


COUNCIL COMMUNICATION

	Number:	22-190	Meeting:	April 18, 2022
	Agenda Item:	33	Roll Call:	<input style="width: 100%;" type="text"/>
	Submitted by:	Erin Olson-Douglas, Development Services Department Director		

AGENDA HEADING:

Approval of round two (2) Neighborhood Commercial Revitalization (NCR) Program funding, and authorizing execution of agreement with NCR Program round two (2) funding recipients.

SYNOPSIS:

The NCR Program is intended to promote reinvestment in existing buildings primarily 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.

NCR funds can be used for the following projects:

- façade renovations
- exterior site improvements
- building stabilization
- roof repair
- installation of a fat, oil, grease (FOG) interceptor
- installation of energy-efficient heating, ventilating, and air conditioning (HVAC) systems
- fire sprinkler systems
- electrical updates
- plumbing updates

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

Per the program guidelines, the City Manager is 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.

FISCAL IMPACT:

Amount: \$350,000

Funding Source: Economic Development Enterprise Fund

ADDITIONAL INFORMATION:

Round two (2) of the NCR Program considered 11 eligible applications. Of all applications, three (3) projects are being recommended for funding at an amount greater than \$50,000:

<u>NCR Request</u>	<u>Funding Recommendation</u>	<u>Applicant – Project Address</u>	<u>Score</u>
\$160,000	\$128,000	HOM Investments 6, LLC – 740 18 th Street	42.67/50
\$160,000	\$93,000	Optimae LifeServices, Inc – 1961 Indianola Avenue	38.83/50
\$160,000	\$93,000	Euclid Foresight, LLC – 413 Euclid Avenue	38.75/50

PREVIOUS COUNCIL ACTION(S):

Date: March 22, 2021

Roll Call Number: [21-0467](#)

Action: [Round One](#) Neighborhood Commercial Revitalization (NCR) Program Funding, and authorizing execution of agreements with funding recipients. ([Council Communication No. 21-143](#)) Moved by Gatto to approve. Motion Carried 6-0. Council Member Westergaard declares a conflict of interest and abstains from voting.

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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