



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: April 13, 2023

STATEMENT OF ISSUE: Consider approval of a proposal from LHB for TIF analysis of the building at 316 N. Pokegama Avenue

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

Staff has been working with a party interested in considering a project that would involve a significant renovation of the building located at 316 N. Pokegama Avenue for the purpose of establishing a new business in the Downtown.

As we know, the purchase and renovation/rehabilitation of older structures presents some significant additional cost challenges. The primary tool that is used by municipalities to help overcome those challenges and promote private investment in these older structures and reverse the negative long term impacts of blight is the use of a TIF Redevelopment District. The City and GREDA used this tool to achieve the redevelopment of the block immediately south of Central School and the former Sawmill Inn property.

Staff has presented to the prospective investor information on this and other programs available in the City and the Region, but for the TIF Redevelopment District option to be seriously considered, it must be determined that the parcel and building meets the minimum statutory standards for lot coverage and building conditions that qualify it.

The attached proposal from LHB, a firm that we've used with significant experience in this analysis, is broken down into two phases. The first phase involves an inspection and determination if the building meets these statutory standards, for a fee not to exceed \$3,200. If it doesn't meet the standards we will not proceed with the full scope of services, which includes the report for a total fee not to exceed \$5,200.

RECOMMENDATION:

REQUIRED ACTION: Adopt a motion approving a proposal from LHB for TIF analysis of the building at 316 N. Pokegama Avenue