



STAFF REPORT

Meeting Type: Sandu Urban Renewal Agency
Meeting Date: July 20, 2026
From: Jon Legarza, Healthy Sustainable Communities
Subject: Energize Sandy Grant Awards: Cascade Investment and Development; Paola Investments

DECISION TO BE MADE:

Whether to award two Energize Sandy Capital Improvement Grants: (1) a Capital Improvement Grant of up to \$19,335 to Paola Investments for storefront and façade improvements to the Junker Building at 39070–39100 Pioneer Boulevard; and (2) a Capital Improvement Grant of up to \$100,000 to Cascade Investment and Development LLC for the redevelopment of 38888 Pioneer Boulevard into a childcare facility.

APPLICABLE COUNCIL GOAL:

Sandy Urban Renewal Plan, General Goal: Use targeted improvements to encourage private investment in Sandy's downtown and surrounding commercial areas. Section 600B authorizes the Agency to participate through loans, grants, or both in maintaining and improving buildings in the renewal area.

BACKGROUND / CONTEXT:

The Energize Sandy program provides structured financing to support business growth and property investment within the Sandy Urban Renewal Area. The program includes Concept & Feasibility Grants (up to \$25,000) for early-stage planning work and Capital Improvement Grants (up to \$100,000) for permanent building improvements. Capital Improvement Grants reimburse 50% of documented, eligible expenses up to the award cap and require a minimum 50% match from non-grant sources. Consistent with program terms, only expenses incurred on or after the program's February 19, 2026 launch date may be considered for matching purposes, and only expenses incurred after the date of Agency signature on the grant contract are eligible for reimbursement. Staff has reviewed the following two applications and recommends approval.

Paola Investments – Capital Improvement Grant (up to \$19,335)

Paola Investments owns the Junker Building at 39070–39100 Pioneer Boulevard, a historic property in Sandy's downtown core comprising five storefront/tenant spaces. The applicant is completing storefront and façade improvements across the building - demolition of old framing, installation of new cedar window framing and glass, and painting and staining. Two of the five storefronts (39070 and 39080) were completed in 2025, prior to the program's February 19, 2026 launch, and have been excluded

from this request as ineligible. This award is limited to eligible work on the three remaining storefronts (39090, 39090-B, and 39100).

The applicant has documented \$19,334.55 in eligible expenses paid and completed after the February 19, 2026 launch, on this same project, supported by itemized third-party contractor invoices and proof of payment (RANCO Construction, Mt. Hood Glass, and City of Sandy permit fees). The balance of work required to complete the three remaining storefronts is estimated at approximately \$52,000. Consistent with program terms, no grant funds are paid for work already completed; that documented spend is instead credited toward the required 50% match. The grant reimburses 50% of eligible go-forward work on the remaining storefronts and exterior, up to a cap of \$19,335, matching the amount the applicant has already documented. The Junker Building is a recognized historic site, and completing the façade improvements will enhance the appearance and vitality of a prominent downtown block on Pioneer Boulevard.

Note: the attached application document, submitted early in the process, includes a higher requested grant amount. This amount has been revised down to \$19,335, consistent with the program terms.

2. Cascade Investment and Development LLC – Capital Improvement Grant (\$100,000)

Cascade Investment and Development LLC is redeveloping 38888 Pioneer Boulevard - a long-blighted property at the core of the city - into a childcare facility. The scope of eligible construction work is forward-looking and includes: demolition of the north walls and reconstruction behind the property line; new foundation, sidewalks, curbs, and entry landings; installation of plumbing and a stormwater retention/detention system; framing and finishing of the new north walls and porch; an ADA-compliant entry and public civic space; façade enhancement and landscaping; and interior modifications. Total project cost is approximately \$775,000, with a private match of approximately \$675,000 (owner cash, a tenant contribution, and an Anabaptist Financial construction loan). Agency funds would reimburse 50% of documented eligible expenses for permanent improvements, up to \$100,000. The project is expected to create approximately 17 jobs at \$18–\$30 per hour and to increase the property's assessed value to an estimated \$800,000.

[Planning, design, engineering, and permitting for this project](#) (building permit issued March 3, 2026) are already complete and are not included for reimbursement under this grant. This Capital Improvement Grant funds only the forthcoming construction and civil/site work, which has not yet been performed.

KEY CONSIDERATIONS / ANALYSIS:

Both properties are located within the Sandy Urban Renewal Area, and each applicant's private investment exceeds the program's required 50% match. Grant authority for both awards derives from Section 600B of the Sandy Urban Renewal Plan (adopted December 1998; 5th Amendment May 2018, Resolution No. 2018-11), which authorizes the Agency to participate through loans, grants, or both in maintaining and improving buildings in the renewal area, and to provide financial assistance to property owners as the Agency deems necessary to achieve Plan objectives.

Both projects advance Plan objectives identified in Section 300E, including: (1) Improve the vitality of Sandy's downtown core; (2) Make productive use of land in the renewal area; (3) Create opportunities for new development; and (7) Implement the goals and objectives of Sandy's Comprehensive Plan, consistent with the City's Economic Development criteria under Goal 9, as each project can be accommodated by existing water, sewer, and street infrastructure.

The project satisfies the Comprehensive Plan's Economic Development criteria under Goal 9: it is consistent with the City's planning and growth policies, can be accommodated by existing water, sewer,

and street infrastructure, and carries out specific community goals: supporting food and beverage, tourism, and property activation

BUDGET IMPACT:

- Up to \$19,335 to Paola Investments, disbursed as 50% reimbursement of eligible go-forward expenses; documented completed work counts toward the required match.
- Up to \$100,000 from the Capital Improvement Grant program, disbursed as 50% reimbursement of documented eligible expenses.

Combined Agency commitment: up to \$119,335. All awards are subject to the availability of uncommitted Urban Renewal funds. Below is a table summarizing the current status of the Energize Sandy program, not including the two grants being proposed at this meeting.

Energize Sandy Program Status – July 2026

Project	Amount Awarded	Amount Disbursed
Three Creeks: Concept & Feasibility	\$25,000	\$0
Three Creeks: Capital Improvement	\$100,000	\$0
TOTAL	\$125,000	\$ --

RECOMMENDATION:

Staff recommends approval of both grant awards as described herein.

SUGGESTED MOTION LANGUAGE:

"I move to authorize the Executive Director to execute grant agreements for the following projects:

1. \$19,335 Energize Sandy Capital Improvement Grant to Paola Investments for improvements to the Junker Building located at 39070-39100 Pioneer Blvd.
2. \$100,000 Energize Sandy Capital Improvement Grant to Cascade Investment and Development LLC for improvements to the building located at 38888 Pioneer Blvd."

LIST OF ATTACHMENTS / EXHIBITS:

- Paola Investments
 - Capital Improvement Grant Funding Contract
 - Capital Improvement Grant Application (revised request, \$19,335)
- Cascade Investment and Development LLC
 - Capital Improvement Grant Funding Contract
 - Capital Improvement Grant Application