


# COUNCIL COMMUNICATION

 <p>CITY OF <b>DES MOINES</b> OFFICE OF THE CITY MANAGER</p>	Number: <b>25-143</b>	Meeting: <b>April 7, 2025</b>
	Agenda Item: <b>27</b>	Roll Call: <b>25-0505</b>
	Submitted by: <b>Cody Christensen, Development Services Director</b>	

## AGENDA HEADING:

Approval of round four (4) Neighborhood Commercial Revitalization (NCR) Program funding, and authorizing execution of agreement with NCR Program round four (4) funding recipients.

## SYNOPSIS:

The NCR Program is intended to promote reinvestment in existing buildings primarily within neighborhood commercial nodes across the City. Funding awarded by the City of Des Moines pursuant to this program will provide financial assistance to property owners and businesses in the renovation and upgrade of commercial, office, and mixed-use properties.

NCR funds can be used for the following projects:

- Façade renovations
- Exterior site improvements
  - Parking lot and sidewalk improvements are only eligible if there is also a building improvement as part of the overall project.
- Building structural stabilization
- Roof repair or replacement
- Installation/upgrade of a fat, oil, grease (FOG) interceptor
- Installation of energy-efficient heating, ventilating, and air conditioning (HVAC) system
- Fire sprinkler and fire protection systems
- Electrical updates
- Plumbing updates

The matching formula for this program is based upon the total cost of eligible projects. The table to determine the NCR maximum award is below:

<u>Project Costs</u>	<u>NCR Financial Assistance Match Maximum</u>
\$20,000 to \$100,000	50% of qualifying costs, up to \$50,000
\$100,001 to \$500,000	\$50,000, plus 15% of qualifying costs above \$100,000, up to an additional \$60,000 NCR Max for this tier: \$110,000
\$500,001 and above	\$110,000, plus 10% of qualifying costs above \$500,000, up to an additional \$50,000 NCR Max: \$160,000

The funds for this round of the NCR Program were approved by City Council at the October 7, 2024, Council meeting by Roll Call No. 24-1355.

**FISCAL IMPACT:**

Amount: \$300,000 (previously approved by City Council by Roll Call No. 24-1355)

Funding Source: Fiscal Year (FY) 2024-2025 Operating Budget, Page 52, S743, CM025033, Economic Development Enterprise

**ADDITIONAL INFORMATION:**

- Round four (4) of the NCR Program considered 15 eligible applications. Of all applications, five (5) projects are recommended for funding:

<u>NCR Request</u>	<u>Funding Recommendation</u>	<u>Applicant – Project Address</u>	<u>Project Description</u>	<u>Score</u>
\$51,050	\$51,000	Garfield Realty Group LLC - 2312 Forest Ave.	Full-scale renovation of western building, including: facade renovations/tuckpointing/siding; exterior site improvements; energy-efficient HVAC system; electrical; plumbing	43/60
\$115,457	\$115,000	DDX Worldwide Cargo (Juan Guaman) - 1940 Easton Blvd	Full-scale renovation of building, including: façade renovations/tuckpointing/siding; doors/windows; exterior site improvements; structural/building stabilization; roof; FOG interceptor; energy-efficient HVAC system; fire sprinkler system; electrical; plumbing	40.5/60
\$61,415	\$61,000	Mr. Tacos LLC - 4140 Park Ave.	Full-scale renovation of building, including: façade renovations/tuckpointing/siding; doors/windows; exterior site improvements; roof; FOG interceptor; fire sprinkler system; electrical; plumbing	37.2/60

<i>Informational only - projects at or below \$50,000 are subject to approval by the City Manager.</i>				
\$52,158	\$36,500	Cherylyn Larson - 4701 University	Full-scale renovation of building, including: façade renovations/tuckpointing/siding; doors/windows; exterior site improvements; structural building/stabilization; roof; energy-efficient HVAC system; electrical; plumbing	33.8/60
\$54,687	\$36,500	Michael Eugene Delaney Revocable Trust - 2000 SE 6th St.	Full-scale renovation of building, including: façade renovations/tuckpointing/siding; doors/windows; exterior site improvements; structural building/stabilization; roof; FOG interceptor; electrical	33.8/60

**PREVIOUS COUNCIL ACTION(S):**

Date: October 7, 2024

Roll Call Number: [24-1355](#)

Action: [Round](#) four (4) of NCR Program funding. ([Council Communication No. 24-406](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

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

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- Council consideration of any recommended grant awards over \$50,000 for future rounds.

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