



MEMORANDUM

TO: Members of the Finance Committee

FROM: Rich Olson, City Manager
Morgan Jethro, Community Development Manager

DATE: January 5, 2016

RE: Consideration – Application for Downtown Improvement Grant received from Christ Episcopal Church

BACKGROUND:

The City of Elizabeth City Downtown Improvement Grant (DIG) Program is in its third 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.

Christ Episcopal Church is the third DIG application the City received this year. The City has expended \$67,405 this fiscal year on the DIG program. Most of the monies spent were for DIG applications approved in FY 2014-2015; but were not closed out until this fiscal year. Before any of the DIG applications can be awarded, a budget amendment will need to be approved by the City Council. The budget amendment is a companion item, which will need to be adopted prior to any DIG application being considered.

ANALYSIS:

Christ Episcopal Church is requesting \$9,152 in financial assistance to renovate the commercial property they own located at 513 E. Fearing Street. The property was utilized previously as JoVon Fashions, a ladies clothing store; and it has been vacant for approximately nine months. The church received a DIG in July 2015 for interior renovations of the same property in the amount of \$10,229 and was successful in its completion.

This second grant comes before the 12 month waiting period before another grant application is permitted pursuant to City Council DIG Rules. It should be

noted that the combined amount of the first grant received and the second proposed grant totals \$19,381.

An executed lease between the Church and the pending tenant, a jewelry store DBA "Eclectic Designs" is attached. They intend to begin operation in May 2016, pending DIG approval. The business proposes to employ 2 full time persons.

The proposed improvements include:

- Prime, caulk, spackle interior windows, trim, and doors.
- Interior Painting (painting supplies will be furnished by Christ Episcopal Church).
- Replacement of 29 windows with double pane, energy efficient windows.
- Replacement of 2 awnings.

Building Inspector Brent Thornton and Community Development Manager Morgan Jethro have visited the site. Thornton noted that an electrical permit would be required in order to address small outstanding issues in the rear of the building.

The composite score of the matrix rating system is 64.5.

While this is the second grant application within a 12 month period, staff recommends approval by limiting the total amount to the \$20,000, which is the annual maximum award allowed under the program.

July 2015 Grant	\$10,229.00
<u>January 2016 Grant</u>	<u>\$ 9,152.00</u>
	\$19,381.00

STAFF RECOMMENDATION:

By motion, recommend that the City Council waive the requirement of one application per twelve months and approve the DIG application submitted by Christ Episcopal Church in the amount of \$9,152.

The Scoring and Project Photographs are provided on the following pages.

The grant application and Lease Agreement are also attached.

The lease agreement is available for inspection by members of the City Council in the City Manager's Office.

Program Goals

Olson Jethro Brooks Cole Average

A: Occupancy & Job Creation

1. New Executed and/or signed lease agreement for vacant building/unit (20 points), current lease for occupied building/unit (10 points)					
2. New authorized Zoning Permit and Privilege License (10 points)					
3. Employment/Job Creation (2 or more new permanent jobs) 2.5 points per job, max 20 points	40	25	35	25	31.25

B: Life Safety Code(s) Compliance

1. Building, electrical, and/or plumbing new/upgrades (5 points)					
2. ADA Compliance improvements (5 points)					
3. Weatherization (5 points) including windows					
4. Mechanical work, including insulation, mechanical systems/climate control (5 points)	20	5	10	15	12.5

C: Exterior Aesthetics & Façade – New/upgrades

1. Exterior shutters, lighting fixtures, awnings and other appurtenances (5 points)					
2. Repointing mortar joints, stucco replace/repair and painting (5 points)					
3. Exterior doors and hardware, stairs, porches, railing, balustrade and exit facilities (3 points)	10	13	5	5	8.25
4. Signage (2 points)					

D: Interior Remodel/Renovation

1. Interior stairs, porches, railing, balustrade and exit facilities (5 points)					
2. Interior walls, including cleaning, sealing, tuck pointing and painting (5 points)					
3. Repair or replacement of flooring (5 points)					
4. Repair or replacement of ceiling (and roofing affects) (5 points)	15	10	10	15	12.5

85 53 60 60 64.5





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Christ Episcopal Church
200 S. McMorrine Street
Elizabeth City, NC 27909
(252) 338-1686 (office)
(252) 338-3029 (fax)

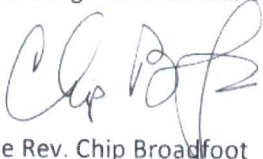
December 8, 2015

City of Elizabeth City Planning & Community Development Dept.

On behalf of Christ Episcopal Church, located at 200 S. McMorrine Street in Elizabeth City, and the application for the Downtown Improvement Grant for the property at 513 East Fearing Street, formerly JoVon's Fashions, this letter shall serve as our "Project Timetable." This timetable is based on very recent conversations with a choice of our most likely General Contractors, assuming a Grant award would be approved or denied some time in late January, 2016.

Collectively we can commit to starting the actual project within thirty (30) days of being notified of the award, and the project is planned to be completed within thirty (30) days of work commencing. In conclusion, the project is scheduled to be 100% complete within sixty (60) days or less of award decision date.

When all our work is completed, we have secured a new tenant who plans to open a jewelry store and begin operations by May, 2016. This project will ensure our smooth transition into an open and operating vital business concern in our downtown area.



