no at-risk properties currently in College Hill, within one year there are seven properties that are at extreme risk of being purchased and rented out that are already in poor condition. The homes are owned by several individuals who are aging out of the ability to manage the properties and they have no family to inherit the properties.

Chair Chaney stated her opinion that this is a good use of Redevelopment Commission funds.

Mr. Enoch stated his support of College Hill and the prospect of a partnership but indicated that he could not support the request as proposed.

Mr. Keith stated that the neighborhood would like to know that they have the time and support in the future to know that they can move forward with projects to maintain the City's investment.

Ms. Harris commented that although she was considering supporting the proposal, she found it to be an issue that there are other communities in the Greensboro area trending toward a rental market who want to save their neighborhood who do not have a cushion to fall back on like College Hill.

Mr. McQueary suggested that an alternative would be to have a Special Meeting of the Redevelopment Commission to consider at-risk properties in an expedited manner.

Members agreed that they were not ready to vote on this matter at this time. Chair Chaney stated the Commission would agree to hear any presentation brought forth by the neighborhood regarding at-risk properties. It was noted that there are no presentations before the Commissions from anywhere across the City asking for use of the funds.



Responding to a question from Mr. Keith, Chair Chaney responded that the Commission would be willing to entertain a proposal outlining a specified program in a timely manner.

### **SOUTH ELM STREET REDEVELOPMENT AREA:**

#### ▪ **Rezoning Application**

Ms. Arkin explained that the South Elm Street redevelopment area is categorized under the zoning classification of Central Business - Conditional District. There is a set of conditions attached to the zoning, and staff is asking the Commission for authorization to make changes to the conditions. This is a staff-initiated request that is supported by the developer.

Referring to material distributed to members, Ms. Arkin stated that staff is attempting to align different governing documents. They are asking for changes to three of the conditions. Two are related to the setbacks and build-to lines of the property and to give the most flexibility, staff would like to remove the conditions completely. The third change in conditions would align it better with other documents. The condition refers to the amount of transparent glass allowed on the first floor. She proposed that the third condition be changed to align with the Downtown Design Overlay.

The changes will be considered at the October 13, 2014 Zoning Commission meeting and the deadline for the application is September 5, 2014.

Mr. McQueary moved to grant authority to Chair Chaney to sign the rezoning application to move forward with the request, seconded by Mr. Gravely. The Commission voted unanimously 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris, Enochs. Nays: None.)

#### ▪ **Development Status**

Bob Chapman, South Elm Development Group, updated members on activities taking place with the project. Their main focus is the recruitment of an apartment developer for between 96 and 200 apartment units on the site. They are evaluating if it is best to proceed with the mixed use commercial building or whether it should be residential because of downtown vacancy levels.

Mr. Chapman stated that Tony Sease, architect and civil engineer, has contracted with the City to review work done by South Elm Development Group. Mr. Sease and SEDG partner Seth Harry are finalizing the design of the streetscape on Lee Street.

There will be two sessions of public outreach at Bennett College on Tuesday, September 30, 2014 from 12:00 p.m. until 1:30 p.m. and from 5:30 p.m. until 7:00 p.m. The event will be held in the Little Theater Auditorium located on the campus at 900 East Washington Street.

A flyer advertising the sessions will be emailed shortly.

### **DISTRIBUTION OF 2013-2014 REDEVELOPMENT COMMISSION ANNUAL REPORT DRAFT:**

Mr. Gravely moved approval of the 2013-2014 Annual Report, seconded by Mr. McQueary. The Commission voted unanimously 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Harris, Enochs. Nays: None.)

**STAFF UPDATES:**

Ms. Arkin updated members on the South Elm Corridor Redevelopment Grant Applications. The application for Tiger Leather has been signed, executed, and construction at the site is underway. The other application has not been signed because a vehicle for funding has not been agreed upon. A meeting to discuss a way to fund the agreement has been scheduled between the applicant and Ms. Arkin and Counsel Blackwood. The agreement has not been signed but a letter has been sent saying the award was granted. If a resolution is not reached at the upcoming meeting, the matter will be brought back at the next meeting to determine how to move forward.

Ms. Arkin stated that one of the Eastside Park houses on Gillespie Street has sold and the owner is planning to move into the property in October, 2014. She indicated that interest in the second Eastside Park house is moving forward and may already be under contract.

