

City awards funds for downtown work

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An additional \$90,000 was approved by the Beloit City Council Monday night in order to fund a downtown project that will help renovate upper floors of businesses for residential living.

The project amends the 2011 Capital Improvement Budget and will be added to the Upper Floor Housing Grant for renovations to five businesses. In all, about 16 apartment units will be renovated.

The city council held a special meeting to discuss the matter because staff wasn't sure it could get the paperwork done in time to put it on the regular council meeting, said City Manager Larry Arft. City ordinance requires the council agenda to be posted the Wednesday before the regular council meeting.

Arft said the money will come from a city tax incremental district (TID) set up specifically to renovate facades and upper flooring in downtown businesses. The TID fund will expire on Sept. 24.

Shauna El-Amin, executive director for the Downtown Beloit Association, said she advertised the grants for six weeks prior to the deadline of July 6. Prior to the advertising only Nygren-Kearns Photo applied for the grant. However, a surge of applicants for the grants came into the city recently, and in order to fund all the projects additional money was needed, El-Amin said.

Part of the reason more businesses applied was because the available grant money went from \$15,000 maximum to \$50,000, a report by the Downtown Beloit Association said.

Part of the project also updates facades in front of the business as well. Arft said an additional eight businesses applied for new facades. There was enough money in the Facade Grant Program to cover the additional applications, and about \$65,500 from the fund will be transferred over to the Upper Floor Housing Grant fund. However, even with the additional money the project is still about \$83,500 short.

Arft said at first staff wasn't sure they could approve the funding in time before the deadline on the TID fund came. However, the "tipping point" came when the new owner of the building that formerly held Denali's Food and Spirits applied for the grant.

"They were sold," he said.

El-Amin said the name of the new business and owner will be released by the owner at a later date.

Two of the five applicants will receive \$50,000 in grant money, including the former Denali's building and La Casa Grande. Denali's renovation's are expected to cost just under \$170,000 and La Casa about \$180,000. Old Attic Quilts will receive about \$43,600 for its \$87,300 renovation project, Austin's Barber got about \$36,900, nearly half of its \$73,800 renovation costs and Beauty Town Beauty Supply received \$48,300 in grants for renovations expected to cost \$96,000.

"This is a one-in-the-next-20-years type of opportunity," Arft said. "We're upgrading units that haven't been touched in a long time."

The old Denali's, La Casa and Austin's Barber will also receive an additional \$10,000 each to upgrade their facades. Old Attic Quilts had already applied for the facade grant and will receive about \$7,300.

Council President Charles Haynes commended the additional applicants and said more demand for downtown housing will come of it.

"A lot of people want to live downtown, but there has been a shortage of units available," he said.