The Rev. Chip Broadfoot
Rector

Christ Episcopal Church
252-333-2276 (mobile)

fatherchip@christchurchecity.org



City of Elizabeth City
Downtown Improvement Grant Program
Fiscal Year 2014-2015

Grant Application

Date: Dec. 8, 2015
Applicant Name: Christ Episcopal Church, % Robinson Charity Fund
Business Name: Vacant
Mailing Address: 200 S. McMorrine Street, EC, NC 27909

Type of Business: Clothing retail Tenant of 27 years just moved out, originally Bus Station

Number of Employees: N/A 2 Full Time: N/A 2 Part Time: N/A _____

General Hours of Operation: TBD

Does Business Generate Taxable Sales? Yes No

Tax Identification Number: _____

Property Address: 513 East Fearing Street, EC, NC 27909

Business Owner: _____

Phone Number: _____

Email Address: _____

Property Owner: Christ Episcopal Church, % Robinson Charity Fund

Phone Number: 252-338-1686 or 252-256-1279 Alex Rich

Email Address: cecadministrator@embarqmail.com (Diane Hendrix) or
alexanderbrich@gmail.com (Alex Rich)

Contact Person (if not listed above): Diane Hendrix, Administrator, Patsy McGee, Jr. Warden

Phone Number: 252-338-1686 (Diane) 252-339-7727 (Patsy)

Email Address: cecadministrator@embarqmail.com patsymcgee@williamewood.com

Grant Type: Exterior Interior Interior & Exterior

Requested Grant Amount: \$9,152.00

Source of Matching Funds: \$9,152.00 CHRIST EPISCOPAL CHURCH

Total Project Cost: \$18,304.00

Description of Project and how it will support new and/or expanded business development:
(Attached additional page, if necessary)

Historic building built around 1900 was occupied by ladies clothing store for 27+ years until recently, Inspectors identified several improvements needed to meet codes (requirements before we can acquire new tenant & increase downtown occupancy) including electric updates and restrooms. Space is very dated and other improvements needed include removing old drop ceiling & lighting, reworking the three non functioning or barely functioning restrooms, repairing old windows, new flooring, and improved access.

Additional Information: (Please feel free to add any information you think would be valuable to the Elizabeth City Council when considering this application.)

This building is owned by the Robinson Charity Fund which is governed by the Vestry of Christ Episcopal Church, and the Fund's directive is to distribute 75% of net income (which is derived from rental income of 513 E Fearing and investment income from securities) after expenses to local charitable organizations. Therefore, any grant proceeds will assist Christ Episcopal Church in being able to restore rental income for this building, which leads to 75% of net income after expenses being reinvested into local charitable organizations. Details on previous years contributions, amounts, and recipients available upon request.

If awarded a Downtown Improvement Grant, I the Vestry of Christ Episcopal Church, understand that I will have to follow all the requirements of the program and by choosing to not follow these requirements, I understand that grant funds may be revoked by the City of Elizabeth City.

Walter M. B. [Signature]
(Signature of Grant Applicant)

Date: Dec. 8, 2015

PROPERTY OWNER AUTHORIZATION

(This portion of the application must be completed if applicant is not the property owner.)

I, Vestry of Christ Episcopal Church c/o Robinson Charity Fund (W. Brock Mitchell, Senior Warden; Patsy McGee, Junior Warden), hereby affirm that I am the owner of property located at 513 E. Fearing Street, Elizabeth City, NC and that I give my authorization for Christ Episcopal Church c/o Robinson Charity Fund to make the improvements outlined and described in the foregoing Grant Application. If for any reason the property is sold within 36 months, such grant shall be repaid to the City of Elizabeth City.



Date: December 8, 2015

(Signature of Property Owner, Sr. Warden and/or Jr. Warden)

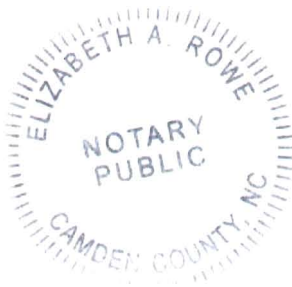
State of North Carolina
County of Pasquotank

W. Brock Mitchell personally appeared before me and being first duly sworn declared that he signed this application in the capacity designated, if any, and further states that he has read the foregoing application and the statements contained therein are true.

December 8, 2015



Elizabeth A. Rowe, Notary Public
My Commission Expires: 8/16/2018



December 8, 2015

Madrin Realty Services
122 Bayshore Drive
Elizabeth City, NC 27909

Proposal submitted to:
Christ Episcopal Church
200 S. McMorrine Street
Elizabeth City, NC 27909

Job site:
Former JoVon Fashion Building
513 E. Fearing Street
Elizabeth City, NC 27909

Job scope:

1. Prep, prime, caulk, spackle and paint interior and exterior window trim and doors	\$ 2,450.00
2. Paint and painting supplies (furnished by Christ Episcopal Church)	\$ 650.00
3. Replace 29 existing window with double-pane low E and argon fill.....	\$13,437.00
4. Replace 2 awnings.....	<u>\$ 1,700.00</u>
Total.....	\$18,304.00

December 8, 2015

Billy Gregory
493A Okisko Road
Elizabeth City, NC 27909

Proposal submitted to:
Christ Episcopal Church
200 S. McMorrine Street
Elizabeth City, NC 27909

Job site:
Former JoVon Fashion Building
513 E. Fearing Street
Elizabeth City, NC 27909

Job scope:

1. Remove and Replace all 29 existing windows with vinyl windows. Needed wood replacement included in this section.....	\$22,504.00
2. Paint exterior window trim & interior walls and trim.....	\$ 3,167.00
3. Remove and Replace 2 awnings.....	<u>\$ 1,700.00</u>
Total.....	\$27,371.00