# MEMORANDUM

**TO:** Members of the Finance Committee

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

**DATE:** April 11, 2014

**RE:** Consideration-Downtown Improvement Grant Program Application for Robert L. Brown, Jr. (Levels)

***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 of 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.

During the Work Session held on March 24, 2014, the City Council modified the grant conditions and created a scoring rubric to judge all grant applications

beginning with fiscal year 2014-2015 on July 1, 2014. Staff has not applied this application to the new rubric scoring method.

***ANALYSIS:***

Robert L. Brown (Hazyl, LLC), owner of the property located at 400 E. Colonial Ave., is requesting financial assistance to replace the deteriorating roof and elevator shaft, and flashing and roof drains. Additionally, he's requesting funding to replace an inoperable and dated HVAC system. All of the proposed projects are grant eligible, according to the Program Criteria. The elevator shaft improvements are in compliance with the Americans with Disabilities Act, and are connected with necessary roof repairs to prevent further damage.

*City Manager's Concern*: All existing grant applications were submitted prior to any modifications to the DIG guidelines. One of the goals stated in the Vision 2020 Business Climate/Economic Development study was to streamline the City's policies and procedures. A number of these grant applications were filed 90 days ago and still have not been acted on by the Council. I believe the existing applications need to be disposed of by either approving those in the queue or rejecting them. The uncertainty tied to the application process is leaving the application up in the air; and several applicants need to move their project forward with or without City funds.

***STAFF RECOMMENDATION:***

By motion, recommend that the City Council approve Robert Brown's Downtown Improvement Grant Program request in the amount of $16,960.00, for a total project cost of $33,920.00.

| **Requesting Agency** | **Amount** |
|---|---|
| River City CDC | -10,906.00 |
| Carlton Thornton | -8,250.00 |
| Shingle landing/Logan Ray's | -11,638.00 |
| Z. Robertson 500 E. Colonial | -3,790.00 |
| Z. Robertson 510 E. Main | -6,044.00 |
| Z. Robertson 515 E. Main St. | -9,524.00 |
| Robert Brown | -16,960.00 |
| **Remaining Amount** | **$12,888.00** |

**City of Elizabeth City**
**Downtown Improvement Grant Program**
**Fiscal Year 2013-2014**

**Grant Application**

Date: 2-20-2014

Applicant Name: Robert L Brown Jr

Business Name: HAZYL, LLC.

Mailing Address: 400 East Colonial Ave
Elizabeth City NC, 27909

Type of Business: _____

Number of Employees: _____ Full Time: _____ Part Time: _____

General Hours of Operation: _____

Does Business Generate Taxable Sales? Yes ☐ No ☐

Tax Identification Number: _____

Property Address: 400 East Colonial Ave

Business Owner: _____

Phone Number: _____

Email Address: _____

Property Owner: HAZYL, LLC
Robert L Brown Jr

Phone Number: 757-646-6611

Email Address: Treadway23@AOL.com

Contact Person (if not listed above): _____

Phone Number: _____

Email Address: _____

**Grant Type:** Exterior ☑ Interior ☐ Interior & Exterior ☐

**Requested Grant Amount:** ROOF-9,535 - HVAC-7,425 TOTAL 16,960

**Source of Matching Funds:** HAZYL, LLC CHECKING (WELLS FARGO EC)

**Total Project Cost:** ROOF 19,070 - HVAC 14,850 TOTAL 33,920

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

## Repairs of Roof System, Flashing and Roof Drains.

Repairs will cure damaged Roof, with multiple leaks that are causing Structural damage to the Frame work and Elevator Shaft of Building, as well as Water damage to the interior walls of the Building. ( see pics )

## Replacement and Repairs of HVAC Units.

HVAC units are corroded out of date and inoperable (over 30 years old). parts, coils, compressors no longer compatible, with new Freon Code.

The Building is located next to the City Municipal Building, and has been used as a Restaurant, Bar for over 30 years ( zoned Commercial ) . Repairs will help keep Building up to code and in a Tenantable condition

The Building was previously vacant, but now has the opportunity of a lease with the opperators of mamasitas, which plans to bring a new style Restaurant / Bar Downtown. **Creating Jobs and Revenue for E.C.**

.

In addition the Repairs will also be performed by local contractors Gordon Sheet Metal & Roofing Company.
Work would start within 30 days of approval, and be done within 90 days of approval.

Thank you for your consideration.

