

COUNCIL ACTION FORM

SUBJECT: REQUEST FROM MAIN STREET CULTURAL DISTRICT TO APPLY FOR COMMUNITY CATALYST BUILDING REMEDIATION GRANT

BACKGROUND:

At the December 12, 2017, City Council meeting, the City Council referred a request from the Main Street Cultural District (MSCD) to apply on behalf of the City of Ames for the Iowa Economic Development Authority (IEDA) Community Catalyst Building Remediation Program (CCBR) grant. The program requirements do not allow MSCD to apply for the grant directly. Rather, a city may apply for the program, but must show some financial or in-kind support for the project. The state has allocated \$1 million total for this program, with awards of up to \$100,000 per project.

MSCD proposes to apply for funds to support the proposed \$745,000 renovation of the building at 131 Main Street, which is currently owned by Avec Holdings. **The owner plans to apply for City funds through the Downtown Façade Grant Program, which could be used as the City's match for the CCBR program.** Staff anticipates the façade grant application will be received this winter. The amount shown in the CCBR grant application for financial or in-kind match from other sources is independent of the amount of CCBR funds sought; although projects showing more non-CCBR commitments receive more points in the grant evaluation.

The deadline for the CCBR pre-application is in late January. If selected to proceed, the full application is due March 1. **The pre-application may be submitted without a commitment of City funds, but City funds would have to be committed prior to submission of the full application in March.** If the Council were to approve MSCD's request, MSCD staff would prepare the application and City staff would sign it to indicate City approval. Staff estimates this will involve minimal commitment of staff time to accomplish. The City would be obligated to manage the contract with IEDA, monitor compliance with the grant requirements, and be the pass through for the grant proceeds.

It is important for the Council to note that authorizing MSCD to submit this application on behalf of the City does not obligate the City Council to approve the anticipated Façade Grant application. The City Council will have the opportunity to review the merits of that application when it is received and may approve it or deny it as it could with any other Façade Grant application.

ALTERNATIVES:

1. Authorize staff to sign a pre-application for a Community Catalyst Building Remediation Program grant prepared by Main Street Cultural District for the building located at 131 Main Street.
2. Do not authorize staff to sign a pre-application for a Community Catalyst Building Remediation Program grant.

MANAGER'S RECOMMENDED ACTION:

The Community Catalyst Building Remediation Program grant provides an opportunity to access state funds for a renovation project at a downtown building. This supports the City Council's efforts to strengthen downtown and will be pursued in conjunction with the City's existing Façade Grant program, which will restore historic character to the façade of the building. **Authorizing the submission of this grant pre-application is a minimal investment of staff time and does not obligate the City Council to approve the anticipated façade grant.**

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby authorizing staff to sign a pre-application for a Community Catalyst Building Remediation Program grant prepared by Main Street Cultural District for the building located at 131 Main Street.



November 30, 2017

Mayor and City Council
City of Ames
515 Clark Ave
Ames, IA 50010

Dear Mayor Ann Campbell and City Council,

I am writing this letter to request permission for the Main Street Cultural District to apply on behalf of the City of Ames for the Iowa Economic Development Authority Community Catalyst Building Remediation Program grant. The state of Iowa has allocated \$1 million for this grant program, with the individual maximum grant being \$100,000. It is my belief, the \$745,000 project at 131 Main, the old Iowa Electric and Light Power Company building currently owned by Avec Holdings, LLC, will qualify for this grant. The building, which has been vacant for many years and used as storage, is currently undergoing renovation which meet State Historic Preservation Office standards. We hope this project will serve as a catalyst for renovation of underutilized space, in upper floors in downtown Ames, to be used for technology companies.

As a requirement of the grant, the city must be the applicant and must be providing either financial or in-kind support of the project. After discussing the 131 Main project with Charlie Kuester in the city planning department, the financial support could come in the form of a city façade grant for the project. Mr. Kuester also indicated there will be a winter round of façade grants and the owner of the property plans to apply.

The process involves a pre-application to determine if the project qualifies for the grant. If it is found to qualify, an invitation to apply for the full grant will then be issued. Time is of the essence with this request. The deadline for pre-application is in the last week of January, 2018. However, the pre-applications will be screened as they are received. The sooner I am able to complete that process, the more time I will have to work on the actual grant, which is due in March, 2018.

I have attached an informational sheet with this request, along with photos of the building in question. Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Cindy Hicks".

Cindy Hicks
MSCD Executive Director

304 Main Street, Ames, IA 50010 515.233.3472 AmesDowntown.org