Ms. Arkin reported that there is not an update for Willow Oaks at this time. Russ Clegg, City of Greensboro, plans to give a presentation at the next meeting on the work he has been doing in the Willow Oaks community.

Ms. Cockburn updated members on Heritage House and indicated that staff is proceeding with a presentation to the Planning Board at their September 17, 2014 meeting to present evidence to support a designation of blight. The designation will apply to the residential units in the condominium structure as well as the common elements. The redevelopment area that is being suggested includes the building, the units, the common elements, the parking lot, and the event center which is adjoining and under one access point. If the Planning Board designates that Heritage House is blighted, then staff will begin work on a redevelopment plan for the site. The plan will come to the Redevelopment Commission for a public hearing and consideration by the Commission before it goes through the channels back to the Planning Board and on to City Council.

Ms. Arkin stated that 25 residential units located at 2115, 2116, 2128 Everett Street were declared blighted by the Planning Board in November, 2013. The units have been added to the acquisition list in the Morningside Lincoln Grove Redevelopment Plan that covers Willow Oaks. The City is taking title of the properties through a deed in lieu of foreclosure. When a disposition is planned for the properties, the matter will be brought to the Commission for transfer from the City to the Redevelopment Commission to be added into the master plan for Willow Oaks. At the September 16, 2014 City Council meeting, they will be asked to approve taking these properties back from the owner, Affordable Housing Management, Inc., through the deed in lieu of foreclosure process.

\* \* \* \* \*

**ADJOURNMENT**

There being no further business before the Group, the meeting adjourned at 6:38 p.m.

Respectfully submitted,

Sue Schwartz  
 Planning and Community Development, Director  
 SS:sm/jd

**APPROVED MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
OCTOBER 1, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, October 1, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:03 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, Angela Harris, and Clinton Gravely. Staff present included Dyan Arkin and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission, and Nancy Hoffmann, City Council Liaison.

**APPROVAL OF MINUTES FROM SEPTEMBER 3, 2014 MEETING:**

Mr. Enochs moved approval of the September 3, 2014 minutes as amended, seconded by Mr. Gravely. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

**SOUTH ELM STREET REDEVELOPMENT AREA:**

▪ **Zoning Application**

Ms. Arkin stated that the property owner at 816 South Elm Street has opted not to include his property in the changes that were proposed in the zoning for that location. There will be no impact to the RCG. The owner's property will stay under the last version of the zoning conditions and if he chooses in the future to request a modification, he will have to pay the zoning fee.

Referring to a map, Ms. Arkin noted that 1015 South Eugene Street is a City-owned piece of property that was not part of the initial rezoning. It is currently zoned Light Industrial and staff has opted to include it in the zoning application. It is anticipated that this parcel will be part of a second phase of redevelopment in this area. If rezoned, the property will become Central Business-Conditional District with the same conditions that the rest of the property will have.

Chair Chaney commented that the area being requested for rezoning was what the Commission had talked about earlier for surface parking rather than a parking deck. Ms. Arkin confirmed that this is one of the pieces of land under discussion as a possibility for surface parking. Chair Chaney felt that the possibility of using the land for surface parking should be included in the recommendation for rezoning. Counsel Blackwood commented that a motion for Chair Chaney's recommendation was not necessary because it is information and not owned by the Commission.

▪ **Brownfields Agreement**

Ms. Arkin reported that the public comment period for the Brownfields Agreement has ended and no comments were received. Director Michael Scott and Chair Chaney have signed the document and the Brownfields Agreement has been executed for these parcels.

▪ **Development Status**

Bob Isner, 447 Arlington Street, updated members on the well-attended public outreach meeting recently held at Bennett College. The development team presented the Master Plan to the public and

Rentenbach Construction, construction manager at-risk, gave a presentation describing how the Union Square Campus will be built in a timely manner. In addition, the Deans of Nursing from A&T University and UNC-Greensboro gave presentations explaining their programs at the Union Square Campus. Dabney Sanders also gave a presentation on the Greenway which is an integral part of the project on the southern side of the development.

Mr. Isner stated that the project is in the midst of engineering and he described two additional contracts that have occurred. One was for an interpretation of the railroad right-of-way and the other contract was in regard to engineering for a drainage line on Union Square Campus property that must be taken up before March 1, 2014.

