

Staff Report

File #: 20-170**Version:** 1**Date:** 5/26/2020**Item #:** 2.3b.

TO: Urban Renewal Agency Board
THROUGH: Steve Powers, Executive Director
FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Riverfront-Downtown Urban Renewal Grant Program Exception for 990 Broadway LLC

Ward(s): 1
Board Member(s): Kaser
Neighborhood(s): CANDO
Result Area(s): Strong and Diverse Economy.

ISSUE:

Shall the Agency Board approve an exception to the maximum grant amount from the Riverfront-Downtown Urban Renewal Area Capital Improvement Grant Program for a mixed-use housing project at 990 Broadway Street NE?

RECOMMENDATION:

Approve an exception to the maximum grant amount from the Riverfront-Downtown Urban Renewal Area Capital Improvement Grant Program for a mixed-use housing project at 990 Broadway Street NE?

SUMMARY:

Agency Board action is needed to approve an exception to the maximum grant amount to partially fund the costs to construct a mixed-use project, including rental housing. The 990 Broadway project meets the Capital Improvement Grant Program Exception Criteria for projects requesting more than the \$300,000 maximum grant allowed within the program guidelines.

FACTS AND FINDINGS:

The proposed project by 990 LLC is new construction of a three-story mixed-use building, including 23 rental housing units - 16 studios, five one-bedroom and two two-bedroom units. Of the 23 units, 40% will be leased at or below market rents of 80% of area median income.

The project includes 2,500 square feet of ground-level commercial space. The horseshoe design of the building wraps the housing units around an interior, gated courtyard with 26 on-site parking spaces.

The project meets the Capital Improvement Grant Program Exception criteria.

1) Project must meet a minimum of two Capital Improvement Grant Program Objectives

990 Broadway satisfies this requirement:

- New Construction
- Mixed-use, including housing

2) 4:1 Leverage of Private/Public Funds

990 Broadway LLC satisfies the 4:1 Leverage of Private/Public Funds:

Estimated Total Project Cost:	\$3,351,267
City Funding Request:	\$ 572,689
Leverage:	\$4.85:1

3) Project must meet one of the following "Other Criteria"

990 Broadway LLC satisfies the "Other" criteria:

Project site is characterized as blight due to its undeveloped status. The site is a gravel lot vacant since the mid 1980's.

BACKGROUND:

Broadway LLC submitted a letter dated April 8, 2020, (Attachment 1) requesting an exception to the Capital Improvement Grant Program maximum grant amount. 990 Broadway LLC members include Charles Weathers and Luke Glaze.

If the exception is approved, \$585,600 will remain in the FY 2019-20 Capital Improvement Grant Program

Sheri Wahrgren
Downtown Revitalization Manager

Attachments:

1. 990 Broadway LLC Letter
2. Capital Improvement Program Grant Exception Criteria