



Legislation Text

File #: ID#18-5249, **Version:** 1

SUBJECT/RECOMMENDATION:

Approve a time-limited grant program for property owners to support the establishment of new food and drink businesses that are open on nights and weekends in the Downtown Core and Prospect Lake districts and authorize the appropriate officials to execute same.

SUMMARY:

The Community Redevelopment Agency (CRA) is recommending approval of a Food and Drink Property Owner 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. There is a total grant budget of \$1 million for all the food and drink grant programs combined.

In August 2018, the CRA Trustees ended the Anchor Tenant Incentive program and directed CRA staff to work with property owners and tenants to develop solutions that would support the establishment of new food and drink businesses in downtown.

From July to September 2018, CRA staff has held numerous individual meetings, focus groups and conducted an online survey with existing commercial property owners 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 sets up a partnership between the CRA and the commercial property owner to identify building improvements that will make their space "restaurant ready." Key elements of the grant program include:

- There is a pre-qualification period from November 1 to December 1, 2018. During this time, the property owner submits a list of building improvements and the total cost of those improvements to the CRA for preliminary grant approval.
- The CRA will establish a preliminary grant approval amount that will provide for reimbursement of the owner's building improvement expenses by 50% up to a maximum grant of \$250,000. Rental subsidy is not an eligible grant expense.
- Once pre-qualified, property owners will have 60 days to find an eligible tenant and submit a full grant application. The tenant must be open, at a minimum, Wednesday - Saturday from 5pm-10pm.
- Pre-qualification will begin November 1, 2018, preliminary grant amounts will be established in December 2018 and property owners will have until March 1, 2019 to secure a tenant and submit a full application. Grants must be approved by the CRA Trustees and will be awarded on a first come, first served basis.

The proposed grant program balances the legal requirements for the use of CRA funds, meets the goals of the downtown redevelopment plan and provides a partnership opportunity for property owners who wish to invest

in their buildings to attract restaurants and bars.

APPROPRIATION CODE AND AMOUNT:

Funding is available in Opportunity Fund 388-94893