

Downtown Reinvestment Grant Program

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Objective:

- ▶ Review background on the Downtown Reinvestment Grant Program
- ▶ Present Economic Development Partnership Board and Downtown Task Force feedback
- ▶ Receive direction

Background

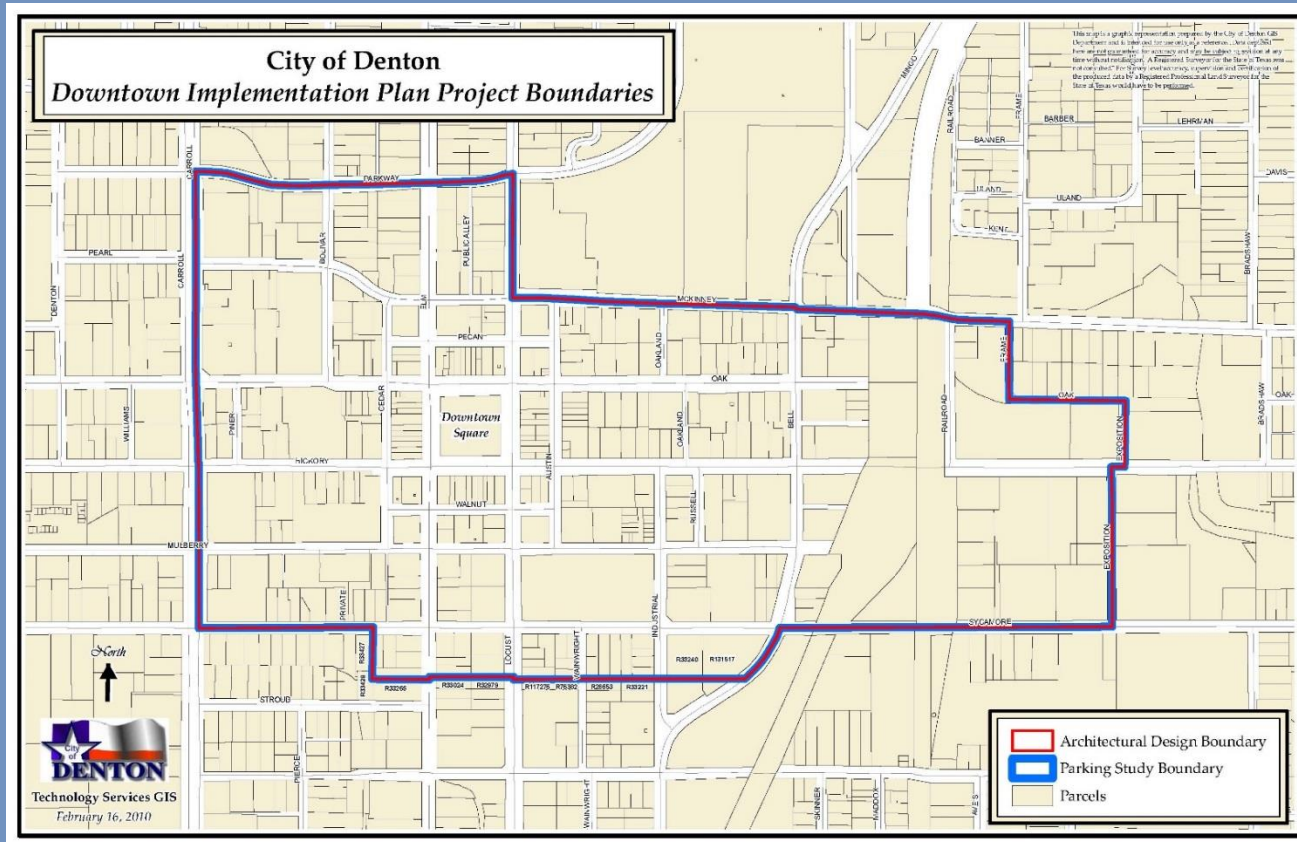
▶ **Downtown Reinvestment Grant Program**

- ▶ Purpose: Provide cash reimbursement grants for capital improvements to buildings in the Downtown area
 - ▶ \$5,000-\$25,000 range
 - ▶ Single-payment reimbursement
 - ▶ Strictly for capital improvements, not operating costs
 - Façade rehabilitation
 - New awnings and signs
 - Impact fee reimbursement
 - Utility upgrades

Fiscal Information

- ▶ 41 grants awarded since October 1, 2007
 - ▶ 7 expired without payment to the recipient
 - ▶ \$401,195 total City funds
 - ▶ ~\$17.5MM total investment on projects
- ▶ Project examples
 - ▶ Hickory Street Lofts/Weinberger's/Campus Barbers
 - ▶ Empty lot to mixed use; \$15K grant in FY 2008-09
 - ▶ 2361% increase in property value from 2005 to 2015
 - ▶ Mellow Mushroom
 - ▶ Warehouse to restaurant; \$7,235 grant in FY 2010-11
 - ▶ 406% increase in property value from 2005 to 2015

Program Area Map



Recommendations

- ▶ Based on feedback from Council during the January 5 work session, Staff made the following recommendations to Council on July 21:
 - ▶ Continue grant program for capital improvements only
 - ▶ Continue to grant within the current program area, but expand geographic scope to add commercial properties in other targeted redevelopment areas, such as:
 - ▶ Fry Street Area
 - ▶ I-35 Corridor
 - ▶ Dallas Drive
 - ▶ Rename to “Small Business Improvement Grant Program”

Board Feedback

- ▶ Downtown Task Force – August 11
- ▶ Major concerns:
 - ▶ Broadening the geographic scope of the program with no additional funding will lessen the positive impact of the program in the Downtown area
 - ▶ Downtown Task Force does not want to oversee grants made in other parts of the city
- ▶ Support continuation of the Downtown Reinvestment Grant Program with no changes
- ▶ Support creation of new, separately budgeted and administered programs for other older or historic sections of the city

Board Feedback

- ▶ Economic Development Partnership Board – Sept. 21
- ▶ Major concerns:
 - ▶ Losing sight of the fact that the grant program is intended to be an economic development tool
 - ▶ Diluting the grant funds available to Downtown either by reducing the funding to the program or by opening the program to other parts of the city
 - ▶ Having the Downtown Task Force oversee grants made in other parts of the city
 - ▶ Granting funds for anything other than capital improvement project reimbursements

Board Feedback

- ▶ Economic Development Partnership Board – Sept.
- ▶ Recommendations:
 - ▶ Keep the Downtown Reinvestment Grant Program unchanged
 - ▶ If similar programs are desired for other areas of the city, provide additional and separate funding, allow the EDP Board to recommend which areas to focus on, and set up separate task forces to oversee grant for those areas
 - ▶ Plan a joint Council/EDP Board meeting to discuss these and other ED-related topics

Direction:

- ▶ Seeking direction regarding:
 - ▶ Path forward to restarting the grant program

