



Legislation Text

File #: ID#18-5248, Version: 1

SUBJECT/RECOMMENDATION:

Approve a time limited, grant program for tenants in the Community Redevelopment Agency (CRA) area that have permitted or opened food/drink businesses operating on nights and weekends, that received a Certificate of Occupancy or were under active construction after January 1, 2018 and authorize the appropriate officials to execute same.

SUMMARY:

The Community Redevelopment Agency (CRA) is recommending approval of a time-limited Food and Drink Tenant grant program as part of the CRA's 18-month strategy to share positive stories about downtown, attract new housing and encourage private investment into downtown. The CRA's goal is to enhance downtown's ability to serve as a restaurant destination and to serve existing employees/residents in downtown by providing more food and drink options that are open on nights and weekends.

In August 2018, the CRA Trustees ended the Anchor Tenant Incentive program and directed CRA staff to work with tenants to develop solutions to that would support existing food and drink businesses that opened or began construction while the Anchor Tenant program existed, but due to a variety of factors were not eligible to participate in the Anchor Tenant program.

From July to September 2018, CRA staff has held numerous individual meetings, two focus groups and conducted an online survey with existing food and drink tenants in downtown and potential tenants who have indicated they would consider establishing a business in downtown. Based on the feedback received, the proposed grant program is designed for current food and drink tenants, who are open on nights and weekends, that received a Certificate of Occupancy or were under active construction after January 1, 2018. Key elements of the grant program include:

- This is a one-time, limited grant opportunity for tenants. The application period will open from November 1- December 15. The CRA trustees will be asked to award grants in February 2019.
- The food and drink business must be open at a minimum from Wednesday - Saturday from 5:00pm to 10:00pm to be eligible for the grant.
- The business must be located within the CRA area.
- There is a distinction between full service restaurants and bars.
- Full service restaurants are eligible to be reimbursed for improvements made to the building for 35% of their costs up to \$100,000. They must provide a legal and financial performance guarantee that they will remain in operations for 5 years.
- Bars are eligible to be reimbursed for improvements made to the building, fixtures and furnishings. All eligible expenses will be 100% reimbursed up to a \$30,000 maximum. They must provide a legal

guarantee that they will remain in operation for 2 years.

The proposed grant program balances the legal requirements for the use of CRA funds, meets the goals of the downtown redevelopment plan and addresses the tenants' primary concerns. It provides support to those businesses that have already invested in downtown this year and support for the completion of investment that are underway.

APPROPRIATION CODE AND AMOUNT:

Funding is available in the Opportunity Fund 388-94893.