The approaching date for groundbreaking for the Union Square Campus is a trigger point to bring great credibility to the site, and marketing efforts to get sub-developers are increasing. Mr. Isner commented that there is now economic activity in areas around the development because people are now willing to put their land up for sale. There have been several land purchases around Union Square @ South Elm.

Chair Chaney asked Mr. Isner if the buyer of the railroad easement would be able to use it for parking. He was hopeful that the buyer would allow developers to use the land for a storm sewer line as there is a problem with the depth of the current line.

#### **OLE ASHEBORO REDEVELOPMENT AREA:**

- **Update on Commercial Development**

Chancer McLaughlin, City of Greensboro Planning Department, provided background information on the sale of 601 and 605 Martin Luther King, Jr. Drive to the Durban Group for the construction of a Family Dollar Store. The project was approved for a planning amendment on May 21, 2014 and later approved for a Special Use Permit on June 9, 2014. Shortly thereafter the Durban Group submitted the project to Technical Review Committee (TRC) and it is currently under review. An additional issue causing further delay is tied to the filing of an appeal of the approval of the Special Use Permit to Superior Court which is scheduled to be heard on October 14, 2014. Due to the appeal, City regulations prohibit TRC from granting full approval until the appeal has been heard. The time period in the executed agreement expires on October 5, 2014 and City staff is requesting an extension of 180 days to allow for the appeals process to be completed. Mr. McLaughlin felt that as soon as the Durban Group receives TRC approval, they will move directly toward construction.

Mr. Gravely moved to grant an extension of 180 days to the time period in the executed agreement, seconded by Mr. McQueary. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

#### **WILLOW OAKS REDEVELOPMENT AREA:**

- **Update and Next Steps**

Russ Clegg, City of Greensboro Planning Department, updated members on activity in the Willow Oaks neighborhood. Willow Oaks was originally part of Morningside Homes and was part of the Hope VI redevelopment for the area. Planning meetings began in 1997 and construction on the development began in 2003. Referring to a map of the site, he pointed out parcels owned by the Greensboro Housing Development Partnership and the Redevelopment Commission along with smaller sections owned by the Housing Authority, Habitat, and the City. He identified the Community Center, single-family houses, elderly housing and townhomes along with the area for the commercial development on the map for the benefit of Commissioners. A Request for Qualifications was put out in April, 2014 for the commercial site. There were no responses to the request. Mr. Clegg determined that the request

was not successful because the market is not particularly active and McConnell Road is not a busy street and is not conducive for commercial development.

The City is looking at several approaches to move forward. Staff is attending neighborhood association meetings to look at short-term issues that are occurring in the area and they are looking at the functionality of the neighborhood to ensure the overall strength of Willow Oaks. Staff is also working with the National Development Council to do an analysis of the market to determine how the Willow Oaks market compares to the rest of the City and how healthy it is from a commercial standpoint and a housing standpoint.

#### **SOUTH ELM STREET CORRIDOR REDEVELOPMENT GRANT PROGRAM:**

Ms. Arkin stated that the grant to JH&T Holdings for Tiger Leather Company is substantially complete for the proposed work. Staff has visited the site to view the completed work and recommended that JH&T be reimbursed for the portion the grant covers. She reported that there was outreach for minority subcontractors primarily through the contractors that Tiger Leather Company had already been working with. Staff plans to write up a report outlining steps, actions, and results taken by Tiger Leather Company toward their outreach efforts. Ms. Arkin stated that if the grant was continued, the process should be adjusted to insure there are minority contractors involved. Staff will arrange for the Commission to view the completed projects.

Ms. Arkin stated that the other grant recipient, QUB Studios, was sent an award letter in August that allowed them to begin work. She explained that usually a direct funding agreement is made between the recipient and the City. QUB Studios was advised by their attorney that the direct funding agreement was an unnecessary step and was not required. Mr. Blackwood worked with City attorneys to come up with another mechanism for funding the work. They determined that it could be funded under the grant agreement made by the Commission with the owner if there was a direct agreement between the Commission and City. She indicated that Chair Chaney is in receipt of the agreement attached as a coversheet to the full application. The agreement will allow the funds to be distributed directly to the recipient from the City of Greensboro.

Ms. Arkin indicated that in the future, it will be reflected from the beginning that there will be a funding agreement with the City of Greensboro.

Mr. McQueary moved to authorize Chair Chaney to sign the funding agreement, seconded by Mr. Gravely. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

#### **DISTRIBUTION OF 2013-2014 REDEVELOPMENT COMMISSION ANNUAL REPORT:**

Ms. Arkin stated that Commissioners and City Councilwoman Hoffmann are in receipt of the Annual Report.

