Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: N/A Resolution No.: 20 - ___	City Council Meeting Date: 3-27-2023

Subject/Title

Resolution authorizing the Mayor to submit an application to the Iowa Economic Development Authority's Community Catalyst Remediation Program on behalf of VEN Total Healthcare for the property located at 29 South Main Street.

Location

29 South Main Street

Background/Discussion

Background

The Iowa Economic Development Authority (IEDA) administers the State's Community Catalyst Remediation Program. Through this program, IEDA provides grants to communities for the redevelopment, rehabilitation or deconstruction of buildings to stimulate economic growth or reinvestment in the community.

The maximum grant award is $100,000 and only one application per community can be submitted per year. Strong applications show (1) the potential of catalytic economic growth in the community; (2) improve appearances & safety; (3) make use of underutilized property; (4) exhibit appropriate design standards; and (5) be well-funded. Economic growth may include the creation of additional jobs, growth of new or existing businesses, development of new housing units, increase property values, or potential population growth.

Discussion

Staff has been working with the VEN Total Healthcare to complete an application for funding for the redevelopment of 29 South Main Street. VEN currently owns the property and plans to repurpose the building into an outpatient mental healthcare clinic specializing in medication management, individual and group therapy, psychological and neurological testing and sleep studies. Additional treatment options will include depressive disorders and suboxone treatment for opioid addiction.

Total costs are estimated at $626,500. Other sources of funds include bank financing. VEN also plans to apply for the City's Downtown Improvement Grant. As an underutilized building, staff believes the proposed project meets the criteria outlined for the Community Catalyst program.

Staff Recommendation

The Community Development Department recommends City Council adopt a resolution authorizing the Mayor to execute and submit an application to the Iowa Economic Development Authority for Community Catalyst Remediation Program on behalf of the VEN Total Healthcare for the property located at 29 South Main.