**If awarded a Downtown Improvement Grant, I** Robert L Brown, Jr **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.**

Robert L Brown Jr

**(Signature of Grant Applicant)**

**Date:** 2-20-2014

# GORDON ROOFING

A DEPARTMENT OF GORDON SHEET METAL
**INDUSTRIAL - COMMERCIAL**
ELIZABETH CITY, NORTH CAROLINA

20 February 2014

Mr. Robert Brown
6306 Sandgate Drive
Suffolk, Virginia 23435

Dear Mr. Brown:

With reference to certain roof repairs to be made on that building at the northeast corner of Colonial Avenue and Martin Luther Drive we are pleased to suggest as follows.

In the case of the front section, it is the intent of our proposal to cut and attach the existing membrane around the perimeter parapet wall and to cover the parapet out on the roof surface to the existing membrane. At the exterior edge of the parapet wall, attach termination bar, properly secured, around the perimeter of the new membrane.

Further, to make attachments to the existing membrane at the seams and between the seams of the field of the roof, to reinforce and secure the existing membrane. All this to be done in consideration of a sum $13,230.00.

In the case of the rear section, it is our intent to secure the membrane at the west parapet. Also, to repair cuts, holes, tears, elevated screws as is deemed necessary and appropriate for the integrity of the roof. In addition, we are to apply new membrane roofing to the elevator shaft housing and install a roof drain in the depressed area of the cricket, all to be in consideration of a sum $5,840.00.

Total Sum 19,070

FOUNDED 1947
BY
MRS. JOSIE GORDON THORSON

POST OFFICE BOX 100 (27907) • 315 SOUTH ROAD STREET • CALL (252) 335-5404 • CRANE SERVICE 335-5163 • FAX 335-5163 • gordonsheetmetal@aol.com

OVER 40 YEARS EXPERIENCE

# ROOF DYNAMICS Inc.

Billy Mason
Estimator

Office: 757-488 1894
Fax: 757-538-1548
Cell: 757-438-5270

**Proposal**

| | |
|---|---|
| PROPOSAL NO | |
| SHEET NO | |
| DATE | 12-17-13 |

| | |
|---|---|
| Proposal Submitted to: HAZY, LLC | WORK TO BE PERFORMED AT: ADDRESS STADIUM 252 |
| | 400 E. COLONIAL RD. ELIZABETH CITY, NC |
| | DATE OF PLANS |
| PHONE NO.757-646-6611 | |

Remove existing EPDM roof. Furnish and install new ½" fanfold EPS insulation and white 60 mil reinforced PVC roof system mechanically fastened. Install new white 24 ga. PVC coated flashing at top of parapet walls. Tear down five old chimneys at Parapet walls and cover with 24 ga. metal. Flash all roof penetrations according to membrane manufacturer's details. Install ½" per ft. Tapered crickets between through wall drains. Install three new 24 ga. conductor head boxes on outside of building. Tie into existing Downspouts. Disconnect duct work as needed to install new roof system. Install new 6" PVC roof drain on lower level rear section Roof. Clean up and remove debris from work performed. Bid includes membrane manufacturer's 15 year material warranty.

NOTE: Permit for closing the road not included.

NOTE: Disconnect or reconnect of roof top units not included.

NOTE: Roof membrane appears to have been pulled free from insulation board due to high winds.

All materials guaranteed to be as specified, and the above work to be performed in accordance with the drawings anc.1 specifications submitted for above work and completed in a substantial workmanlike manner for the sum of Half upon commencement, balance upon completion

Forty two thousand three Dollars ($42,390.00 )with payments to be made as follows.

Hundred ninety

Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control.

Respectfully submitted Billy Moor

Per

Note - this proposal may be withdrawn by us if not accepted within days.

## ACCEPTANCE OF PROPOSAL

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature

Date

Signature

# Joseph Dean O'Banion HVAC Contractor Lic # 28520

Job Site .

