



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: May 23, 2024

STATEMENT OF ISSUE: Consider approval of a Commercial Building Improvement Loan with Danielle Hernesman for improvements to 1421 NW 4th St.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

Ms. Danielle Hernesman, owner of the commercial building located at 1421 NW 4th Street has requested a Commercial Building Improvement Loan of \$40,000 for interior improvements that will convert a former retail space to accommodate a new med spa business. The proposed \$87,500 project will also add handicap parking spaces located on the Hwy 2 frontage of the property.

As you'll recall, the CBIL can provide up to \$40,000 per project or 75% of the total project cost, whichever is less. The CBIL program provides these funds at a 2% interest rate, amortized over a 20-year periods with a balloon payment at the end of year five.

GREDA is funding CBIL program loans, currently, through a Blandin Foundation Program Related Investment non-recourse note and, thus the principal and interest collected from these loans are paid to the Blandin Foundation.

Commissioners Hodnik and Martinetto have reviewed this application with staff and have recommended approval of this loan.

RECOMMENDATION:

REQUIRED ACTION: Pass a motion approving a Commercial Building Improvement Loan with Danielle Hernesman for improvements to 1421 NW 4th St.