



# STAFF REPORT

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**Meeting Type:** Sandy Urban Renewal Board  
**Meeting Date:** September 3, 2024  
**From:** Kelly O'Neill Jr., Development Services Director  
**Subject:** Grandma's House Childcare Tenant Improvement (Project #24-001 TI)

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## DECISION TO BE MADE:

Approve or deny the expenditure of urban renewal funds for tenant improvements for an upgraded playground for Grandma's House Childcare.

## BACKGROUND / CONTEXT:

This tenant improvement grant was requested by the owner of Grandma's House Childcare, Julie Littlepage. Ms. Littlepage is proposing playground improvements to the [existing childcare facility](#) at 38422 Hood Street. The existing outdoor space has minimal playground equipment and what does exist is plastic residential grade playground equipment which is likely not suitable for heavy usage.

## KEY CONSIDERATIONS / ANALYSIS:

Playgrounds for childcare facilities are an eligible expense in the [Tenant Improvement Grant Program Guidelines](#) per Section IV. 8. (page 3 under childcare businesses). The proposed improvements include the following:

- Construct a playhouse with a ladder and slide.
- Install monkey bars, balance boards, tic-tac-toe boards, chalkboard, a tunnel, a wall with ropes, and an arched bridge.
- Cut and install tractor tires.
- Install a better sand pit and fill it with additional sand.
- Install a 3-foot fence to separate small children from older children, and a 5-foot fence to separate the playground from utility boxes as required by the State of Oregon.

Three contractors, Mathes Construction, Pro V Construction LLC, and Mt Hood Construction Inc submitted bids for the project. The low bid from Pro V Construction LLC totals \$24,675.00 (Exhibit B).

This site (38422 Hood Street) received a façade improvement grant of \$41,500 and a tenant improvement grant of \$30,000 for the construction of the building. Those two grant awards were applied for in 2020 and were closed in October 2022 with completion of the building. Both of those grants were awarded to the property owner, Richard Minor, not the tenant, Julie Littlepage. Awarding a tenant improvement grant to Grandma's House Childcare would not violate the grant provision that no property shall receive more than \$60,000 in tenant improvement grant funding within a five (5) year period, as this grant would bring the total to \$42,337.50.

In accordance with the tenant improvement contract, the playground assets will be required to stay with the property even if Grandma's House Childcare relocates.

**BUDGET IMPACT:**

**\$12,337.50** (50 percent of the total project cost of \$24,675.00)

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

<b>PROJECT</b>	<b>COST</b>
Sandbar BBQ ADA parking	\$9,660.00
Tollgate Inn Covered Structure renderings	\$850.50
Tollgate Inn Covered Structure	\$65,679.66
Tollgate Inn Covered Structure Change Order	\$13,135.94
Sandy Underground TI Grant	\$30,000.00
All County Surveyors Façade Grant	\$40,429.00
Demolition of Pioneer Blvd. Boarding House	\$11,200.00

**TOTAL = \$170,955.10**

**RECOMMENDATION:**

Staff recommend approval of this tenant improvement grant as it creates a more suitable playground for children at Grandma's House Childcare.

**LIST OF ATTACHMENTS / EXHIBITS:**

Exhibit A. Tenant Improvement Grant Application

Exhibit B. Bids and Supporting Documents, including schematic from Pro V Construction