

MEMORANDUM

To: Mayor and City Council Members

Cc: Gregg Mandsager, City Administrator
Steven Boka, Director of Community Development

From: Jim Rudisill, Planning/CD Coordinator

Date: January 4, 2013

Re: **CDBG Downtown Revitalization Grant Application In-Depth Meeting**

INTRODUCTION:

The Community Development Block Grant (CDBG) Downtown Revitalization Program application window is currently open. The Iowa Economic Development Authority (IEDA) will receive application until 11:59 p.m. January 30, 2013.

Successful applications from communities the size of Muscatine could be awarded up to \$500,000 for building façade improvements and other downtown revitalization projects. To qualify for the program, applications must meet at least one identified national objective. The Muscatine Community Development staff has identified the slum or blight national objective as the best suited for an application from the city.

A targeted area of the downtown has also been identified, comprised of 27 buildings located along the south side of the 100 and 200 blocks of East Second; and the east side of the 100 block of Iowa Avenue. Fourteen separate owners/owner groups control these buildings and city staff has invited these owners to attend at least one of the two public information meetings conducted to explain the program. The staff has also met individually with owners who own or control more than one building within the target area or who has been asked to contribute professional services required as part of the application.

Eight of the fourteen owners, who collectively control 21 of the 27 properties included in the proposed target area have attended a meeting. All of them have indicated support for the application and favor moving forward with it. At least one owner who has not attended a meeting has expressed interest in it. In addition, one owner who has attended a public information meeting has indicated he plans to talk to a neighboring owner who has not attended the meeting, with the intent of persuading the uncommitted owner to participating.

If Muscatine is awarded a grant, an 18-month contract would be signed between the state and the city. The contract would require the revitalization projects to comply with various federal programs, including Davis-Bacon, historic preservation and other regulatory guidelines. Building owners will be asked to sign temporary easements of 5-7 years to assure any work conducted under the program is not altered in the near future.

BACKGROUND:

The CDBG Downtown Revitalization Program has been in operation for several years. During that time, a number of Iowa communities have participated in the program and have successfully renovated their downtowns. Although the revitalization projects will need to meet "Green Criteria", it does not appear there will be enough time to develop an application that specifically targets funding under any "green" program,.

The local effort does envision using the public CDBG funding to leverage other public and private funds and create a larger and more substantive project than either pool of money could on its own.

The basic intent of Muscatine's project will be to beautify and stabilize the rear facade of the buildings within the target area by relocating the electrical lines serving the buildings underground. As the front door to Muscatine's downtown for traffic driving along Mississippi Drive, these facades offer a distressing initial view for local residents and visitors. In addition, many of the residents in the upper stories of these buildings do not have an opportunity to fully enjoy their residences' view of the river or other outdoor amenities because of the wires.

The buildings also suffer brick, mortar and other deterioration because of the electrical services attached to them. Relocating these services, in cooperation with Muscatine Power and Water, which already completed much of the preliminary underground work, will provide an opportunity to repair and restore much of this deteriorated masonry. Other work, such as window and door repair, will also be completed as funding is available.

Much of this work will be completed using building renditions and design work completed as part of the grant application by local architect Tom Bankhead, one of the downtown owners included in the target area.

Upon completion of the building restoration, the city will then restore the surface of all affected alleys.

RECOMMENDATION/RATIONALE:

Based on property owners' interest, the staff recommends the city draft and submit an application. Final approval of this decision is requested to be made at the council's January 17, 2013 meeting.

BACKUP INFORMATION:

1. List of building owners