

City Council – Action Request Form

Date: December 9, 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 Areas (RUCA) and Commercial Redevelopment of Blighted Areas Funds for a Project in the 14th Street/New Walkertown Road 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 attached report outlines RUCA projects by Phase I, Phase II, and Phase III. It also includes the first project approved by Council in October 2019 that utilizes Commercial Redevelopment of Blighted Areas from the 2018 bonds. Financial assistance is available in the form of both Low Interest Loans and Matching loans.

The owner of 2500 New Walkertown Road, Mr. Rajesh Shah, plans to construct a new 3,600 square foot multi-tenant commercial building providing storefront space for a laundromat, an office or retail tenant, and a takeout restaurant. The project will also connect this building to the adjacent convenience store/gas station owned by Mr. Shah.

The property is located within the 14th Street/New Walkertown Road RUCA. Mr. Shah engaged an architect for construction drawings, and construction drawings have been approved by Inspections. The project was competitively bid by the owner, and he estimates total construction cost to be \$817,190, including contingency. City staff has reviewed the bid information and deemed the cost reasonable.

Committee Action:

Committee		Action	
For		Against	
Remarks:			

Mr. Shah is requesting RUCA assistance totaling \$817,190 split evenly between RUCA Low Interest Loan (\$408,595) and RUCA Matching Loan (\$408,595). Staff has identified potential funding sources as remaining balances from RUCA I, II, and III totaling \$325,000. The remaining balance of \$492,190 would come from the Commercial Redevelopment of Blighted Areas balance of \$1,848,000.