



INFORMATION MEMORANDUM

TO: Mayor and City Council

FROM: Gary D. Greer
City Manager

DATE: May 19, 2015

SUBJECT: Approval of Resolution No. 2015-052 approving a façade grant for 13720 Midway Road; Ste. 200

In 2012, a Commercial Facade Revitalization Program (Program) was developed and funded to encourage property owners to enhance the publicly viewed areas of their buildings. The Program is set up as a single payment reimbursement to property owners per building/business, and in some situations, tenants. Facade grants are available up to a 50/50 matching basis with a minimum project value of \$2,000 and a maximum reimbursement of \$50,000 per grant, unless otherwise approved by the City Council. Since the Program's inception, four grants have been approved: 12879 Josey Lane, 12895 Josey Lane, 3212 Beltline Road, and 2914-2920 Valley View Lane.

There is currently a \$209,860 balance in the fiscal year 2014-2015 budget for this Program.

DISCUSSION:

BH Properties owns eleven office buildings along Midway Road between Alpha and Sigma. Three of the buildings have recently been renovated. The owner learned about the facade grant program and is applying for three buildings located at 13610 Midway Road, 13740 Midway Road (Suite 700), and 13720 Midway Road (Suite 200).

The 13720 Midway (Suite 200) property is 23,130 square feet of one story warehouse/wholesale space. A permit has not been filed with the Community Services Department. The façade grant application submitted to the Economic Development Department on April 3, 2015 lists the project value at \$68,000. The applicant is requesting \$34,000 for this property.

The applicant lists planned improvements include adding stucco and molding to the exterior of each property.

BH Properties has filed building permits with the Community Services Department for the following properties:

| <u>Location</u> | <u>Contractor Valuation</u> | <u>Lease Space SF</u> | <u>Received Final Inspection</u> |
|-------------------------------------|-----------------------------|-----------------------|----------------------------------|
| 13608 Midway | \$35,001 | 1,800 | No |
| 13614 Midway | \$45,001 | 9,552 | No |
| 13740 Midway, 500 | \$45,001 | 14,495 | No |
| 13740 Midway, 600 | \$35,001 | 9,821 | No |
| 13604 Midway | \$40,001 | 13,586 | No |
| 13720 Midway, 100 (August 2014) | \$42,500 | 23,134 | No |
| 13720 Midway, 100 (January 2015) | \$47,500 | 23,134 | No |
| 13740 Midway, 800 | \$18,000 | 9,821 | No |

Properties for which the applicant is requesting a façade grant:

| <u>Location</u> | <u>Contractor Valuation</u> | <u>Lease Space SF</u> | <u>Grant Amount Requested</u> |
|-------------------|-----------------------------|-----------------------|-------------------------------|
| 13610 Midway | \$130,000 | 14,938 | \$50,000 |
| 13740 Midway, 700 | \$130,000 | 14,565 | \$50,000 |
| 13720 Midway, 200 | \$68,000 | 23,130 | \$34,000 |

The applicant submitted a commercial façade grant application for 13720 Midway (Suite 200). On June 17, 2014 City Council denied the application.

RECOMMENDATION:

The Facade Grant Program was originally designed to revitalize the Josey Lane and Valley View area but remains open to all areas of the City for application. Texas Security Bank renovated 3212 Beltline Road with the assistance of the facade grant program helping improve the rezoning of the Beltline corridor.

City Administration does not believe the Midway corridor is distressed and recommends denying Resolution No. 2015-052.

Possible Council Action:

1. I move to approve Resolution No. 2015-052 awarding Economic Development Incentives pursuant to the Commercial Façade Grant Program for 13720 Midway Road, Suite 200.
2. I move to approve Resolution No. 2015-052 awarding Economic Development Incentives pursuant to the Commercial Façade Grant Program for 13720 Midway Road, Suite 200, with modifications.
3. I move to table the item or take no action.