



## CITY OF WASHINGTON, ILLINOIS City Council Agenda Communication

**Meeting Date:** March 18, 2024

**Prepared By:** Jon Oliphant, AICP, Planning & Development Director

**Agenda Item:** Countryside Banquet & Catering Commercial Grant Program Project Discussion

**Explanation:** Staff previously received the first application for possible use of the funds as part of the Washington Commercial Building and Property Improvement Grant Program. The FY 23-24 budget includes \$250,000 that can be utilized towards private redevelopment assistance.

Kristi Cape, longtime owner of Countryside Banquet & Catering at 659 School Street, previously applied for assistance with a mill and asphalt overlay of her parking lot, which is in poor condition. The estimated cost is \$389,000 and would consist of a 3” mill on the edges of the lot and a 5” mill on a little more than 6,000 square yards through much of the main lot. A smaller lot on the east side of the building consisting of approximately 1,000 square yards would be milled to a 4” depth. The consensus on February 12 was to table that consideration until more specific grant program guidelines could be discussed.

**Fiscal Impact:** A mill and overlay would give new life to the parking lot and any use of the budgeted funds would assist a longstanding Washington business. While the improvements would not likely impact the property’s assessed value much, if any, it would upgrade the aesthetics of a business that generates sales tax and hosts numerous events on an annual basis.

Discussion at the March 11 Committee of the Whole meeting pertaining to establishing the program guidelines and scoring of prospective projects led to dialogue about the possible funding of Ms. Cape’s project. The consensus was to fund 30% of the entire project up to a \$115,000 cap. Ms. Cape has subsequently asked staff about the possibility of dividing the project into multiple phases to ensure that she can pay for her share of it and whether that would impact the City’s contribution.

**Action Requested:** Feedback on whether the project can be phased and if that would impact the City’s potential contribution at the March 18 City Council meeting. Additionally, a redevelopment agreement likely would not be ready for a first reading ordinance any sooner than the April 15 Council meeting, particularly if Ms. Cape needs to obtain a new estimate to reflect completing construction on a portion of the parking lot. Staff does not anticipate this project being completed in FY 23-24. Because this project will not be completed and thus not reimbursed in the current fiscal year, the expenditure cannot be considered an FY 23-24 expense. As such, staff seeks Council direction on one of the following options: 1) Let the budgeted funds lapse in FY 23-24 and rebudget the program in FY 24-25 in the total amount of \$415,000, which includes up to \$115,000 for this project; or 2) Utilize up to \$115,000 of the \$300,000 in FY 24-25 budgeted funds without carrying over any unused FY 23-24 funds.