#### **STAFF UPDATES:**

Ms. Cockburn updated members on Heritage House. The Planning Board ruled unanimously at their September, 2014 meeting to declare the property blighted and the adjoining Meridian Center as a reconditioning area. This ruling allows the City to move forward with a redevelopment plan that will include both properties and the surrounding shared common areas such as the parking area and grounds. Chancer McLaughlin, Planning Department, will be leading the planning effort and meetings have already been held with consultants who will advise staff on estimates for up-fit to determine if there can be a reasonable return on investment. Within the next six months, the consultants will help staff explore all options regarding the property. When a redevelopment plan for the property has been

drafted, it will come to the Redevelopment Commission for a public hearing before going to the Planning Board for comments and to City Council for a public hearing.

Responding to questions, Ms. Cockburn said that individual property owners in the building are currently in a holding pattern. The building contains 177 units, 68 of which are privately owned units. By declaring the property blighted, City Council has the right to exercise eminent domain but not until a redevelopment plan has been approved. The plan has to include proposed future use and a funding allocation. Staff has made a commitment to keep property owners informed as they move through the process.

Ms. Cockburn informed members that the sub-developer who is constructing the Union Square Campus is planning to apply for an EDA (Economic Development Administration) grant to help underwrite construction of the building itself. The application must be submitted prior to the middle of this month. She asked members to consider providing a letter of support for the grant under Chair Chaney's signature. Staff has just received a letter of support from the City Manager's Office indicating acknowledgement that the grant is being requested and it is in line with a number of the goals and objectives of the City. The grant proposal to EDA is focused on construction of the building itself, not the furnishings or interior. The grant will help fill some of the gaps in funding for the project. The amount of the grant proposal is \$3 million.

Mr. McQueary moved to authorize a letter of support for \$3 million EDA grant to be prepared by staff, seconded by Mr. Enochs. The Commission voted 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None.)

\* \* \* \* \*

## **ADJOURNMENT**

There being no further business before the Group, the meeting adjourned at 6:04 p.m.

Respectfully submitted,

Sue Schwartz  
 Planning Department, Director  
 SS:sm/jd

**MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
REGULAR MEETING  
NOVEMBER 5, 2014**

The regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, November 5, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:00 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, and Clinton Gravely. Staff present included Dyan Arkin, Chancer McLaughlin, and Hanna Cockburn. Also present was Jim Blackwood, Attorney for the Commission.

**APPROVAL OF MINUTES FROM OCTOBER 1, 2014 MEETING:**

Mr. McQueary moved approval of the October 1, 2014 minutes as written, seconded by Mr. Gravely. The Commission voted 3-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely. Nays: None.)

Mr. Enochs joined the meeting at 5:03 p.m.

**SOUTH ELM CORRIDOR REDEVELOPMENT GRANT PROGRAM:**

▪ **Request for Funds from QUB Studios**

Dyan Arkin stated that QUB Studios is requesting to be awarded a portion of the funds for work that has been completed to date. The Commission awarded a \$25,000 grant to QUB Studios for the property at 816 South Elm Street. The scope of work was to be reimbursed once the work was complete. A significant portion of the work is complete and the grantee has asked for a reimbursement in the amount of \$18,371. Staff has worked with Mr. Robert to insure there are responses to all parts of the application to facilitate reimbursement under the grant. Two full-time jobs will be created, 12 to 20 part-time jobs will be created or retained, and an event manager will be hired into a new position. In addition, Mr. Robert will be retained as the building manager. Mr. Robert provided a statement confirming adherence to the City's MWBE (Minority and Woman Owned Business Enterprise) goals. He plans to ask the contractors to look for subcontractors that would fall under MWBE. Renu Builders, general contractor, has provided a paid in full invoice for approved up fits in the amount of \$58,593. At the 2 to 1 ratio, \$18,371 would be the reimbursement amount from the grant.

It was clarified for Chair Chaney that the original estimate of cost was \$78,918. The actual amount paid to the general contractor was \$58,593. For this portion of the work, their cost came in lower than estimated. Ms. Arkin pointed out that this is not the complete scope of work as there is still some work to be done. Ultimately they may end up spending the full \$78,918 if some of the items go over budget. During discussion, Ms. Arkin explained that QUB Studios will need to spend an additional \$21,000 and the Redevelopment Commission can then reimburse them for 1/3 of that amount which is approximately \$7,000. If the work is not completed, the Commission is under no obligation to provide the remainder of the grant funds.

