

Legislation Text

File #: 6643, **Version:** 1

CC MEETING: April 16, 2024

DATE: April 2, 2024

TO: Erin Rinehart, City Manager

FROM: Josh Giles, Development Program Manager
Ravi Shah, Director of Development Services
Marc Guy, Assistant City Manager

Consider A **Resolution Authorizing The City Manager To Negotiate And Execute An Economic Development Incentive Agreement With Prescott Interests LTD For The Renovation Of 1014 South Broadway, Suite 100, In An Amount Not To Exceed \$43,060.00.**

BACKGROUND:

The owner of 1014 South Broadway has requested a grant for the renovation of Suite 100, which faces South Broadway in Historical Downtown Carrollton.

The total construction cost has been estimated by the project architect to be approximately \$164,200.00. The plans include finishing out the space for a restaurant use (Lemma Coffee), which will require the addition of a kitchen and grease trap. The new restaurant will include a patio space facing South Broadway.

At its April 1, 2024, meeting the City Council TOD Committee unanimously agreed that the proposed plans meet the requirements of the Retail Re-Development and Rehabilitation Grant Program in Downtown Carrollton. The Committee recommended a grant not to exceed \$43,060.00, which is based on 100% of the grease trap cost (\$38,000), 25% of the upgraded neon signage cost (\$12,000) and 10% of the mechanical, electrical and plumbing costs (\$20,600). This is approximately twenty-six percent (26%) of the estimated construction cost submitted by the architect.

The applicant must complete the work within one year of the date of resolution approval. The grant is performance-based and receipt-reimbursable. The applicant is required to add a black awning over the north window to match the existing awnings on the building and add outdoor seating patio improvements.

The property is located within a Neighborhood Empowerment Zone. Therefore, building permit and inspection fees for the improvements and other contractor registration and licensing fees are automatically waived as part of the incentive package.

FINANCIAL IMPLICATIONS:

By recommendation of the TOD Committee, the property owner is eligible for a grant not to exceed \$43,060.00. In accordance with the Retail Re-Development and Rehabilitation Grant Program, the grant is receipt-reimbursement based. Funding is available in the Program account.

IMPACT ON COMMUNITY SUSTAINABILITY:

The proposed renovation and upgrades to this property will enhance the economic viability of the Historical Downtown area.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of a resolution authorizing the City Manager to negotiate and execute an economic development incentive agreement with Prescott Interests LTD for the renovation of 1014 South Broadway, Suite 100, in an amount not to exceed \$43,060.00.