REGULAR MEETING OF THE

REDEVELOPMENT COMMISSION OF GREENSBORO

FEBRUARY 07, 2024

A regular meeting of the Redevelopment Commission of Greensboro (RCG) was held on Wednesday, February 7, 2024, beginning at 5:00 p.m. via Zoom satellite. The following members were present; Chair Doug Heberle, Vice-Chair Patricia Adams, Thomas Sinclair, Stacey Greene and Pamela Turner. Also present was Councilwoman Nancy Hoffman (RCG Liaison). Staff present were Hart Crane, Russ Clegg, and Kelly Larkins (Planning Department) and Andrea Harrell (Assistant City Attorney).

Approval of Meeting Minutes

Mr. Sinclair moved to approve the January 3 regular meeting minutes; seconded by Vice Chair Adams.

The Commission voted 4-0 in favor (Ayes: Heberle, Adams, Sinclair, Turner; Nays: none)

Reordering of the Agenda

Due to time constraints raised by one of the speakers, a request was made for Item 4 of the agenda to be moved to Item 2.

Mr. Sinclair moved that the agenda be reordered to move Item 4 to Item 2; seconded by Vice Chair Adams.

The Commission voted 4-0 in favor (Ayes: Heberle, Adams, Sinclair, Turner; Nays: none)

Commissioner Greene arrived following this vote.

South Elm West Block Concept

Mr. Clegg provided context on the West Block as part of the larger South Elm Redevelopment Area and outlined the goals of the South Elm Redevelopment Plan. He advised the Commission that the following item was informational and required no action, adding that it was an opportunity for the Commission to ask questions of staff and the developer.

Mr. Clegg stated that there are several other developers interested in the West Block site and that there would likely be subsequent development proposals brought to the Commission in the coming months. He noted that Andrew Zimmerman, the developer presenting before the Commission for the current item, had been working with the South Elm Development Group (SEDG) under the Master Development Agreement that they have with the Commission.

Mr. Zimmerman, on behalf of AZ Development, introduced Tiffany Jacobs, executive director of Forge Greensboro. Mr. Zimmerman advised that AZ Development and ZCD&F would be the principal developers of the project although Forge Greensboro would own the land itself.

Ms. Jacobs spoke briefly about Forge Greensboro and its current operations. She then presented on the development concept, a mixed-use site that includes a 24,000 sqft maker's space, a combined public square and 280-space parking lot, and 12-14 live/work suits at 1,000 sqft each.

Mr. Zimmerman stated that the expected cost for the project, including the purchase of the land, is \$10.5 million, paid for by AZ Development and ZCD&F and funding from Forge Greensboro through fundraising. He noted that he had already submitted an offer with SEDG to purchase the property.

Chair Heberle thanked Ms. Jacobs and Mr. Zimmerman for their presentation. He advised that, since the current item was largely informational and required no action from the Commission, he would be limiting further questions to Commission members only. He acknowledged that there was great interest in the site, particularly among the surrounding community, and that further outreach regarding this, and any other projects, would be necessary.

Chair Heberle advised that although Mr. Zimmerman had made an offer to purchase the property with SEDG, the Commission, as the owners of the property, was still obliged to consider all other present and forthcoming offers and select the one that aligns best with the area's redevelopment plan and the desires of the surrounding community.

Mr. Sinclair expressed concerns regarding existing environmental quality issues on the site (e.g. soil vapors).

Mr. Zimmerman stated that he was aware of the environmental quality issues on the site and has prepared methods to address them.

Ms. Turner asked why Downtown was chosen as the site for the project, noting that Forge Greensboro's existing facility is around the corner.

Mr. Zimmerman noted that the original development concept was located in the Steelhouse, further south, but after polling members of Forge Greensboro, the South Elm site was chosen due to its proximity to the Downtown area and its amenities.

Ms. Jacobs reiterated Mr. Zimmerman's comments, adding that Forge Greensboro had reached capacity at its current location and that members wanted its expansion to remain close to the existing site.

Chair Heberle confirmed that Forge Greensboro was a 501(c)(3) and that its name as a legal entity was "Forge Greensboro". He then asked how many square feet the project's two buildings (the maker's space, and live/work suits) would be.

Mr. Zimmerman advised that the maker's space would be 24,000 sqft, 3,000 of which would be a second-floor classroom. Combined, the live/work suits would range from 12,000-14,000 depending on how many units could be built.