The work has been assessed by an Inspector who has provided a letter to staff stating that the work has been completed to his satisfaction.

Eric Robert, 816 South Elm Street, QUB Studios, stated that the remainder of work should be completed within four weeks. The bulk of the work has been done and essentially all that remains is installation of doors, hardware, and other miscellaneous items.

Ms. Arkin commented that the request for the final reimbursement would likely be brought back to the Commission at the January, 2015 meeting.

Mr. Gravely moved to grant the reimbursement of \$18,371 to QUB Studios, seconded by Mr. McQueary. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs. Nays: None.)

## **SOUTH ELM STREET REDEVELOPMENT AREA**

### **▪ Development Status and Activities**

Ms. Arkin informed members that City Council has made a request that the Redevelopment Commission complete the conveyance of the land for the Union Square Campus in time to be presented at their December 2, 2014 meeting. She reviewed the timeline necessary for the conveyance to occur and suggested that a special meeting be held on November 19, 2014 if the Commission wishes to move forward.

At the special meeting, the Commission will be asked to approve the conditions and terms for conveyance of the land and direct staff to move forward with the upset bid process. All necessary information will be sent to members before the special meeting. She presented a set of terms and conditions necessary for the conveyance for review by members prior to the special meeting.

To facilitate completion of their project Union Square Campus, Inc. (USCI) has requested up to two acres of land from the City of Greensboro within the site at no cost and 250 parking spaces at no capital cost to USCI. However, USCI would pay ongoing expenses for the parking spaces in the way any sub-developer would be expected to do. In addition, USCI has also requested enhanced infrastructure improvements such as streetscape work and burying utilities. The requests were made directly to the City. If the City agrees to grant the requests, they will be responsible for the funding.

Members commented that City Council's action has impacted discussions that the Redevelopment Commission has had regarding the overall project. Ms. Arkin commented that this is going to be a very catalytic project, and the determinations on how the Commission saw this project moving forward were made prior to any knowledge of this request. The project is different than what was anticipated in the redevelopment plan on the site but the use does fall under the commercial component. She pointed out that the determinations made by RCG early on in the redevelopment planning process and developer selection process are in place and USCI is meeting all of those requirements. The requests to the City made by USCI are considered incentives for their project and have not been voted on yet by City Council.

Mr. Gravely asked if the request for 250 parking spaces was essentially a parking deck. Ms. Arkin said that 1,100 parking spaces are planned for site in two decks. Union Square Campus, Inc. has asked for 250 of the parking spaces. In essence, the City may provide the land at no cost and commit to paying for the 250 spaces as if they were the component developer. Staff has researched and determined a way to pay back the Section 108 loan if there is no revenue realized for a portion of the land. She explained that the revenue from the sale of the land was intended to repay the loan. The City Manager's Office accepted the scenario provided by staff to be an alternative way of paying back the loan rather than using revenue from the land. It was noted that the City is responsible for repayment of the loan in any case.

Referring to a map of the project, Ms. Arkin stated that USCI's has decided to build the first building on a different corner of the site. She pointed out the location of the land at the corner of Arlington Street and Lee Street that will be transferred during the first conveyance. Acreage and other details will be



provided to members at the special meeting. Ms. Arkin noted that any significant change in the Master Plan would have to come before the Commission for approval again.

Counsel Blackwood confirmed for Chair Chaney that USCI has the first option on the property on the corner of Elm Street and Lee Street. The length of time for the option has not been determined yet. Mr. Gravely questioned how the change in location effects the planning of other areas of the project. Staff is currently looking at the least impact that will still be effective for USCI to build their second building when they are ready and will also provide the Master Developer the opportunity to market the rest of the site.

Mr. McQueary asked why USCI decided to move the first building to a new location. Ms. Arkin indicated that one of the four tenants will not be able to contribute as much funding as originally planned. The second building was always going to be smaller than the first and they determined it made more sense to move the uses to the smaller building. University Square Campus, Inc. took into consideration the desire not to put a less significant building at the corner of Elm Street and Lee Street, the most important intersection of the site. The option would allow the corner to become something else or it would allow them to build a more significant structure there at a later date when they build their second building.

