



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** August 24, 2020
SUBJECT: Consider Resolution No. 2020-036 authorizing the application for the Fiscal Year 2020 Economic Development Administration Public Works and Economic Adjustment Assistance Program Including CARES Act Funding.
PRESENTER: Craig Hulse, Director Economic Development

SUMMARY:

The City is applying for a grant that could fund up to 80% of the cost to reconstruct Iron Horse Boulevard between York Street and Browning Drive, where such a project would not only improve current conditions, but could accommodate additional business growth and investment from essential businesses that play a critical role in their respective supply chains. This item is to adopt a resolution that the City agrees to provide a 20% match toward the overall project cost, in an amount not to exceed \$1,824,000.

GENERAL DESCRIPTION:

The Economic Development Administration (EDA) received 1.5 billion dollars as part of the 2 trillion dollar CARES Act in order to make funds available to projects that assist in the prevention, preparation and response to economic injury as a result of COVID-19. Iron Horse Boulevard has deteriorated past its useful life and poses a logistical challenge for essential businesses that play a critical role in their respective supply chains.

The area served by the 1.3-mile stretch of Iron Horse Boulevard represents just under 1 million square feet of industrial/office space, \$87 million in property value, 37 businesses and approximately 832 jobs. The reconstruction project will not only serve to retain this business and economic base, it will also:

- Accommodate Prestige Ameritech's expansion of 200 additional jobs and approximately \$6 to 7 million in additional annual wages;
- Enhance the attractiveness of 18.2 acres of available land for future development.

The estimated total project cost is up to \$9,120,000, which would require a 20% City match up to \$1,824,000. As part of the application acceptance and review process, the EDA requires confirmation that the City's match is available and unencumbered, and will be committed for this project.

RECOMMENDATION:

Approve Resolution 2020-036.