**HAZYL,LLC – Robert Brown**

**400 east colonial Ave.**

**Elizabeth City NC 27909**

**Job Description**

**Disconnect and Remove Existing HVAC Units, Including Air Handler and portions of Duct. Evacuate Refrigerant.**

**Install ( 3 ) New 5 Ton Nutone Hvac Units with 13 Seer Efficiency, Including Wiring, HVAC Lines, Air Handler and Portions of the Duct work.**

**( 1 ) 5 Ton HVAC Unit with Air Handler, Installed 4,950**

**Warranty; 5 Year Compressor**

**1 Year Labor**

**1 Year Parts**

**Total Job Cost for ( 3 ) Units 14,850**

**Respectfully ; Joseph Dean O'Banion**

TEMPLE HTG.& AIR

317 GREATBRIDGE BLVD SUITE D
CHESAPEAKE, VA 23320
PH: 757-421-4822
FAX:757-410-4825

# Estimate

| Date | Estimate # |
|---|---|
| 2/21/2014 | 3298 |

| Name / Address |
|---|
| HAZYL, LLC / ROBERT BROWN<br>400 E COLONIAL AVE.<br>ELIZABETH CITY, N.C.27909 |

| Project |
|---|
| |

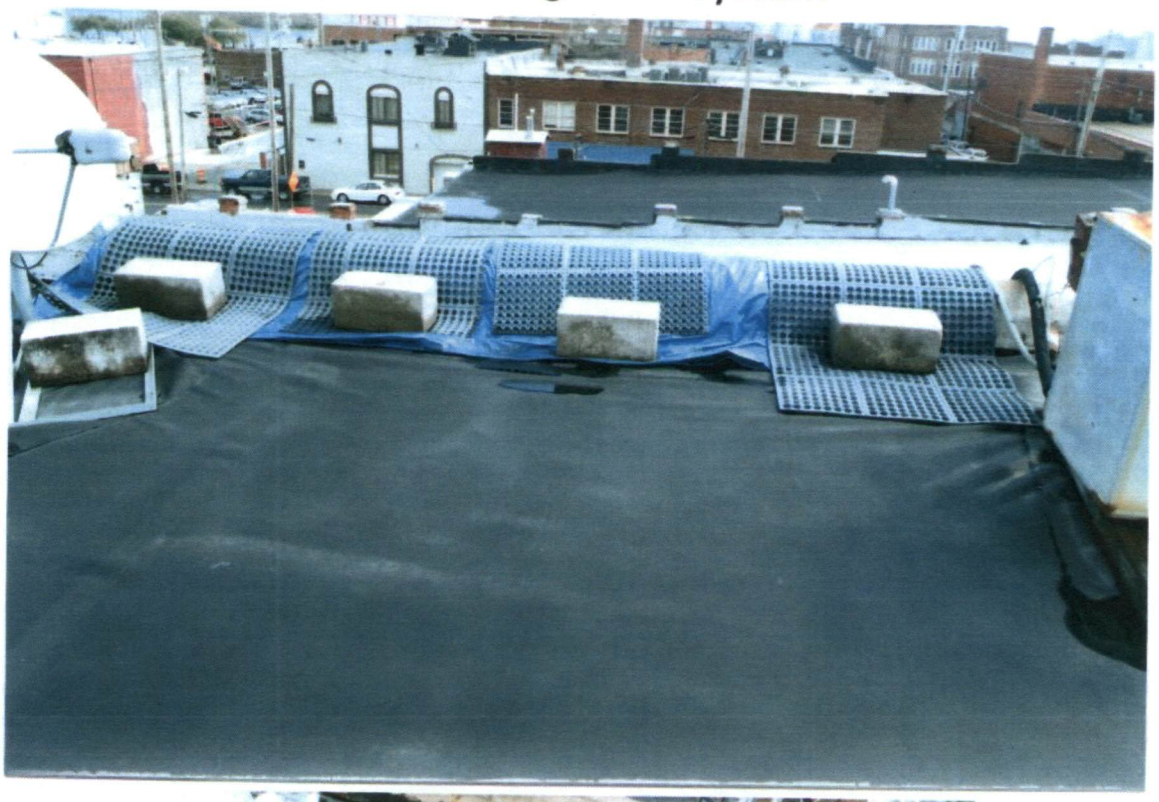
| Description | Qty | Rate | Total |
|---|---|---|---|
| WE PROPOSE THE FOLLOWING:<br>DISCONNECT, REMOVE AND REPLACE THE EXISTING FIVE TON UNITS THAT ARE UNFEASIBLE AND INCOMPATIBLE FOR REPAIR AND REPLACE THEM WITH NEW UNITS. | | | |
| FIVE TON HEAT PUMPS, AIR HANDLERS, DRAIN PANS, DUCT TRANSITIONS AND MISC. TIE IN MATERIALS. | 3 | 3,750.00 | 11,250.00 |
| LABOR | 32 | 95.00 | 3,040.00 |
| CRANE RENTAL | 1 | 1,000.00 | 1,000.00 |
| PERMITS AND INSPECTIONS | 1 | 500.00 | 500.00 |

WE LOOK FORWARD TO DOING BUSINESS WITH YOU!