Chair Chaney asked staff if USCI might be able to give a time frame for the second building if their proposal is approved. Ms. Arkin indicated that the option would have a time frame. Chair Chaney also asked if an architectural drawing of the second building could be provided. Ms. Arkin stated that the drawing is not available now but would be provided to the Commission when they are ready for development.

Chair Chaney asked if there has been any other interest in the significant corner other than University Square. Bob Chapman, South Elm Development Group, 447 Arlington Street, indicated that two encouraging meetings have been held within the last several weeks with an apartment developer from Ohio along with a Greensboro based hotel developer.

Mr. Gravely asked Mr. Chapman how the option would affect the remainder of the development. Mr. Chapman stated that he is confident they will work something out. They have submitted alternate draft language that makes them feel more comfortable with the option but nothing has been finalized yet. He stated his opinion that Union Square Campus is the best possible use for this site.

John Merrill, Gateway University Research Park, 2901 East Lee Street, addressed Mr. McQueary's question regarding possible financial limitations of the Union Square group. He informed members that at this point, the dollar amounts necessary for all four entities have been approved to support the construction of the first building.

Mr. McQueary felt it was very important to keep a sharp eye on what will go on the corner of Elm Street and Lee Street because it will become the new anchor for South Elm Street.

Chair Chaney stated that her main concern was the time frame. It is important that there be a good building on the corner of Arlington Street and Lee Street at University Square and there is no delay with the next building.

Ms. Arkin reviewed the Terms and Conditions for Conveyance as distributed to members.

Members noted that the parking deck will need to be addressed soon as the campus is expected to open in August of 2016.

Counsel Blackwood commented that it is likely there will be temporary surface parking prior to the construction of a parking deck.

Staff plans to provide draft documents to members as quickly as possible in preparation for the special meeting and will be available for questions.

Mr. McQueary moved to set a special meeting of the Redevelopment Commission on November 19, 2014, at 5:00 p.m. in the Plaza Level Conference Room, seconded by Ms. Gravely. The Commission voted unanimously 4-0 in favor of the motion. (Ayes: Chaney, Gravely, McQueary, Enochs. Nays: None.)

### **STAFF UPDATES:**

- **Phillips Lombardy Redevelopment Area**

Chancer McLaughlin stated that earlier in the year the Commission approved the execution of a lease agreement between the Commission and EDGE (Eastern Development Growth Enterprises) for the construction of an urban farm. A Memorandum of Understanding was negotiated with NC A&T University who was ultimately to be providing the funding for the operation. Staff recently received correspondence from NC A&T indicating that they are no longer involved in the project. He clarified that the lease agreement is between the Commission and EDGE. Gayland Oliver, EDGE, is working on a plan of action and will attend the December, 2014 RCG meeting to present his alternative solutions. He stated that NC A&T University has indicated their commitment to the issue of food deserts in Greensboro and they have expressed an interest in other Commission-owned properties

- **Family Dollar Development Update**

Mr. McLaughlin informed members that the Family Dollar appeal was heard on October 13, 2014 and it was remanded back to the Zoning Commission to be heard at their November 10, 2014 meeting.

Hanna Cockburn explained that the Zoning action will not include opening the Public Hearing for additional information. The evidence that was originally presented will be revisited and tied back to how the decision was made. The Zoning Commission will reopen their discussion on the evidence presented in the case and vote again on the request.

### **ADDITIONAL BUSINESS:**

Ms. Cockburn stated that at the last meeting the Commission was asked to consider a Letter of Support for USC1's application for an EDA grant. University Square Campus, Inc. has determined that they cannot live with the terms and conditions that EDA applies to financing and therefore, have decided not to pursue that opportunity.

### **ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 6:23 p.m.

Respectfully submitted,

Sue Schwartz  
 Planning and Community Development, Director  
 SS:sm/jd

**MINUTES OF THE  
REDEVELOPMENT COMMISSION  
OF GREENSBORO  
SPECIAL MEETING  
NOVEMBER 19, 2014**

The Special meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, November 19, 2014, in the Plaza Level Conference Room of the Melvin Municipal Office Building, commencing at 5:01 p.m. The following members were present: Chair Dawn Chaney, Charles McQueary, Robert Enochs, Angela Harris, and Clinton Gravely. Staff present was Dyan Arkin. Also present was Jim Blackwood, Attorney for the Commission; Councilwoman Nancy Hoffmann; and Terri Jones, City Attorney's Office.

