## City Council – Action Request Form Date: October 17, 2017 To: The City Manager From: Derwick L. Paige, Assistant City Manager

## **Council Action Requested:**

Adopt Resolution authorizing the City to participate in the 640 West Fourth Street development project for certain public infrastructure improvements pursuant to N.C.G.S. 160A-458.3.

**Strategic Focus Area:** Economic Vitality and Diversity **Strategic Objective:** Promote Downtown Revitalization

Strategic Plan Action Item: Assist Downtown Winston-Salem Partnership with

retail and commercial recruitment efforts

**Key Work Item:** Yes



## **Summary of Information:**

The attached resolution authorizes the City's financial participation of up to \$114,860 over five years for public infrastructure improvements, bordered by Fourth Street, Spring Street, Poplar Street and Holly Avenue, in conjunction with the 640 West Fourth Street development project. The project constructs a 126 room Courtyard by Marriott hotel. The estimated construction cost for the project is \$18,000,000. The owners are requesting City assistance for sidewalk replacement, curb and gutter replacement, tree pits and trees, and replacing an existing retaining wall. All of these improvements would occur within the public right-of-way.

The property's current tax value is \$1,158,900 which generates \$6,923/year in City property tax revenues. Assuming the estimated property tax value after construction is at least \$12,000,000, less the current City property tax revenues generated by the property, approximately \$64,765/year will be generated by the new development.

The attached resolution authorizes providing a grant of up to \$22,972/year for five years to help offset the cost of the public infrastructure improvements. This assistance represents approximately 35% of the net, new taxes generated by the project over the first five years, based upon a \$12,000,000 taxable value. If the project fails to have a taxable value of at least \$12,000,000, the City's assistance would be reduced proportionately.

Committee Action:				
Committee	Finance 11/13/17	Action	Approval	
For	Unanimous	Against		
Remarks:				