ITEM # <u>28</u> DATE: 03-06-12

COUNCIL ACTION FORM

<u>SUBJECT</u>: DOWNTOWN FAÇADE GRANTS FOR FISCAL YEAR 2011/2012 – SECOND ROUND

BACKGROUND:

In August, 2011, the City Council awarded five Downtown Façade Improvement grants and in September, 2011, approved using funds of this program for structural analysis related to façade improvement projects, leaving about \$44,000 in the program budget for the current fiscal year. A second application process has been initiated for this fiscal year and six grant applications were received by February 1, 2012.

Staff determined that all six applications qualify for grants and meet the Downtown Design Guidelines with some minor modifications. Two owners of businesses and properties on Main Street, along with two City staff, evaluated these grant applications based on the attached scoring criteria (Attachment G). The scorers met and agreed on the score listed for each project.

| | | <u>Amount</u> | <u>Total</u> | |
|----------------|--|----------------------|-----------------------|--------------|
| <u>Address</u> | Business or Building Name | <u>Requested</u> | <u>Project</u> | <u>Score</u> |
| 121 Main | Vacant, formerly Pyle Photo Design Fees | \$15,000 \$ 1,000 | \$ 60,000 \$ 1,000 | 84 |
| 123 Main | Sportsman's Lounge | \$15,000 | \$ 50,798 | 70 |
| 208 5th | McClanahan Studio (in Lechner Building) | \$10,300 | \$ 84,000 | 71 |
| 205 Main | Vacant, formerly Antique Ames Design Fees | \$15,000 \$ 1,000 | \$115,750 \$ 1,000 | 65 |
| 301 Main | StylEyes (in Sheldon-Munn) | \$15,000 | \$ 30,500 | 65 |
| 203 Main | Vacant, formerly Antique Ames Design Fees | \$15,000 \$ 1,000 | \$115,750 \$ 1,000 | 50 |
| | | \$88,300 | \$459,798 | |

The attached map (Attachment A) and summary sheets (Attachments B - F) provide more information about these projects. Complete application materials are also available for review, if requested. Structural evaluations have been complete for each building that the Building Official identified as needing evaluation. All of these projects are planned for implementation this spring and summer.

121 and 123 Main scored highly because they are at the east entry into the District and in a location that is very visible, especially from Duff Avenue. Up until now, there have been only two façade grant projects east of Douglas Avenue. The front façade materials of both buildings have deteriorated to the point where they may be unsafe; the total façade will be renovated and the style of the improvements is very historical in detail. Also, because the façade surface material on both buildings is integrated, it makes sense to renovate both at the same time.

<u>208 5th</u> is one of the two largest buildings on 5th Street. The original storefronts on the ground floor facade were replaced with glass block and wood. A current tenant is purchasing the building and intends to remove the wood and glass block and install a display window and transom system that is similar to the original. This will allow views from the sidewalk into a photography gallery inside, using now vacant space. This project earned a high score due to its transom windows, the length of the façade being restored, and the \$84,000 overall cost of the project, including interior renovation.

<u>203</u> and <u>205</u> Main façade projects will complete renovations on the historic "Tilden Block," which started with a loan for upper level renovation in the early façade improvement program. At 203 Main the improvement qualifying the project for the grant program is the removal of the panel over the transoms and installing framed black glass spandrel panels, although the storefront will also be replaced. Both projects earned points because of the \$231,500 total cost of both projects. The façade at 205 Main earned a higher score because deteriorate wood cover-up and canopy will be removed and the façade will be completely replaced. Other parts of the upper facades will be repaired as needed.

Together these two grant applications apply to space that most recently was all one retail business, Antique Ames. The existing wall separating the spaces will remain and two different businesses will occupy the ground floor. The second floor will also be leased separately as up to four offices or residential units. The City Council has place priority on awarding only one grant per façade. Second grants for the same façade could only be awarded with funds left after funding for other projects. Since the same owner seeks two grants at the same, the City Council will have to determine whether this is one façade seeking two grants or two separate facades each seeking one grant.

<u>301 Main</u> on the northwest corner of Main and Kellogg is one of the most visible corners of the downtown and in the largest building, the Sheldon-Munn. The historic storefront will be recreated, including higher kick plates and three-pane transoms, which earned points for the project, as did the replacement of two display windows and transoms facing Kellogg. The tenant has already restored the historic interior and is funding this entire project. The work on the Kellogg façade is tentative depending on the actual costs as the renovation proceeds.

