



# MEMORANDUM

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**TO:** Mayor and City Councilors

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

**DATE:** February 20, 2014

**RE:** Consideration – Award of Downtown Improvement Grant to Shingle Landing, LLC

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***BACKGROUND:***

The City of Elizabeth City Downtown Improvement Grant (DIG) Program is a part of the City's goal to encourage economic development; and it is designed to address safety issues and improve the aesthetics of the downtown district. The downtown district is generally defined as the area between Road Street and the Pasquotank River and Elizabeth Street and Ehringhaus Street.

City Council authorized \$80,000 be allocated towards improvements to address safety issues and improve aesthetics of the downtown. The main focus of the DIG program is to focus on Life Safety Code compliance, ADA compliance and repairs to electrical, plumbing, and mechanical systems, as well as necessary structural repairs. Commercial properties are the only parcels eligible, since the improvements will lead to job creation in the downtown area. If the property is zoned for both residential and commercial use, grant funds and the required matching funds may only be used for the commercial property portion of the property. The property owner must match the grant funds dollar for dollar, with a minimum award of \$2,500 and a maximum amount of \$20,000. The property may not be sold within 36 months of the completion of the grant; otherwise the amount of the grant must be repaid to the City of Elizabeth City by the property owner.

***ANALYSIS:***

Shingle Landing, LLC, owners of the property located at 606 East Colonial Avenue, also known as “Logan Ray’s”, are requesting financial assistance to repair the roof, and install a five-ton HVAC system. According to the application provided by the owners, the roof of the structure continues to leak after unsuccessful “patching” attempts, causing interior ceiling damage and interior leaks. It should be noted that the interior leaking occurs in the customers’ seating area, which creates a potentially hazardous condition. Additionally, a new HVAC system is necessary to keep the downtown eatery at a comfortable temperature for patrons and employees. It is noted that during extreme weather, guests frequently leave the establishment due to an inability to keep the inside temperature within a reasonable range. Attempts at resolving this matter with portable air conditioning units have been unsuccessful.

In addition to the work covered by this grant request, the owners will address a leak issue that surrounds the kitchen hood on the rear roof area by repairing the areas where water damage has occurred.

All of the proposed projects are grant eligible, according to the Program Criteria.

Project pictures follow. Additional pictures are included in the attached application.

The Finance Committee discussed this matter during their meeting of February 20, 2013 and recommends approval.

***STAFF RECOMMENDATION:***

By motion, approve Shingle Landing, LLC’s Downtown Improvement Grant Program request in the amount of \$11,638.00, for a total project cost of \$23,276.00.

Recap of applications received to date:

<b>Applicant</b>	<b>Initial Funding (\$80,000)</b>	<b>Disposition</b>
<b>River City CDC</b>	-10,906.00	Approved
<b>Carlton Thornton</b>	-8,250.00	Approved
<b>Logan Ray’s</b>	-11,638.00	Pending Approval
<b>Remaining Funding</b>	<b>\$49,206.00</b>	