**Total** $15,790.00

# Damaged & Failing Roof System

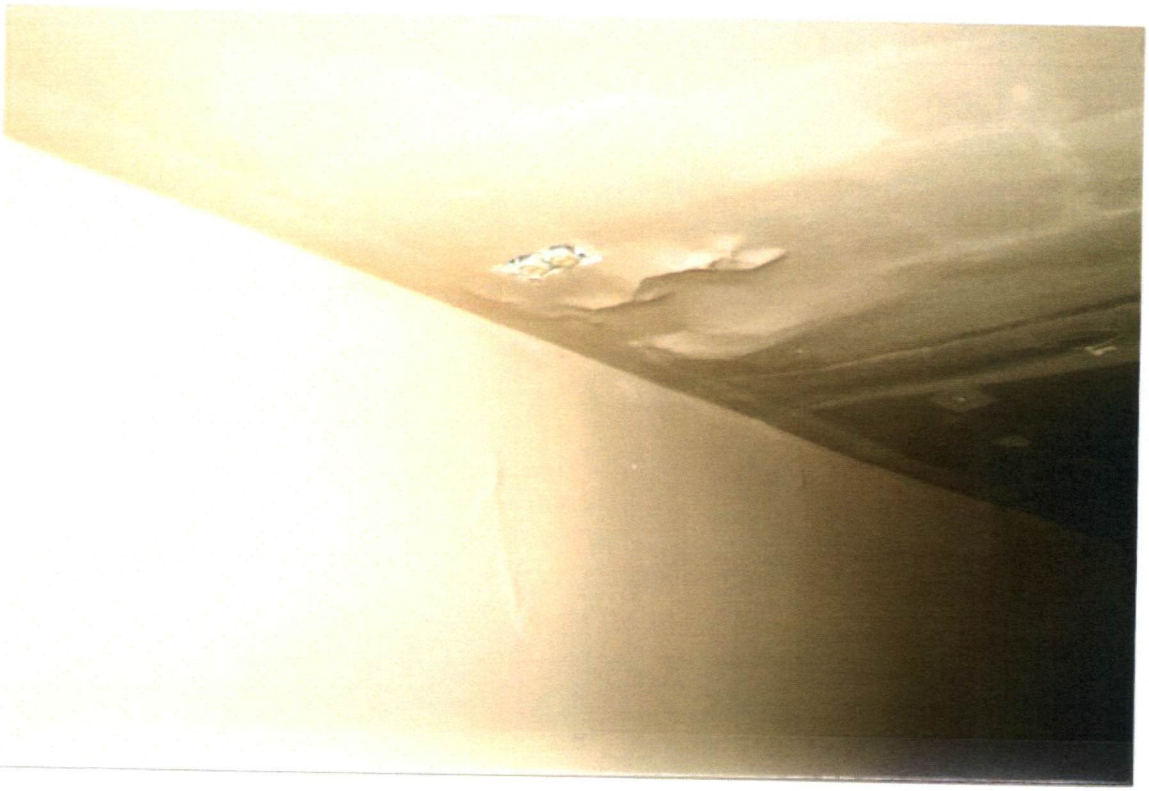
# Damaged & Failing Roof System



# Framework Structural Damage Top Level

Elevator Shaft, Roof Damage & Interior Shaft, Frame Damage