Chair Heberle asked if Forge Greensboro was included in the purchase offer with SEDG. Mr. Zimmerman advised that the offer was submitted by both AZ Development and Forge Greensboro.

Chair Heberle asked what the plan for community outreach concerning the development would be and how flexible the project's parameters were to community input.

Mr. Zimmerman stated that the project would be able to adapt to any ideas offered by the community that were reasonable and good.

The Commission thanked the speakers for their time.

Certificate of Completion Request for 1209 & 1211 Lombardy Street

Mr. Larkins presented on the status of the twin home projects in the Phillips Lombardy Redevelopment Area. He provided illustrative images of the projects' exterior and completed sections of their interiors.

Mr. Larkins stated that the project developer had expected a clear final inspection of the site on January 30, but the inspector discovered two windows that had been broken for unknown reasons. The discovery delayed the approval of a full certificate of occupancy for the property, which is a requirement for the projects to receive a certificate of completion. Mr. Larkins stated that the developer had obtained a temporary certificate of occupancy that would allow him to move towards a certificate of completion,

adding that he had also ordered replacement windows to address the inspection's recommendation and will would install them within 30 days.

Mr. Larkins asked for a motion that would approve a certificate of completion for the project once the city issues the developer a complete certificate of occupancy.

Chair Heberle advised the other commissioners that, in the case of the motion's approval, he would still personally have to sign off on the certificate of completion once the windows are fixed and the complete certificate of occupancy is granted. He added that the vote on the motion would primarily be concerned with preventing further delays on the project.

Mr. Sinclair requested a motion to approve the Chair of the Redevelopment Commission issuing a Certificate of Completion to Lombardy Twins, LLC for the projects at 1209 & 1211 Lombardy Street once the City of Greensboro has issued a Certificate of Occupancy for the projects 1209 and 1211 Lombardy Street. Ms. Turner seconded the motion.

The Commission voted 5-0 in favor (Ayes: Heberle, Adams, Sinclair, Greene, Turner; Nays: none)

Sales Development Agreement for 1402 & 1404 Plymouth Street

Mr. Crane introduced a development project for two lots in the Arlington Park Redevelopment Area, describing the closing requirements of its Sales Development Agreement (SDA) and the timeline for construction. He noted the subject properties were two of four remaining lots in Arlington Park.

Advanced Wealth Education Corporation (AWEC) plans to build two affordable single-family homes on the subject lots at 1,200 and 1,387 sq. ft respectively, both 3 bedroom 2 bath. The finished properties would be sold for \$225,000 and \$230,000. The project would be privately financed.

Mr. Crane stated that the appraised values of the lots were \$28,000 and \$30,000 respectively, noting that the figure was nearly double the value of the lots' evaluation from three years prior. He stated that AWEC is offering \$7,000 for each lot, advising that it was not unusual to see an offer for a lot that is lower than the appraised value.

Dorian Carter introduced himself as CEO of AWEC and spoke on his background in neighborhood development and his organization's role in neighborhood and workforce development. He discussed the outcomes of his meetings with the community in Arlington Park, noting that they were positive, and expressed his excitement about working in the area and promoting homeownership.

Chair Heberle asked what accounted for the lot's increase in value between appraisals.

Mr. Crane stated that the City used the same appraisal company and that their methodology was the same, adding that the price of land has simply increased generally. He stated that he would reach out to the appraiser to determine what other causes of the increase could be.

Chair Heberle, acknowledging that the Commission's goal of supporting the construction of affordable housing often requires they sell lots for lower than their appraised value, asked if they had generally seen offers as discounted as Mr. Carter's.

Mr. Carter stated that the price of construction and the stagnation of buying power among the target homebuyers are the primary determinants of his \$7,000 offer for each lot.

Mr. Sinclair made a motion to enter a Sales Development Agreement with AWEC, Inc. for the development of two affordable single-family homes on the RCG-owned parcels located at 1402 and 1404 Plymouth Street. Ms. Turner seconded the motion.

The Commission voted 5-0 in favor (Ayes: Heberle, Adams, Sinclair, Greene, Turner; Nays: none)

Staff Updates

Mr. Clegg advised the Commission that the City is still working with the Cagans to move forward on their project for the East Block of the South Elm Redevelopment Site.

Additional Business

N/A

Adjournment

Mr. Sinclair made a motion to adjourn the meeting; seconded by Ms. Turner.

The Commission voted 5-0 in favor (Ayes: Heberle, Adams, Sinclair, Greene, Turner; Nays: none)

There being no further business, the Commission adjourned at 6:20 PM.