STAFF REPORT Façade Grant Program – Addition of Tier 3 Grants

December 10, 2024 Town Council Meeting



The purpose of the Town of Apex's Façade Grant Program is to provide incentive funds in the form of a matching grant to tenants and/or property owners to increase rehabilitation activity and encourage appropriate, attractive improvements to downtown buildings and properties, thereby increasing their longevity and raising their property values. Properties must be located within the Downtown Festival District in order to be eligible for the matching grant (see map below).



The addition of Tier 3 grants to the Town's Façade Grant Program was proposed by staff and discussed by Town Council at their September 17, 2024 work session. Tier 3 grants are for large-scale exterior improvement projects initiated by property owners. Staff updated the Façade Grant Application and program description and asked the Planning Committee for additional direction on details of the program at their November 14, 2024 meeting. The revised Façade Grant Application is attached for your information. Highlights of the Tier 3 grants:

- The grant can provide up to 50% of the cost of the exterior improvements based on the following:
 - a. Up to a maximum of \$200,000 per property per fiscal year.
 - b. No more than \$300,000 can be issued to any one property for Tier 3 Projects within any 36-month period.





 Tier 3 Grants are offered on a Quarterly Submittal and Award Cycle each fiscal year, beginning on July 1. All projects submitted within one of the quarterly award cycles will be considered by Town Council on their merits. It is at the Town Council's sole discretion whether to award a façade grant to one project, no projects, or multiple projects.

Quarterly Submittal and Award Cycle:

Quarter	Submittal Month	Town Council Meeting & Decision
1	July	September
2	October	December
3	January	March
4	April	June

- Tier 3 Projects may include elements shown in the Downtown Plan or proposed for Council consideration on publicly viewable portions of the property:
 - a. Streetscape elements matching Downtown Plan in public right-of-way.
 - b. Streetscape elements (pavers/bricks/bus stops) on private property.
 - c. Creation of patios or other outdoor service areas for public use and benefit on private property.
 - d. Permanent streetscape-style outdoor furniture (tables, chairs, benches, permanent planters not to include vegetation, etc.) for public use and benefit on public or private property.
 - e. Other Downtown Plan elements like catenary lighting, wall murals, ground murals, etc.
 - f. Public parking on private property.
 - g. Other significant improvements which in the Town Council's sole determination provide benefit to the general public or serve as a catalyst for future development.
- A façade easement and easement agreement is a requirement of the Tier 3 grant approval. The façade easement agreement shall be worked out between Town staff and the property owner prior to Council approval. The factors to be considered in the façade easement agreement shall include but not be limited to the following considerations:
 - a. Level of financial participation by the Town.
 - b. The type of façade/property improvements being proposed.
 - c. The term of the proposed easement; a higher funding amount should require a longer easement length.
 - d. Any other public requirements the Town would need/like to have in exchange for the Town funds.
 - e. Any expenditure of public funds must be for a public purpose.

STAFF RECOMMENDATION:

Planning staff recommend approval of the updated Façade Grant Program to include Tier 3 grants as described in the attached Façade Grant Program Application.