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**COMMUNITY DEVELOPMENT
MEMORANDUM**

Planning,
Zoning,
Building Safety,
Construction Inspection Services,
Public Health,
Housing Inspections,
Code Enforcement

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 14, 2013

Re: **2013 CDBG Downtown Revitalization Grant Application**

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, with guidance from the IEDA 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. The staff has held a series of meetings with local property owners to determine interest and support in the application. A total of eight owners, who collectively own, control or anticipate controlling 21 of the 27 properties within the target area, have expressed support for the application. The Greater Muscatine Chamber of Commerce and Industry has also informally expressed support. Muscatine Power and Water has also been contacted about participating in the project.

The city council held a public hearing on the proposed application at its January 3, 2013 meeting; and also held a review of the program at its January 10 in-depth meeting.

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. Funding may also be available through various state "green" programs.

The local effort envisions the public funds being used to leverage other public and private funds to create a larger and more substantive project than either pool of money could on its own. A variety of guidelines are used to preserve the downtown's historical features and ensure all work complies with existing federal and state regulations.

The proposed application will include a project scope that calls for relocating of electrical lines to

**"I remember Muscatine for its sunsets. I have never seen any
on either side of the ocean that equaled them" — Mark Twain**

provide underground service. This will allow owners to upgrade second and third story residences and provide opportunities for masonry stabilization and other work.

RECOMMENDATION/RATIONALE:

Based on property owners' interest, the staff recommends the city draft an application.

BACKUP INFORMATION:

1. **Grant Approval Table**

RESOLUTION NO. _____

**A RESOLUTION APPROVING THE SUBMISSION OF A COMMUNITY DEVELOPMENT
BLOCK GRANT APPLICATION FOR DOWNTOWN REVITALIZATION IN THE CITY OF
MUSCATINE, IOWA**

WHEREAS, the City of Muscatine (City) has conducted or supported downtown revitalization programs in the past; and

WHEREAS, the city has discussed the need for additional downtown revitalization with community residents and business owners; and

WHEREAS, the city has received notice of funding assistance for downtown revitalization projects through the Iowa Economic Development Authority (IEDA) Community Development Block Grant (CDBG) Downtown Revitalization Program; and

WHEREAS, the IEDA has published regulations related to applying for downtown revitalization funding through the 2012 CDBG Downtown Revitalization Program; and

WHEREAS, said CDBG funding for downtown revitalization cannot exceed \$500,000 for communities the size of Muscatine; and said CDBG application is due at IEDA no later than 11:59 p.m. on January 30, 2013; and

WHEREAS, the City of Muscatine held a public hearing on January 3, 2013 to review the proposed application with the public and held additional discussion on the proposal during its January 10, 2013 in-depth meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA to submit a 2013 CDBG Downtown Revitalization Program application for the purpose of revitalizing a targeted area of the downtown as previously described to the council during the January 3, 2013 public hearing and the January 10, 2013 in-depth meeting.

PASSED, APPROVED, AND ADOPTED this 17th day of January 2013.

**BY THE CITY COUNCIL OF THE
CITY OF MUSCATINE, IOWA**

Attest:

DeWayne M. Hopkins, Mayor

Gregg Mandsager, City Clerk

DATE: January 14, 2013

TO: Muscatine City Council

PROJECT TITLE: Restoring the Past in Muscatine's Historic Downtown

ACTION REQUESTED: Approve submission of a Community Development Block Grant (CDBG) application to the Iowa Economic Development Authority (IEDA)

CITY'S ROLE & OBLIGATION: The City will serve as the fiscal agent and oversee the project, including the revitalization activity.

PROJECT DESCRIPTION: The purpose of the project is to revitalize around 27 buildings located on the south side of the 100 and 200 blocks of E. Second; and the west side of the 100 block of Iowa Avenue in the community's downtown. Work will include relocation of electrical lines, building renovation and other site improvements, using a combination of grant funding and private assets. The project will hopefully increase the incentive to other owners in the area to improve their properties and will boost economic development through local equipment, material and contracting services purchases.

BACKGROUND /RATIONALE: The project will help improve deteriorated buildings that are currently contributing to the community's slum and blight designation. This application will build on the momentum created from identifying the downtown as a National Historic District. It will also provide property owners with an opportunity to leverage funds they may have previously committed to property improvement

PROJECT DURATION: 18 months, subject to notice of funding award

BUDGET: \$500,000.00 (maximum grant award – project budget will be higher)

FUNDING SOURCE(S): No matching funds have been committed by the property owners at this time. Soft commitments will eventually be submitted. Easement ranging from five to seven years will be required from any participating property owner.