

Community Planning & Economic Development

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November 6, 2008

MEMO TO: Chuck Lutz, Deputy Director

FROM: Jack Kryst, Chair, Development Finance Committee

SUBJECT: Development Finance Committee Action Regarding Proposed
\$432,000 Great Streets Grant for Broadway Plaza YWCA

On November 6, 2008, the Development Finance Committee considered a staff report regarding a proposed \$432,000 Great Streets grant to Great Neighborhoods! Development Corporation for project costs associated with the development of the Broadway Plaza YWCA at 718-800 West Broadway.

The Committee did not concur with the staff recommendation to approve the grant, based on the following concerns:

- The Committee did not have enough information regarding the financial elements, leasing plan and scheduling of the various components of the project to evaluate its financial feasibility. The Committee felt that a strategic plan for the entire project would be useful in identifying the priorities for financial investments in the project elements.
- The Committee had particular concerns about the feasibility of the office/retail component of the project and the ability to find viable retail tenants in the current economy.
- There needs to be greater specificity regarding the intended uses of the grant funds and how they will be disbursed and accounted for, particularly since these grant funds can only be used for tax increment eligible costs.

One Committee member abstained from discussion of this item due to a conflict of interest.

cc: Mike Christenson
Cathy Polasky
Kristin Guild
Erik Hansen