# Interior Wall Damage, 1st Level



( 3 ) Outdated & Inoperable, Hvac Units

# Damaged & Failing Roof System

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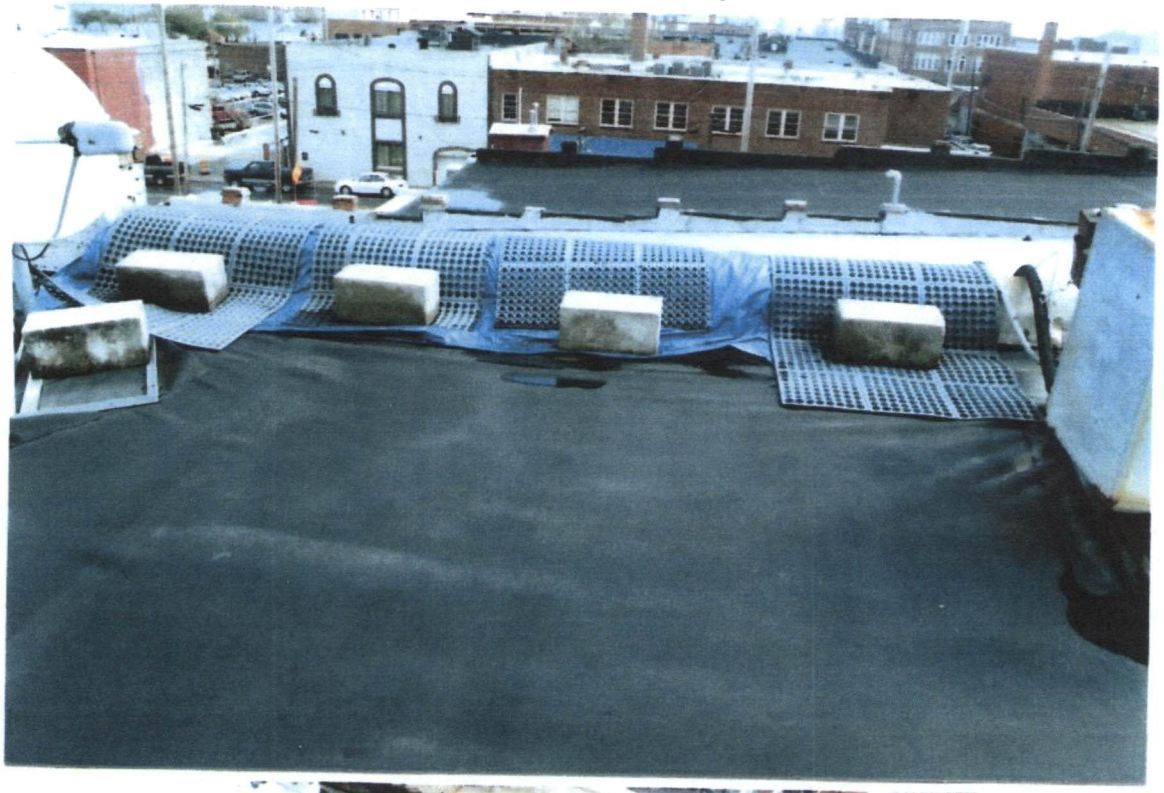
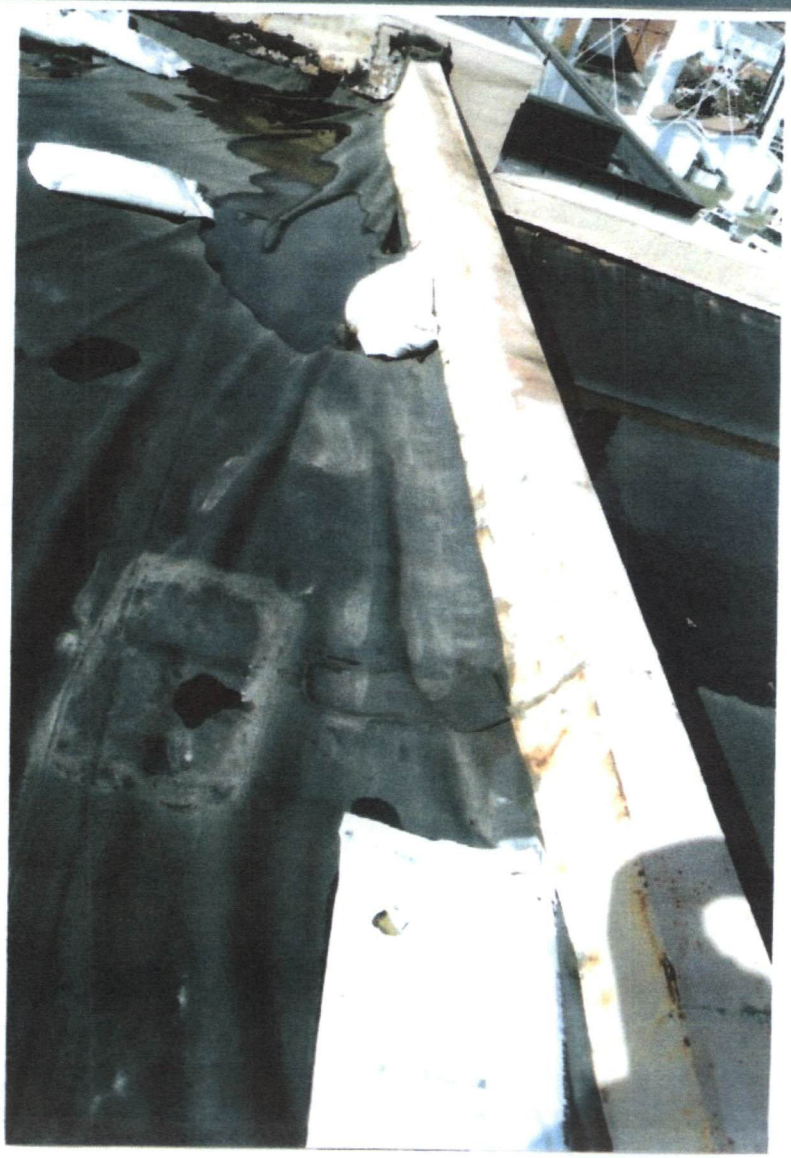
