



STAFF REPORT

Meeting Type: Sandy Urban Renewal Board
Meeting Date: February 20, 2024
From: Kelly O'Neill Jr., Development Services Director
Subject: Tenant Improvement Grant: Sandy Underground (Project #23-002 TI)

DECISION TO BE MADE:

Approve or deny the expenditure of urban renewal funds for a Tenant Improvement grant for the Sandy Underground project.

BACKGROUND / CONTEXT:

The Tenant Improvement Program Guidelines (amended September 2023) [can be found here](#).

This tenant improvement request is from Chris Larson and Yvonne Haney. They are proposing a new dining option in the basement of the old VFW building at 38452 Proctor Blvd. Project #23-002 TI would convert the basement of the old VFW building into a restaurant called Sandy Underground. The proposed improvements include demolition and construction with the following items as the primary focus:

- Demolition of the existing residential cabinetry, the existing porous wood surfaces at the bar, and the existing laminate flooring.
- Refinish the concrete flooring once the laminate flooring is removed.
- Refinish the walls in the kitchen area with a non-porous surface and installing stainless steel behind the cooking equipment.
- Installation of a wall to enclose the kitchen.
- Installation of a commercial hand sink, dishwasher, dish sink, and prep sink in the kitchen.
- Installation of a mop sink in the pantry.
- Installation of a hand sink, dish sink, dish sink, prep sink, and ice well in the bar.
- Installation of two floor drains.
- Installation of a grease trap interceptor and plumbing to the sinks and floor drains.
- Installation of a new and functional back-bar.
- Installation of a new bar surface, including an ADA accessible area at the bar.
- Repaint the interior, including all walls and the ceiling.

Chris Larsen and Yvonne Haney have attempted to obtain bids from five different contractors. Two contractors, Connors Cabinetry and Woodworks LLC and BNK Construction Inc., submitted bids for the project. The low bid from Connors Cabinetry and Woodworks LLC totals \$66,977 (Exhibit B).

KEY CONSIDERATIONS / ANALYSIS:

Attached to this staff report is an 18-page proposal (Exhibit A) created by Chris Larsen and Yvonne Haney with additional information on the tenant improvements, floor plans, interior pictures, and a sample food/drink menu. Also attached to this staff report is bid information from the two responsive bidders (Exhibits B and C), Conners Cabinetry and Woodworks LLC and BNK Construction Inc.

This site received a façade improvement grant totaling \$27,850 in 2022/2023. The façade grant recipient was the property owner, Todd Hoffman. This façade grant included the following modifications:

- Replacement of siding and window trim with Hardie products.
- Installation of stone wrap at the building corners.
- Installation of new lighting fixtures.
- Replacement of the stairs to the front porch and installation of an ADA compliant handrail.
- Repaint the exterior of the building.

Awarding a tenant improvement grant for Sandy Underground would not violate [the program guidelines](#), which state that no property shall receive more than two facade improvement grants within a five (5) year period nor the provision that a tenant improvement grant shall not exceed \$30,000 per grant or \$60,000 within a five (5) year period.

BUDGET IMPACT:

\$30,000 (44.8 percent of the total project cost of \$66,977)

The biennium budget for 2023-2025 allocated \$400,000 to grant programs. To date in this budget, the Sandy Urban Renewal Board has allocated the following:

PROJECT	COST
Sandbar BBQ ADA parking	\$9,660.00
Tollgate Inn Covered Structure renderings	\$850.50
Tollgate Inn Covered Structure	\$65,679.66
TOTAL	\$76,190.16

RECOMMENDATION:

Staff recommends approval of this tenant improvement grant as it creates another dining option for Sandy residents and visitors.

LIST OF ATTACHMENTS / EXHIBITS:

- Exhibit A. Proposal from Chris Larsen and Yvonne Haney
- Exhibit B. Bid from Conners Cabinetry and Woodworks LLC
- Exhibit C. Bid from BNK Construction Inc.