



Neighborhood STAR Program Telephone: 651-266-7827 1400 City Hall Annex 25 West Fourth Street

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MEMORANDUM

TO: Mayor Coleman

> Council President Lantry Members of the City Council

FROM: Kerry Antrim, Chair

Neighborhood STAR Board

DATE: June 13, 2011

SUBJECT: 2011 NEIGHBORHOOD STAR YEAR-ROUND PROGRAM

Background

On June 8, 2011, the Neighborhood STAR Board reviewed two proposals requesting funding through the Neighborhood STAR Year-Round Program. The first was an application from Obb's Sports Bar and Grill to utilize a \$47,500 grant and a \$47,500 loan to create off street parking on the site of a neighboring vacant gas station. Leverage pledged for this project equals \$190,000. Next, was a proposal from Blue Plate Restaurant Company seeking a \$20,000 grant with a match of \$20,000 to create a community parking lot at the corner of Fairview and St. Clair Avenues.

Presentations

Jim Johnsen, owner of Obb's Sports Bar and Grill explained his strategy to coordinate a new parking lot with the city's plan to redesign the streets around his establishment. After environmental testing is completed, the neighboring gas station property will be purchased, the building demolished and a parking lot created.

David Burley, a neighborhood bar and restaurant owner, described his plans to redevelop vacant land into a parking lot complete with trees, green space, signage and fencing. This parking lot will be open for use by all area businesses and their patrons.

Discussion

Board Members were overall supportive of both proposals to provide patron parking therefore alleviate traffic congestion to area homeowners. A question was raised at the timing of the Obb's proposal due to the gas station property not yet being fully acquired.

The proposal from Blue Plate Restaurant Company could not be recommended due to the STAR Guideline requiring for profit entities to request a minimum of 50% of their funding in the form of a pay back loan.

Rating

The Neighborhood STAR Board rated the Neighborhood STAR Year-Round Program proposals on their own merit on a scale from 1 (low) to 5 (high) with the following results:

| <u>Rating</u> | <u>Project</u> | <u>Grant</u> | Loar | <u>1</u> |
|---------------|-------------------------------|--------------|-------|----------|
| 4.67 | Obb's Sports Bar and Grill | \$47,500 | \$47, | 500 |
| 4.90 | Blue Plate Restaurant Company | \$20,000 | \$ | 0 |

Thank you for your continued support and assistance. If you have questions, or if staff can provide you with additional information, please call:

Michele Swanson, x66574

Bob Hammer – x66693

CC: James R. Johnsen David Burley