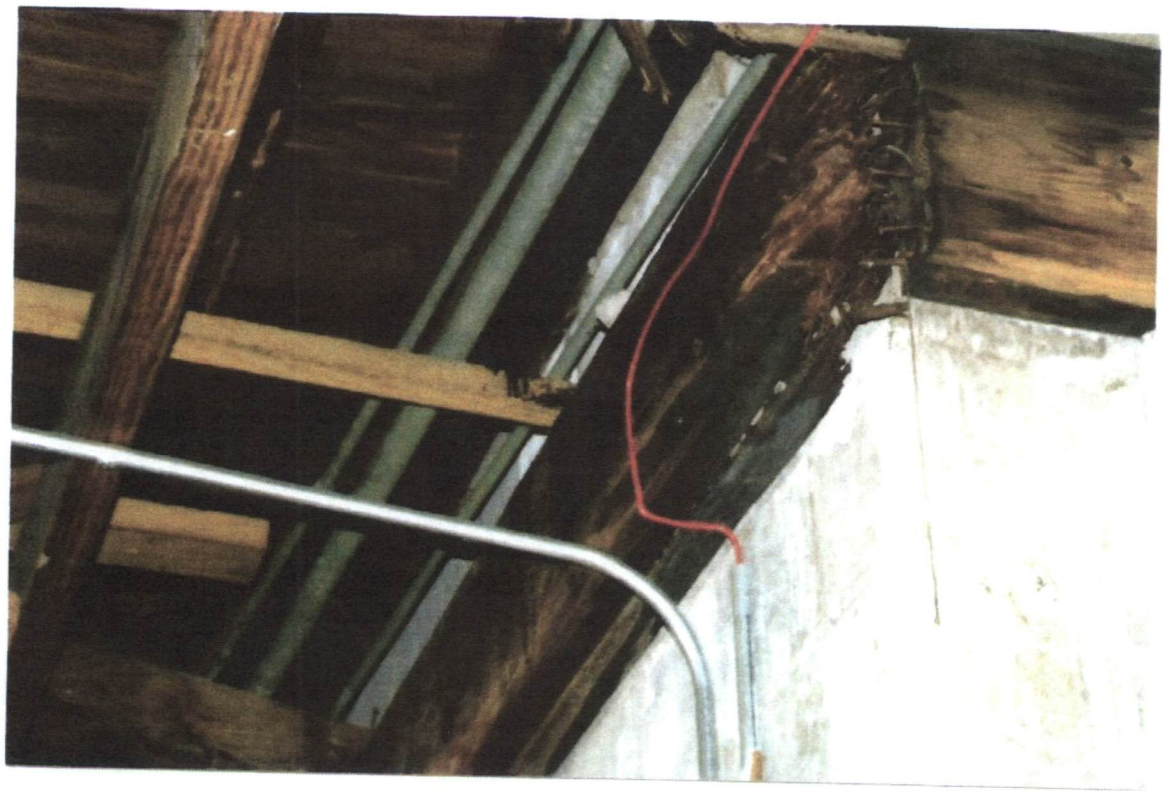




# Framework Structural Damage Top Level

# Elevator Shaft, Roof Damage & Interior Shaft, Frame Damage



# Interior Wall Damage, 1st Level

( 3 ) Outdated & Inoperable, Hvac Units