

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date</b>	March 8, 2010
	<b>Agenda Item No.</b> <b>30</b> <b>Roll Call No.</b> <b><u>10-</u></b> <b>Communication No.</b> <b><u>10-130</u></b> <b>Submitted by: Matthew Anderson,</b> <b>Economic Development Administrator</b>	

**AGENDA HEADING:**

Resolution to give preliminary approval for a Neighborhood Commercial Revitalization (NCR) Program Predevelopment Grant of \$5,000 and a Façade Grant in the amount of \$15,000 for renovations to 309 East Walnut, Des Moines, Iowa.

**SYNOPSIS:**

Recommend granting preliminary approval for an NCR Program Predevelopment Grant and Façade Grant for renovations to 309 East Walnut, Des Moines, IA.

Heath Kirchart (dba Keath Hirchart, Inc. 215 South Santa Fe, Unit 13, Los Angeles, CA 90012) has purchased the commercial building at 309 East Walnut and is proposing to renovate the building's exterior and first floor interior for retail use. The 1<sup>st</sup> floor of the building will be retail space and leased to Subsect Skate Shop. The Predevelopment Grant is a 1:1 matching grant not to exceed \$5,000 for architectural & engineering fees and environmental assessments. Architectural and engineering fees to renovate the building have been bid at \$13,550. The NCR Façade Grant is a 1:1 matching grant not to exceed \$15,000 for building façade improvements. The Developer estimates total façade improvements at \$45,455.

**FISCAL IMPACT:**

Amount: \$20,000

Funding Source: The Neighborhood Commercial Revitalization (NCR) Loan Program is part of the CDBG funded Economic Development Financial Assistance Program administered by the City's Office of Economic Development. The Façade and Predevelopment Grants are disbursed on completion of work, documentation of costs and building inspection. FY10 Operating Budget, Fund SP020, Org CDD049900, Grant ID # CDBG2009049, page 68.

**ADDITIONAL INFORMATION:**

Heath Kirchart proposes to improve the property with renovations to the facade, and internal structural renovations to convert the first floor to ground level retail. The Developer purchased the property for \$150,000 and has contractor estimates for renovation totaling \$300,000. The Developer is requesting a NCR Predevelopment Grant for \$5,000 and a Façade Grant for \$15,000 to assist in the project's planning and facade renovations along the East Walnut Street frontage. The building, built in 1880 is a 3-story building that in the past has served manufacturing, warehouse and retail uses. The building is presently vacant and in poor condition.

**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Approval of loan documents.

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