

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b> July 24, 2017
	<b>Agenda Item No.</b> 39 <b>Roll Call No.</b> <u>17-1255</u> <b>Communication No.</b> <u>17-562</u> <b>Submitted by:</b> Erin Olson-Douglas, Economic Development Director

**AGENDA HEADING:**

Preliminary approval of a Neighborhood Commercial Revitalization Program Loan in the amount of \$185,000 for renovations to 1700 East University Avenue, Des Moines, Iowa.

**SYNOPSIS:**

Recommend approval of the Resolution. The property at 1700 East University Avenue, located within the Viva East Bank neighborhood revitalization initiative area, has long been vacant and blighted. It has recently been purchased by Carey Investments, LLC and leased to a related entity, Carey Mobile Power Wash, Inc., with both entities represented by Robert and Colleen Carey, owners, with offices at 1450 Delaware Avenue, Des Moines. The Carey’s intention is to renovate the building for warehouse and office space for its operations. The complete restoration of the building is estimated at \$425,000.

**FISCAL IMPACT:**

Amount: \$185,000, 3% interest rate, 20-year amortization

Funding Source: The Neighborhood Commercial Revitalization (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. FY 2017-2018 Recommended Operating Budget, Neighborhood Commercial Revitalization Loan Program, Organization Code CDB04912, Objective number 528035.

**ADDITIONAL INFORMATION:**

- Community Development staff working with the Viva East Bank neighborhood revitalization initiative engaged with Robert and Colleen Carey upon their purchase of 1700 East University Avenue. Initially, the Carey’s were proposing a less extensive renovation of the building. Community Development Staff in partnership with Community Housing Initiatives, Inc. were successful in receiving a Project ReInvest Grant funded by NeighborWorks America. A portion of this grant included \$30,000 of funding directed to the expanded renovations of 1700 East University Avenue, specifically for the removal of existing siding and the mansard roof, restoration of original exterior brick and window replacement. The City’s NCR loan and NCR façade grant will further leverage the Project ReInvest Grant for expanded exterior improvements that will include undergrounding of the electrical service, new sidewalks, replacement of gravel parking with concrete, and additional landscaping.

**PREVIOUS COUNCIL ACTION(S):**

Date: March 20, 2017

Roll Call Number: [17-0491](#)

Action: [Document](#) related to a Neighborhood Commercial Revitalization (NCR) Program Façade Grant for \$15,000 to assist in renovations to 1700 East University Avenue. ([Council Communication No. 17-293](#)) Moved by Hensley to adopt. Motion Carried 7-0.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Approval of documents related to NCR loan.

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