

## City Council – Action Request Form

**Date:** May 30, 2018

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**To:** The City Manager

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**From:** Evan Raleigh, Director of the Office of Business Inclusion and Advancement

**Council Action Requested:**

Adoption of a Resolution approving the allocation of additional Revitalizing Urban Commercial Areas (RUCA) III funds for the Patterson/Glenn 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 \$1,427,245: \$829,574.13 in the Patterson/Glenn area, \$260,000 in the 14<sup>th</sup> Street/New Walkertown Road area, \$101,000 in the Old Greensboro/Barbara Jane area, and \$200,000 for the Patterson/Glenn/Greenway improvement project.

Of the initial four projects in the Patterson/Glenn area, a total of \$96,866 has been allocated to owner Mr. Ronnie Samuels to assist with rehabilitation of 1804 N. Patterson Avenue into multi-tenant space for a convenience store and barber shop. The funds were split evenly between a RUCA Low Interest loan and RUCA Matching loan. At the time, construction estimates were not based on an approved set of construction drawings.

Staff has subsequently worked with the owner, a designer, and a general contractor to develop a site plan and construction drawings to include roof removal and replacement, privacy fencing, exterior and interior painting and improvements, façade improvement, landscaping, electrical improvements, and flooring replacement. All drawings have been approved by Inspections.

**Committee Action:**

<b>Committee</b>	Finance 6/11/18 CD/H/GG 6/12/18	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	

**Remarks:**

The modified construction cost from the low bid contractor is \$142,946.00. Due to the potential for unforeseen circumstances, staff is recommending that a 10% contingency be included for a total budget of \$157,240.60.

Mr. Samuels is requesting increased RUCA III funds totaling \$157,240.60, an increase of \$60,374.60. The new loan amounts would be split evenly between RUCA Low Interest loan (\$78,620.30) and RUCA Matching loan (\$78,620.30). The source of funds is RUCA III bond money.