

City Council – Action Request Form

Date: October 14, 2019

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Evan Raleigh, Assistant City Manager
Ken Millett, Office of Business Inclusion and Advancement Director

Council Action Requested:
Resolution Authorizing the Allocation of Revitalizing Urban Commercial Area (RUCA) Funds for a Project in the Waughtown/Thomasville Area

Strategic Focus Area: Economic Vitality and Diversity
Strategic Objective: Promote Commercial Development in Economically Disadvantaged Areas
Strategic Plan Action Item: No
Key Work Item: No



Summary of Information:

In 2006, City Council established the Revitalizing Urban Commercial Areas (RUCA) Program to help revitalize some of the city’s declining urban commercial areas. The general obligation bonds approved in 2014 designated an additional \$2 million for a third round of RUCA projects. City Council has authorized RUCA III funding totaling \$1,487,620. Financial assistance is available in the form of both RUCA low interest loans and RUCA matching loans.

The owner of 620 Monmouth Street, Ms. Annie Teachey, plans to renovate the building that previously had a hair salon as a tenant. The property is located within the Waughtown/Thomasville RUCA. Ms. Teachey engaged an architect for construction drawings to convert the approximately 1,800 square foot building into office space. Construction drawings have been approved by Inspections, and the project was competitively bid by the owner. The owner estimates total construction cost to be \$208,000, including contingency. City staff has reviewed the bid information and deemed the cost reasonable. Work is expected to take approximately 10 weeks.

Committee Action:

Committee	Finance 10/14/19 CDHGG 10/15/19	Action	Approval
For	Unanimous	Against	

Remarks:

Ms. Teachey is requesting new RUCA assistance totaling \$208,000 split evenly between RUCA Low Interest Loan (\$104,000) and RUCA Matching Loan (\$104,000). The source would be funds previously allocated for RUCA projects that never moved forward during RUCA phases I and II. This project does not require the allocation of RUCA III funds (2014 bond money).

To date, the owner has received assistance for this project totaling \$15,925 in the form of a RUCA Low Interest Loan. Funds were used to pay architectural and engineering design fees. If City Council approves new funding for the renovation of the building, staff recommends that this existing loan be modified to split the loan evenly between RUCA Low Interest (\$7,962.50) and RUCA Matching (\$7,962.50) Loans. No allocation of additional funds is required for this modification.