



Date November 23, 2020

**APPROVAL OF NEIGHBORHOOD COMMERCIAL REVITALIZATION (NCR)
PROGRAM AND PROGRAM POLICY**

WHEREAS, the City Manager and Office of Economic Development have identified a need to promote reinvestment in existing commercial buildings, primarily in neighborhood commercial nodes and corridors across the City of Des Moines, to assist with the stabilization of said buildings and improvement of commercial property values and to replace and expand the City's previous commercial façade grant program; and

WHEREAS, the proposed Neighborhood Commercial Revitalization (NCR) Program, to be administered by the Office of Economic Development, is designed to provide financial assistance pursuant to Iowa Code Chapter 15A as well as urban renewal financing where applicable, to property owners and tenants, investors, private entities, non-profit organizations, and other qualified developers for projects involving façade renovations, exterior site improvements, building stabilization, roof repair, installation of fat, oil, grease (FOG) interceptors, installation of energy-efficient HVAC systems, fire sprinkler systems, electrical updates, and plumbing updates, for commercial properties in the City of Des Moines; and

WHEREAS, applicants and projects will be approved in accordance with the requirements set forth in the Neighborhood Commercial Revitalization Program Policy on file in the City Clerk's Office, and in accordance with Program implementation guidelines which will be reviewed and approved by the City Manager on an annual basis and with guideline amendments subject to City Manager review and approval, following approval as to form by the Legal Department; and

WHEREAS, the NCR Program will provide financial assistance to projects selected based on scoring criteria to be used by the selection committee comprised of staff from various City Departments, with initial rounds of the Program to be scored competitively in batches received by a set deadline and future awards to be granted on a rolling basis, and with contracts to be awarded in sliding amounts up to \$160,000.00 per project based on project cost, as set forth in the Program Policy and attached Council Communication; and

WHEREAS, NCR Program awards and contracts in amounts up to and including \$50,000.00 each are to be approved and executed by the City Manager following approval as to form by the Legal Department, and project contracts in excess of \$50,000.00 each are to be submitted to City Council for consideration and approval, in accordance with the Program Policy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, that the Neighborhood Commercial Revitalization (NCR) Program, and the Program Policy as on file in the City Clerk's Office, are hereby approved; the Office of Economic Development is authorized and directed to administer the Program in accordance with the Program Policy; the City Manager is authorized and directed to review, approve, and amend Program rules consistent with the Program Policy and following approval as to form by the Legal Department; and the City Manager is authorized



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and directed to execute Program project contracts up to and including \$50,000.00 each following approval as to form by the Legal Department, and to submit contracts in excess of \$50,000.00 each to City Council for consideration.

(Council Communication No. 20-514)

MOVED BY _____ TO ADOPT.

APPROVED AS TO FORM:

/s/ Glenna K. Frank

Glenna K. Frank, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MANDELBAUM				
VOSS				
WESTERGAARD				
TOTAL				

MOTION CARRIED

APPROVED

Mayor

CERTIFICATE

I, P. KAY CMELIK, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

NEIGHBORHOOD COMMERCIAL REVITALIZATION (“NCR”) PROGRAM POLICY

PURPOSE: The intent of the City of Des Moines Neighborhood Commercial Revitalization (“NCR”) program is to promote reinvestment in existing buildings in neighborhood commercial nodes and corridors across the city. Grants 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.

PROJECT ELIGIBILITY: This grant is intended to enhance the exterior appearance of existing commercial properties and/or assist with the redevelopment of commercial, office, and mixed-use properties to ensure occupancy and Des Moines Municipal Code compliance, as well as to improve the appearance of the area. Eligible projects include façade renovations and exterior site improvements, building stabilization, roof repair, installation of a fat, oil, grease (FOG) interceptor, installation of energy-efficient HVAC systems, fire sprinkler systems, electrical updates, and plumbing updates. The grant is NOT intended for interior finishes or soft/design costs. Parking lot improvements are only eligible if there is also a building improvement as part of the overall project. Reimbursement will not be issued for self-performed work (“sweat equity”). Projects must be eligible for funding, as determined by the City in its sole discretion, pursuant to requirements of Iowa Code Chapters 403 and/or 15A as applicable.

Funding will not be provided retroactively. Any work that has already been completed by applicant will not be considered for funding or as part of the total investment of the project.

PROGRAM FUNDING: Grants will be paid as a reimbursement. Progress payments may be considered for each project, determined on a case-by-case basis. Grants are provided at a graduated rate as follows:

Project Costs	NCR Grant Match
\$20,000 to \$99,999	50% of qualifying costs, up to \$50,000
\$100,000 - \$499,999	\$50,000, plus 15% of qualifying costs above \$100,000, up to an additional \$60,000
\$500,000 and above	\$110,000, plus 10% of qualifying costs above \$500,000, up to an additional \$50,000

For example:

- A \$60,000 project could receive (up to) a \$30,000 grant matched by \$30,000 in private funds.
- A \$250,000 project could receive a grant of (up to) \$72,500 (\$50,000 + 15% of \$150,000).
- A \$750,000 project could receive a grant of (up to) \$135,000 (\$110,000 + 10% of \$250,000).

The City Manager shall be authorized to award contracts not to exceed \$50,000 per project, and the City Council shall award and authorize execution of such contracts in excess of \$50,000.

PROCESS:

- Applicant submits the NCR program application to the City’s Office of Economic Development.
- Applications will be reviewed by designated City staff for completeness and eligibility.
- For complete applications, the project is scored, and grant amount is recommended, by designated City staff in accordance with the scoring criteria established by the City’s Office of Economic Development and subject to availability of program funds.
- Grant agreement is approved by the City Manager or the City Council as applicable. Grants are distributed only after an executed grant agreement is in place. Grants are distributed on a reimbursement basis, subject to review and approval by designated City staff.
- The NCR program and grant agreements issued thereunder will be administered by the City’s Office of Economic Development, with direction from the Development Services Director, and direction and contract approval from the City Manager and City Council as applicable.
- Informal written appeals of decisions made by the Office of Economic Development or designated City staff in regard to the NCR program must be filed with the Development Services Director within 10 days of the date of the decision(s), identifying the applicant, proposed project, basis/reasons for appeal, and any other information deemed relevant by the appellant. Said Director’s written decision to uphold, reverse, or modify the applicable decision(s) shall be the City’s final decision.