In 2007 another façade grant project was carried out in the Sheldon-Munn, by Nature's Touch at the west end of the building. However, the proposal by StyleEyes in the Sheldon Munn building qualifies for this grant cycle because it is the second round for grant funding. The City Council will have to determine whether to apply its policy of providing only one grant per building in the first round as it relates to 203 and 205 Main Street where two grants are being requested for this round. This interpretation is also needed by staff, as occasionally potential buyers of the Sheldon-Munn have asked if it qualifies for additional façade grants.

Before existing façade materials are removed, it is often not possible to work out all of the details of the final project. Sometimes these details are important for a completed project to comply with the Downtown Design Guidelines. For those cases, the details are noted on the attached images of the proposed façade improvement project and will be considered conditions of approval of the grant.

ALTERNATIVES:

The \$88,300 total of all six grant applications is more than the total funding available in the current fiscal year. There are several alternatives for addressing this issue:

- 1. The City Council can approve all of the six projects listed above by advancing the \$50,000 appropriated in FY 2012-13 from the Local Option Sales Tax Fund. This action will make available \$94,000 to cover the City's share of the program.
 - Under this alternative only \$5,700 would be available for additional façade grants before July 1, 2013. Although there is frequently an owner asking about façade grant, staff is not aware of anyone actively preparing an application at this time.
- 2. The City Council can approve the first three projects listed above, for a total of \$41,300 from the Downtown Façade Grant fund.

Under this alternative the projects with the highest scores would receive façade grants: 121 Main, 123 Main and 208 5th Street. If the City Council decides that granting a second grant to a property cannot be supported than these three properties would qualify because they have not yet been awarded a façade grant.

The Council can direct staff to bring façade grant applications to the City Council's first meeting in July so that the other applicants can re-apply for façade grants in the upcoming construction season.

- 3. The City Council can approve an alternative selection of requested façade grants and amounts to those projects that the Council finds meet its priority for one grant per façade on Main Street.
- 4. The City Council can refer this request to staff or applicants for additional information.

MANAGER'S RECOMMENDED ACTION:

Three façade improvement projects with previously awarded grants from round one are currently underway. The American Legion has begun interior improvements and is raising funds for masonry repair needed in conjunction with the upper floor windows funded by a façade grant. The owners of Emerhoff's and Moormans are evaluating costs and funding for structural repairs identified as needed along with the facade improvements.

It should be remembered that at the May 10, 2000 meeting the Council approved the scoring criteria for the façade program which gave preference to those buildings that had not previously received grant funding. It was anticipated that those buildings that had received funding could be eligible for City grants during the second round of applications. The City Council will now have to decide whether or not to offer grants to a property with multiple store fronts in this second round (203, 205, and 301 Main Street) using money from next year's first-round funds.

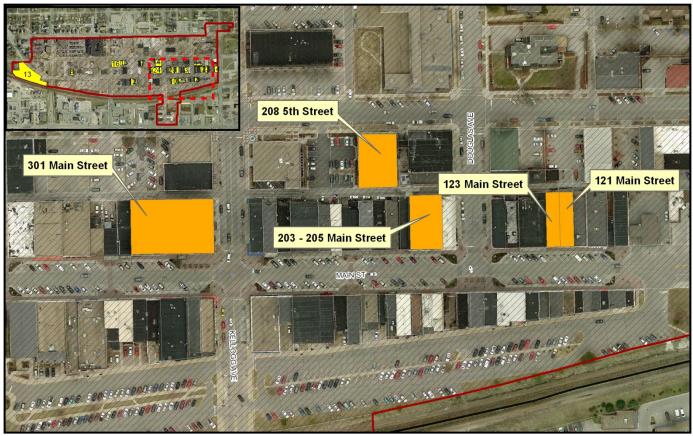
Moving ahead with six more façade projects this year will be a powerful visual statement which will have a significant immediate impact on the look of the Downtown. Therefore, it is the recommendation of the City Manager that the City Council support Alternative #1 and approve grant funding for all of the six projects listed above by advancing the \$50,000 appropriated in FY 2012-13 from the Local Option Sales Tax Fund.

By adopting this alternative, the City Council will be using monies from next year's first round to fund this year's second round.

