

Mayor and Members of the City Council STAFF REPORT

For the Meeting of September 26, 2022

Title/Subject

Facade Grant- Stanton Smith 4N2811CB Tax Lot 6900- 395 E Main St

Summary and Background

The Hermiston Urban Renewal Agency has received a façade grant application for exterior improvements to commercial property located at 395 E Main St. A façade grant was awarded to the property owners for the adjacent property in January of 2022 and similar improvements are proposed for this property. The eligible improvements proposed include new storefront, windows, façade, stucco, parapet, and light fixtures to the E Main St frontage of the building. Exterior improvements to the NE 4th St and alley frontages are proposed in future phases. Additional remodeling is proposed for the interior of the building. The estimated budget for the eligible improvements is \$81,323. The applicant has requested an award of \$40,000. Under the terms of the grant program, the district may provide a match of up to 50% of the project budget up to a maximum award of \$10,000. Projects which have private investment in excess of \$75,000 that benefit the city as a whole and not just the district, may increase the total match at the discretion of the committee. The planning commission considered and scored the grant request at the September 14 regular meeting. The planning commission's scoring (attached) reached a recommended match of 50%. The planning commission discussed the improvements with the applicant. The planning commission considered inflationary pressure on construction costs, overall impact to the downtown, lack of applications for grants, and other factors, and agreed with the applicant to recommend going over the \$10,000 cap. Although the planning commission recommended granting \$40,000 once improvements are completed, the city council acting as the urban renewal agency board may choose to approve the grant as recommended or change the grant amount.

Tie-In to Council Goals

Urban renewal and downtown revitalization are council goals.

Fiscal Information

There is sufficient funding in the façade grant budget for 2022-2023 to accommodate the recommended grant award. Funds which are not expended at the end of each fiscal year roll into the next fiscal year.

Alternatives and Recommendation

<u>Alternatives</u>

The committee may choose to accept the planning commission recommendation of a \$40,000 grant award or modify the grant amount.

Recommended Action/Motion

The proposed façade improvements will improve the appearance of the building and downtown. When considering the amount of the grant award the committee should determine if the project's improvements provide a benefit to the entire city or only the district.

Motion to approve the grant award for the exterior improvements to 395 E Main St in the amount of \$40,000 or as may be modified by the committee.

Submitted By:

Clinton Spencer