**SOUTH ELM STREET REDEVELOPMENT AREA**

▪ **Consideration of the Sale and Development Agreement**

Ms. Arkin stated that the Sale and Development Agreement is the document that ultimately will be the development agreement that governs conveyance of the land from the Redevelopment Commission to the Union Square Campus, Inc. (USCI), the entity that will develop and own the building for the campus itself.

Ms. Arkin referred to a draft of the agreement and map, as distributed to members, and explained various sections of the document. She described the property and indicated that the property is proposed for conveyance to USCI at no cost. The "additional property" is considered to be one of three available properties that USCI can decide to execute an option on in the future. The additional property is also being optioned for a no-cost sale as well. She indicated that the remainder of the document is fairly standard. She noted the understanding that this property and the component developer are bound by the Brownfields Agreement executed by the RCG last month. There are the usual warranties and representations that both entities are valid, legal entities under the State of North Carolina. Referring to the Closing Section, she stated that the sale and transfer of the property is going to be done by Special Warranty Deed and closing shall occur within 180 days after the execution of this document. Ms. Arkin noted that the developer intends to move much quicker than that time frame.

Counsel Blackwood stated if USCI does not go forward and complete their development project, the Special Warranty Deed has a clause that allows the title to revert back to the Commission.

Ms. Arkin discussed Section 10 describing the component developer's obligations for development of and improvements to the property. The improvements consist generally of a three-story, 85,000 square foot building to be health care education and training including classrooms, faculty offices, student support areas, clinical and health assessment labs, and simulated health care environments. Section 10 defines that improvements will not begin until the component developer has submitted and received approval from the Commission for all site plans, specifications, interiors, exteriors, facades, documents, drawings, plans and anything that sets forth details for construction of the building. To expedite the process, the Commission can request that staff handle this process. Plans would fully vetted and reviewed by technical professionals for compliance and presented by staff with a recommendation for approval. Prior to commencement of construction, the component developer must also provide documentation that evidences the projected construction costs and their ability to complete the improvements.

It was noted that the component developer will require its contractors and subcontractors to adhere to the Redevelopment Plan, the Union Square at South Elm Design Guidelines and Green Standards, and the City's MWBE (Minority and Women-Owned Enterprises) program guidelines. In addition, the component developer acknowledges that the master developer has been chosen as the agent for the Redevelopment Commission in this process.

Referring to the section on Commencement and Completion of Improvements, Ms. Arkin said that USCI is required to commence construction of improvements on the property within 180 days after closing and to complete the improvements within two years after closing. The Certificate of Completion of Improvements is the standard Redevelopment Commission way of nullifying the right of re-entry created in the Special Warranty Deed and further providing evidence that the Commission agrees the component developer has satisfied its obligations under this agreement. Staff will bring a final package to the Commission once construction has been completed and staff will ask that the Certificate of Completion of Improvements be signed. Ms. Arkin noted that any changes that occur during the process must be brought back again to the Commission for approval.

Ms. Arkin explained that in Section 11 the component developer states that the purchase of the property is for redevelopment and not for landholding or speculation.

Section 14 relates to the Option Agreement for the additional properties while Section 15 relates to the Deed of Trust that will be executed. Counsel Blackwood said that the Deed of Trust is a supplemental way of enforcing the obligations that USCI is entering into to complete the improvements. The Deed of Trust will be recorded against the property with the property being the security for completing the improvements. The Deed of Trust will be satisfied and cancelled upon the execution of the Certification of Completion.

Section 16 states that closing is contingent upon receiving from the master developer an executed and acknowledged release of its right and option to purchase the property as granted to the master developer under the MDA (Master Developer Agreement). Ms. Arkin stated that the conveyance of the property to USCI is contingent on the release from the master developer. She explained that the document contains the standard language for breaches, cures, and opportunities to extend the cure time if necessary.

Ms. Arkin stated that Section 19 is another condition on closing. The Union Square Campus has asked the City to provide 250 parking spaces, and closing is contingent on satisfactory agreement with the City to provide 250 nonexclusive spaces of surface parking or in a parking deck. Ms. Arkin indicated that City staff, USCI staff, and SEDG (South Elm Development Group) have been working on where the parking spaces will be provided. Funding sources have been identified for surface parking and recommendations will be made to City Council.