Attachment A



Downtown Façade Grant Program - Proposed Site Location Map



Downtown URA

Map Created by: Department of Planning & Housing Updated March 01, 2012

Proposed Grant Properties Year 2012 Facade Grant Locations

1. 413 Kellogg Ave 2. 220 Main Street 3. 203 Main Street 9. 311 Main Street

4. 411 Kellogg Ave 10. 230-234 Main Street 15. 410 5th Street 5. 216 Main Street 11. 313 Main Street 17. 326 5th Street 17. 326 5th Street 18. 326 5th Street 18. 326 5th Street 19. 326 6. 229 Main Street 12. 400 Main Street

13. 413 Northwestern 19. 228 Main Street 14. 101 Main Street 20. 225-227 Main Street 15. 410 5th Street 21. 217-219 Main Street

22. 410 Douglas Ave. 23. 115 Main Street 18. 130-134 Main Street 24. 301 Main Street (Pending) 25. 208 Main Street (Pending) 26. 203-205 Main Street (Pending) 27. 208 Main Street (Pending) 28. 123 Main Street (Pending)

29. 121 Mian Street (Pending)

Attachment B

121 Main





Main

121

123





Attachment C

123 Main

1907 2011



123 Main 121



Proposed Renovation



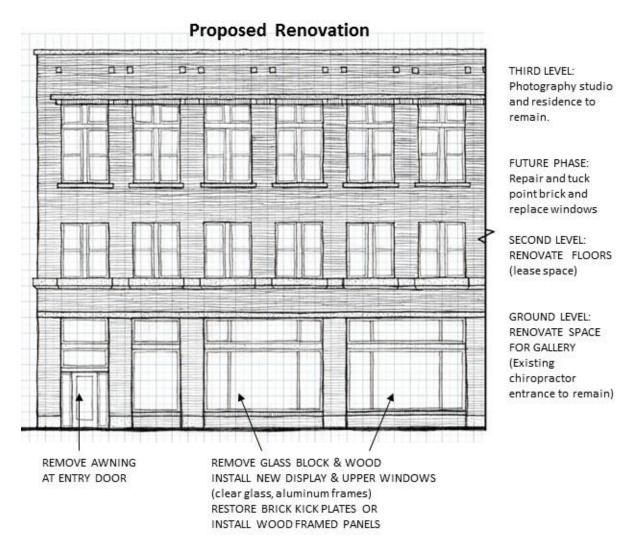
Attachment D

208 5th

1954 2011







Attachment E

203 & 205 MAIN







Attachment F

301 MAIN

1920's 2011



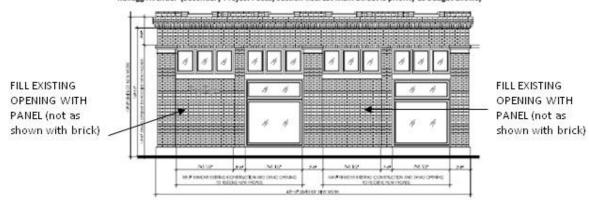


Proposed Renovation

Main Street: (Primary Project Focus)



Kellogg Avenue: (Secondary Project Focus; section nearest Main Street is priority as budget allows)



Attachment G

Downtown Façade Grant Scoring

| Project Address: | Total Score: | | | | | |
|---|----------------------|-----------------------------|--|--|--|--|
| For each category, please use the scores to projects that meet more of | _ | award points, giving higher | | | | |
| VISUAL IMPACT | Score: | Points (30 maximum) | | | | |
| Improvements apply to more than one story on one façade Improvements apply to more than one 25-foot wide bay on one façade Improvements will create more visual significance because: key, highly visual elements of the building are being improved the building is prominently visible due to its location (e.g., it serves as a focal point from a street, is at a prominent intersection, or is larger than other buildings around it) | | | | | | |
| FINANCIAL IMPACT | Score: | Points (30 maximum) | | | | |
| Matching funds exceed the minimum dollar-for-dollar match The project includes improvements being made to: ensure public safety establish or preserve the building's structural integrity resist water and moisture penetration correct other serious safety issues The façade project is part of a larger project that improves other exterior or interior parts of the building The project helps to make use of space that has been unoccupied or used only for storage | | | | | | |
| EXTENT OF IMPROVEMENTS | Score: | Points (20 maximum) | | | | |
| Base the number points granted in Downtown Design Guidelines being improved elements deserve more p | g improved (see gra | | | | | |
| HISTORIC DESIGN | Score: | Points (20 maximum) | | | | |
| Project includes historically app | ropriate materials a | and restoration techniques | | | | |

Project goes beyond basic rehabilitation and re-establishes a more historically

12

accurate appearance than other projects

Elements of an Historic Façade in Downtown Ames

