



MEMORANDUM

To: Mayor and Members of the City Council

From: Rich Olson, City Manager

Date: November 9, 2016

Re: Consideration – Hold a Public Hearing on the Downtown Improvement Grant Program Application for Shingle Landing, LLC

BACKGROUND:

The City of Elizabeth City Downtown Improvement Grant (DIG) Program is in the fourth year of focusing on improving Life Safety Code compliance, ADA compliance, repairs to electrical, plumbing and mechanical systems, and necessary structural repairs in the Downtown sector of the City.

\$80,000 has been budgeted for DIG Grants for FY 2016-2017. Six (6) DIG applications were submitted for the first round of grant consideration. Three (3) are being recommended for approval, with a total combined grant outlay of \$51,070.00. The City has expended \$20,000.00 this fiscal year on the DIG program. This was spent for a DIG application approved in FY2015-2016, but was not closed out until this fiscal year.

ANALYSIS:

George Jackson, managing member of Shingle Landing, LLC, is requesting financial assistance to renovate a structure at 606B East Colonial Avenue. The building is referred to on the 1896 Sanborn Map (No. 3) as the "C.W. Overman Livery." Its physical location is in between the current Hoppin' Johns restaurant and the back portion of the former Weatherly Candy Factory, and is only accessible from the Colonial Street-Elizabeth Street alleyway. The proposed business will be a nano-brewery and tasting room. A nano-brewery is a brewery that brews in batches of three barrels or smaller. In his application, Mr. Jackson requests a \$20,000.00 grant award toward a total project of \$60,102.00.

If awarded, the funds will be applied to the following building improvements:

- Pouring of a concrete floor
- Construction and plumbing of two ADA compliant bathrooms
- Plumbing and installation of two, 3-compartment sinks

- Installation of a 5-ton HVAC system to be installed on a platform on the roof
- Refurbishing, insulating, and fire-proofing south end ceiling and stud wall.
- Repair, sealing, and refurbishing brick work on three internal brick walls
- Removal of current entry structure on the North end of the building and replacing the existing galvanized roof with a raised seam steel roof and the addition of a new entry door into the structure.
- Pouring of a concrete landing and ADA access ramp with a three step entry from the landing
- Restoration and installation of three original windows
- Restoration and installation of two original doors.

Application for Zoning Permit has not yet been filed with the City Planning Department. It cannot be filed until such time as the business use has been added to the City's UDO. A Certificate of Appropriateness has been issued for this project.

Shingle Landing, LLC has signed a one-year commercial lease agreement with Ghost Harbor Brewing Company for the purpose of operating a nano-brewery and tasting room. Days of operation are anticipated to be: Thursday evening (5-9 pm); Friday and Saturday evenings (5-10 pm); and Sunday afternoons (1-7 pm).

The Ghost Harbor Brewing Company operation proposes to employ two (2) full-time and two (2) part-time persons. It is anticipated to be operational within six months of the issuance of an occupancy permit.

Included in the application are two comprehensive project bid summaries, with accompanying sub-contractor quotes.

The following individuals have visited the site for review of project details: Rich Olson, City Manager; Angela Cole, Assistant City Manager; June Brooks, Planning Director; Brent Thornton, Building Inspector; Chris Carver, Assistant Fire Chief; and Deborah Malenfant, ECDI Director. A summary of their findings is attached as part of this recommendation. It is noted that all initial preliminary review approvals are pending submission of detailed drawings and the issuance of all appropriate permits.

The following individuals rated and scored the application: Rich Olson, City Manager; Angela Cole, Assistant City Manager, June Brooks, Planning Director; Wayne Harris, Elizabeth City-Pasquotank County Economic Development Director. The composite score of the matrix rating system for this application is 78.12.

After the presentation of this request during the October 31, 2016 Council meeting, the Council called for a Public Hearing on this matter to be held during the November 14, 2016 Council meeting.

FINANCIAL:

The Finance Committee discussed this matter during their meeting of November 9, 2016. During the discussion, staff requested that a condition be placed on the award to require

that the money be spent by June 1, 2017. The Finance Committee agreed to the suggested condition. Upon motion made by Mayor Peel, seconded by Councilman Donnelly, the committee recommended approval of the grant request to Shingle Landing.

STAFF RECOMMENDATION:

At the conclusion of the public hearing:

By motion, approve Shingle Landing, LLC's Downtown Improvement Grant Program request in the amount of \$20,000.00, contingent upon City Council approving the addition of the business use to the City's Unified Development Ordinance, and submission of detailed drawings and issuance of appropriate permits from the Inspections Department; and further, require that the grant funding be expended by June 1, 2017.