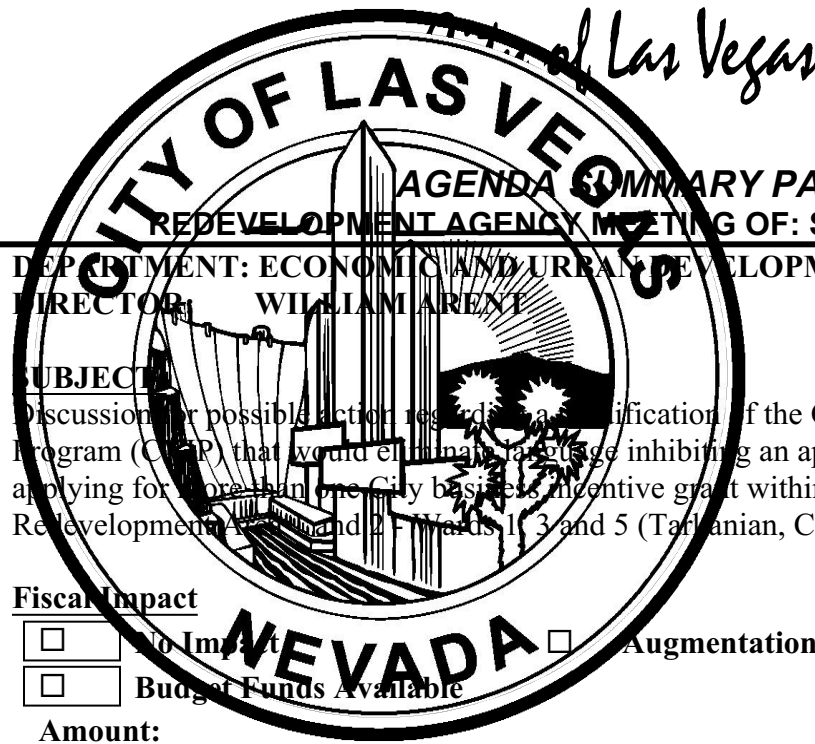




Agenda Item No.: 5.

AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: SEPTEMBER 6, 2017

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

Discussion for possible action regarding a modification of the Commercial Visual Improvement Program (CVIP) that would eliminate language inhibiting an applicant from simultaneously applying for more than one City business incentive grant within a City fiscal year - Redevelopment Area 1 and 2 - Wards 1, 3 and 5 (Tarkanian, Coffin and Barlow)

Fiscal Impact

☐

No Impact

☐

Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

Both the CVIP, run by the Economic and Urban Development Department (EUD), and the Downtown Business Assistance Program (DBAP), operated by the city's Planning Department, currently have additional funds. Because of these additional monies, the EUD would like to recommend changes to its existing CVIP policies. Suggested is the elimination of language inhibiting an applicant from simultaneously applying for more than one city business incentive grant within a city fiscal year. The Planning Department is in concurrence.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

Visual Improvement Program

Motion made by RICKI Y. BARLOW to Approve

Passed For: 4; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

BOB COFFIN, RICKI Y. BARLOW, LOIS TARKANIAN, CAROLYN G. GOODMAN;
(Against-None); (Abstain-None); (Did Not Vote-None); (Excused-STAVROS S. ANTHONY)

NOTE: The video does not reflect the vote accurately, as MEMBERS SEROKA and FIORE cast their vote verbally in the affirmative due to technical issues.

Minutes:

BILL ARENT, Director of Economic and Urban Development, stated this item is to make an administrative change to the Commercial Visual Improvement Program (CVIP) eliminating language which inhibits an applicant from simultaneously applying for both the CVIP and the

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Downtown Business Assistance Program (DBAP) grants. Eliminating this restriction would allow a client to apply for a rebate of \$25,000 from the CVIP and \$25,000 from the DBAP. The latter program is operated by the Planning Department and is to help businesses that are changing uses; i.e., if an existing warehouse wanted to change to a restaurant use, this grant is designed to help that business undertake those changes, deal with code issues, installing bathrooms, ADA (Americans with Disabilities Act) accessibility, etc. in the interior of the building. The CVIP is for the exterior of the building. This is the only change at this time, and staff recommended approval.

MEMBER BARLOW asked about the square footage of a facility that can apply for the CVIP and the DBAP. MR. ARENT stated these two programs do not have a square footage threshold, but the City Office Tenant Incentive Program has a square footage requirement.

CHAIR GOODMAN asked if she wished to develop more than one property simultaneously, could she apply for a grant for each property during the same year. MR. ARENT explained what was being proposed would allow the idea of stacking on a single property but still limit one developer/owner to one project per fiscal year. This was done to encourage broad participation in the community. Pointing out that an individual may be very successful and have the funds to develop in different areas, CHAIR GOODMAN asked staff to consider the possibility of allowing one project in each redevelopment area per year because it would encourage developers to look in different areas. MEMBER TARKANIAN thought more than one application should be allowed in the same redevelopment area if the development areas fell in different wards.

MEMBER COFFIN commented sometimes the true ownership of a property is masked because it can be owned by various LLCs. MR. ARENT explained staff has not experienced such a problem because one of the protections the City has is the Disclosure of Principals form which lists every individual that holds one percent or greater ownership in the property.

MEMBER BARLOW asked what brought about this change. MR. ARENT stated staff received inquiries where there was interest shown in utilizing both programs. There are still vacant properties downtown, and interest in the CVIP has diminished over the years. MEMBER BARLOW asked what was being done from a marketing standpoint to advertise the CVIP, specifically to the smaller storefronts which are in need of a facelift. MR. ARENT explained the best advertising so far has been word of mouth. Most of the program participants learned about the program through this means. Additionally, the program is advertised on the department portion of the City's website, and staff speaks at engagements in the community (i.e., Chamber of Commerce and Rotary Club) to try to get the word out regarding what the program is about. He referenced the old adage that the hardest money to give away is free money because business owners think there are strings attached.

MEMBER BARLOW asked what the requirements were for the grant. MR. ARENT explained the main requirement was that for every dollar that the City grants, the property owner must commit to invest \$2.00. In order to receive the maximum of \$25,000 in assistance through the CVIP, the property owner or business would have to invest \$50,000. The owner is also required

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to record a facade easement against the property so the City can ensure that once the improvements are made, they are maintained for a minimum of five years. This also has served as an anti-flip provision and added protection. MEMBER BARLOW asked what would happen in the event the property owner sold the building prior to the fifth year. MR. ARENT stated the recorded easement runs with the property so that would survive the sale of ownership. The City has the ability to enforce this, including requiring partial repayment of the grant.