

AGENDA REPORT

To: Mayor Pat Humphrey and the Clare City Commission
From: Ken Hibl, City Manager
Date: May 31, 2018
RE: Grant Close-Out Public Hearing – Downtown Façade Grant

For the Agenda of June 4, 2018

Background. The City requested and received a Community Development Block Grant (CDBG) for \$333,852 in 2015 to assist business owners make improvements to six commercial buildings housing the following businesses in the City's downtown district: The Venue, Downtown Millie's, Brewin' on McEwan, and three buildings owned by Cops & Doughnuts. Two of the proprietors and/or building owners (Brewin' on McEwan & Downtown Millie's) decided to withdraw from the grant program; the facades for the remaining four buildings have been completed. The final payments have been made to the business owner's construction contractors; consequently, we can now take the required steps to request the grant be closed.

The process for closure of the grant is outlined in Chapter 13 of the MEDC's CDBG Guidelines. Item 5 of Section 1 of the Guidelines requires that the City provide a synopsis of the benefits of the project and hold a public hearing to receive comment regarding the project. Requisite notice (*copy att'd*) of the hearing was made; a condensed overview of the project and its benefits follows: the facades of the buildings located at 501, 517, 521, and 523 McEwan Streets have been revitalized to a near-facsimile of their respective historic origin. The improvements to these buildings have made a significant aesthetic impact to the entire downtown district. These cataclysmic improvements have caused multiple neighboring property owners to make significant private investments to improve and revitalize the facades of their respective downtown business buildings. The private investment continues today with improvements in progress at 601 McEwan and planned façade improvements scheduled for the Doherty Hotel. Final cumulative investment in these improvement projects totaled \$184,258 in grant funds; \$156,042 in private funds; and \$6,054 in local match (foundation grant) funds.

The Commission is asked to conduct the requisite public hearing and subsequently approve a request to MEDC to close the grant.

Issues & Questions Specified. Should the City Commission hold the required public hearing and approve the request for grant close-out?

Alternatives.

1. Hold the hearing and approve the submittal of a request for grant closure..
2. Do not hold the hearing and deny the request for grant closure..
3. Set aside the decision regarding this matter to a later date.

Financial Impact. Closure of the grant will allow the City to apply for future grant opportunities.

Recommendation. I recommend that the City Commission hold the requisite public hearing and approve the submittal of a request to MEDC to close the grant by adoption of Resolution 2018-067 (*copy attached*).

Attachments.

1. Public Notice.
2. Resolution 2018-067.



CITY OF CLARE

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CITY OF CLARE NOTICE OF CLOSEOUT PUBLIC HEARING FOR MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING FOR THE CLARE FAÇADE IMPROVEMENT PROJECT

The City of Clare will conduct a closeout public hearing on June 4, 2018 at 6:00 pm at Clare City Hall, 202 W. Fifth St., Clare, MI 48617, for the purpose of affording citizens an opportunity to submit comments and receive a final report on the completion of the CDBG Façade Improvement grant.

The CDBG grant provided funding to assist in rehabilitation of buildings located within the Downtown Development Authority district. The CDBG project benefitted at least 51% low to moderate income persons; zero persons were displaced as a result of the project.

Interested parties are invited and encouraged to comment on the project in person at the public hearing or in writing through the close of business on June 4, 2018 and addressed to: City Clerk, 202 W. Fifth St., Clare, MI 48617.

The City of Clare is an equal opportunity provider and employer.

City of Clare
Diane Lyon, City Clerk
989-386-7541 x106



RESOLUTION 2018-067

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE CLOSE-OUT OF A MICHIGAN ECONOMIC DEVELOPMENT CORPORATION (MEDC) COMMUNITY DEVELOPMENT BLOCK GRANT FOR A DOWNTOWN FAÇADE IMPROVEMENT PROJECT.

WHEREAS, the City of Clare applied for and received a Downtown Façade Improvement Community Development Block Grant (CDBG) from the Michigan Economic Development Corporation to (MEDC) improve the facades of six privately owned commercial buildings in the City's downtown district; and

WHEREAS, the property owners of four of said buildings accepted and completed the improvements of the facades of their respective commercial buildings while the property owners of the two remaining commercial buildings decided to withdraw from the project; consequently there are no remaining elements of work related to said grant that need to be accomplished; and

WHEREAS, the City Commission conducted a public hearing at a regularly scheduled commission meeting on the 4th day of June 2018 to advise the public of the benefits of the project and receive public comment pertaining to said street and water main improvement project; and

NOW THEREFORE BE IT RESOLVED THAT the Clare City Commission hereby declares that all work related to the Community Development Block Grant provided to the City of Clare to improve the facades of four qualified, privately-owned commercial buildings in the downtown district of the City of Clare has been completed and the City has received major benefit from said project, said benefit not being possible without the fiscal assistance provided by the Michigan Economic Development Corporation and the grant proceeds.

BE IT FURTHER RESOLVED THAT the City Commission hereby requests that the Michigan Economic Development Corporation take actions required and necessary to close said grant.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 4th day of June 2018.

Diane Lyon, City Clerk