


# COUNCIL COMMUNICATION

	Number:	<b>20-514</b>	Meeting:	<b>November 23, 2020</b>
	Agenda Item:	<b>40</b>	Roll Call:	<b>20-1894</b>
	Submitted by:	<b>Erin Olson-Douglas, Development Services Department Director</b>		

## AGENDA HEADING:

Approving and authorizing the execution of the Neighborhood Commercial Revitalization (NCR) program.

## SYNOPSIS:

The intent of the NCR program is to promote reinvestment in existing buildings primarily in neighborhood commercial nodes and corridors across the City. The structure of awards is a 50% matching grant for eligible uses on a reimbursement basis, with a maximum award of \$160,000. The NCR program replaces a prior commercial façade grant program and expands its eligible uses to building systems and other improvements that stabilize commercial buildings and improve their property values.

## FISCAL IMPACT:

Amount: \$340,000 is available in grants for the first round of funds.

Funding Source: General Fund.

## ADDITIONAL INFORMATION:

- Eligible uses include:
  - Façade renovations
  - Exterior site improvements
  - Building stabilization
  - Roof repair
  - Installation of a fat, oil, grease (FOG) interceptor
  - Installation of energy-efficient Heating Ventilation and Air Conditioning systems
  - Fire sprinkler systems
  - Electrical updates
  - Plumbing updates
- Property owner, or business tenant with written permission from property owner may apply.
- Applicant must commit to a non-City investment of at least 50%.

- Private entities and non-profit organizations are eligible for the program. Primarily residential properties are not eligible for the program.
- Business types discouraged from applying include:
  - Liquor and tobacco stores
  - Adult entertainment and product stores
  - Pawnshops
  - Check cashing/payday loans
  - Car dealerships
  - Gas stations
- An ad-hoc committee of City staff representing various departments including Development Services, Neighborhood Services, Civil & Human Rights, Legal, and City Manager’s Office will score applications and recommend funding.
- Initial rounds of this program will be scored competitively in batches received by a set deadline. Final awards will be granted according to application score, available funding, and capacity of the applicant to undertake the planned activities.
- City Manager is authorized to award contracts equal to or less than \$50,000; additionally, awards above this threshold will be presented to City Council for consideration.
- City Manager can approve changes to the program’s administrative rules.
- All recipients of the grant will be required to sign a contract.
- The project cannot begin prior to approval of the application.
- The NCR grant match structure is as follows:

Project Costs	NCR Grant Match
\$20,000 to \$99,999	50% of qualifying costs, up to \$50,000
\$100,000 to \$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

**PREVIOUS COUNCIL ACTION(S):**

Date: March 23, 2020

Roll Call Number: [20-0528](#)

Action: [Reprogramming](#) and carryover of prior years’ unspent Community Development Block Grant (CDBG) funding and other funds for the 2020 HUD Consolidated Plan Programs. ([Council Communication No. 20-132](#)) Moved by Gatto to adopt. 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 more information on this and other agenda items, please call the City Clerk's Office at 515-283-4209 or visit the Clerk's Office on the first floor of City Hall, 400 Robert D Ray Drive. Council agendas are available to the public at the City Clerk's Office on Thursday afternoon preceding Monday's Council meeting. Citizens can also request to receive meeting notices and agendas by email by calling the Clerk's Office or sending their request via email to [cityclerk@dmgov.org](mailto:cityclerk@dmgov.org).