CITY OF DES MOINES	Council Communication Office of the City Manager	Date:	August 22, 2016
		Agenda Item No.	38
		Roll Call No.	<u>16-1416</u>
		Communication No.	<u>16-472</u>
		Submitted by:	Matthew A. Anderson,
			Assistant City Manager

AGENDA HEADING:

Resolution for preliminary approval of a Neighborhood Commercial Revitalization (NCR) Program Pre-Development Grant in the amount of \$5,000 and a NCR Program Façade Grant in the amount of \$15,000 for renovations to 601 Hickman Road, Des Moines.

SYNOPSIS:

CLI Properties, LLC, is the owner of the commercial building located at 601 Hickman Road, Des Moines. The property is leased to a related party, Community Lawyers of Iowa, PLC. Both entities are represented by Christopher Rottler, Manager and Partner, 601 Hickman Road, Des Moines. The owner and occupant are proposing an extensive renovation of the building's interior and exterior totaling approximately \$138,200, and has requested assistance under the NCR Program. The project is experiencing unusual development costs associated with the building's age, original construction methods, a sloping foundation, geo-technical concerns regarding the stability of the site that overlooks the Des Moines River, and its location in the Riverbend Local Historical District. The exterior design plans have been presented and approved by the Des Moines Historical Preservation Committee. Office of Economic Development (OED) staff recommend approval of the resolution.

FISCAL IMPACT:

Amount:

- \$5,000.00 -- The NCR Pre-Development Grant is a 1:1 matching grant, not to exceed \$5,000, for architectural, engineering and other professional fees needed to determine the feasibility and costs associated with moving the project forward to the construction phase. The Pre-Development Grant is disbursed on completion of work, documentation of costs, and satisfaction of all grant and project requirements.
- \$15,000.00 -- NCR Façade Grant is a 1:1 matching grant not to exceed \$15,000 for building façade improvements. The Façade Grant is disbursed on completion of work, documentation of costs, building inspection and satisfaction of all grant and project requirements.

<u>Funding Source</u>: The NCR Loan Program is part of the Community Development Block Grant (CDBG) funded Economic Development Financial Assistance Program administered by the City's Office of Economic Development. Fiscal Year (FY) 2016-2017 Recommended Operating Budget, Neighborhood Commercial Revitalization Loan Program, Organization Code CDB04912, Objective No. 528035.

ADDITIONAL INFORMATION: NONE

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of grant agreements.

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