Chair Chaney noted that the Union Square Campus is scheduled for occupancy by July, 2016 and at that time the 250 parking spaces must be in place. Counsel Blackwood stated that the spaces must be ready prior to occupancy as the parking component must be developed within one year after closing which is a shorter time period than the two years for construction. Counsel Blackwood confirmed that the contingencies specify that the location of the parking and funding by the City be finalized before the property is deeded and closed.

Counsel Blackwood stated that a three-story, 75,000 square foot building was mentioned for the option property and generalized language was used referring to higher education and collateral purposes because it may not track on the same sort of health-related uses that are in the first building. Specifications of what will be built on the option property will be subject to the Commission's approval when the option is exercised.

John Merrill, 7406 Summerwind Court, Summerfield, North Carolina, project manager for the campus, commented that the language that is in the document is perfect for the Union Square Campus. It is possible the next building could be an expansion of the health-care related uses but the language in the document provides flexibility to develop something that may be different from health care but tied directly to higher education uses.

Mr. McQueary commented that building a 75,000 square foot building at the option corner instead of the originally intended 85,000 building was problematic as there will be a smaller footprint at what is perceived as the anchor point for the whole development. Ms. Arkin explained that 75,000 square feet is a minimum requirement and the Commission still has the opportunity to approve or disapprove the plan. Although not written in the contract, there is an understanding by USCI that the anchor corner needs to have a very significant building.

Counsel Blackwood reviewed the option terms found in Section 14. There is an option to acquire an additional parcel on one of the three identified locations on the map. The option can be exercised through written notice up to five years following closing and the recording of the deed. He noted there is no additional contingency in the option for more than the current 250 requested parking spaces. In addition, the Commission has the right to continue to market all three of the identified option parcels. If there is serious interest from a third party on one of the three option parcels, USCI must be given notice. They would have 90 days to decide if they want to take their option on the parcel. If not, the City has six months to negotiate an agreement on the parcel with the third party. If the parcel closes, USCI releases their option right on that tract.

Mr. Enochs reiterated his concern about the prominent southwest corner at Elm Street and Lee Street that USCI was originally going to take. The corner is now proposed to be a minimum of 75,000 square feet instead of the original 85,000 square feet. He questioned consenting to an option on the southwest anchor corner.

Mr. Merrill stated that USCI recognizes that the southwest corner is the most prominent corner of the campus and that is why they went to the other corner when the building was downsized. In order for the project to be successful, there must be a key building on the prominent corner. He proposed that limitations be identified for the three parcels to address the issue of insuring there is a significant building at the corner. He suggested that if USCI exercises its option on either of the Elm Street and Lee Street corner lots, the minimum footprint for the parcel would be a four-story building with 85,000 square feet. Mr. Merrill stated that he was amenable to taking this option back to USCI for approval.

Counsel Blackwood pointed out to Commissioners that if USCI does not approve the option to be presented by Mr. Merrill, there is no agreement and another meeting must be called for a resolution.

Mr. Merrill felt that the issue was more the number of stories versus the square footage as the height would make the mass of the building. He suggested keeping the 85,000 square footage requirement in a four-story building. He clarified for Counsel Blackwood that instead of the 75,000 square foot minimum requirement noted in the option terms, USCI would be amenable to 85,000 square feet on any of the option parcels. Following discussion, Mr. Merrill felt it would not be problematic to get USCI to agree that without specifying an increased specific square footage on the corners, the corners would have a structure that is a minimum of four-stories. Staff pointed out that if USCI was not supportive of Mr. Merrill's suggestion, the original language would become the default unless Mr. Merrill approves the suggestion here. Otherwise, there would need to be a vote at another RCG meeting. Counsel Blackwood suggested that the Commission approve the modification to make the structure four stories because it is likely USCI would approve that component.

Mr. McQueary moved to approve the Sale and Development Agreement subject to changing the height of the building on the southeast and southwest corners to four stories and putting in 85,000 square feet on any of the optioned properties just like the current building, seconded by Mr. Gravely. The Commission voted unanimously 5-0 in favor of the motion. (Ayes: Chaney, McQueary, Gravely, Enochs, Harris. Nays: None,)

**ADJOURNMENT:**

There being no further business before the Group, the meeting adjourned at 5:54 p.m.

Respectfully submitted,

Sue Schwartz  
Planning and Community Development, Director  
SS:sm/jd