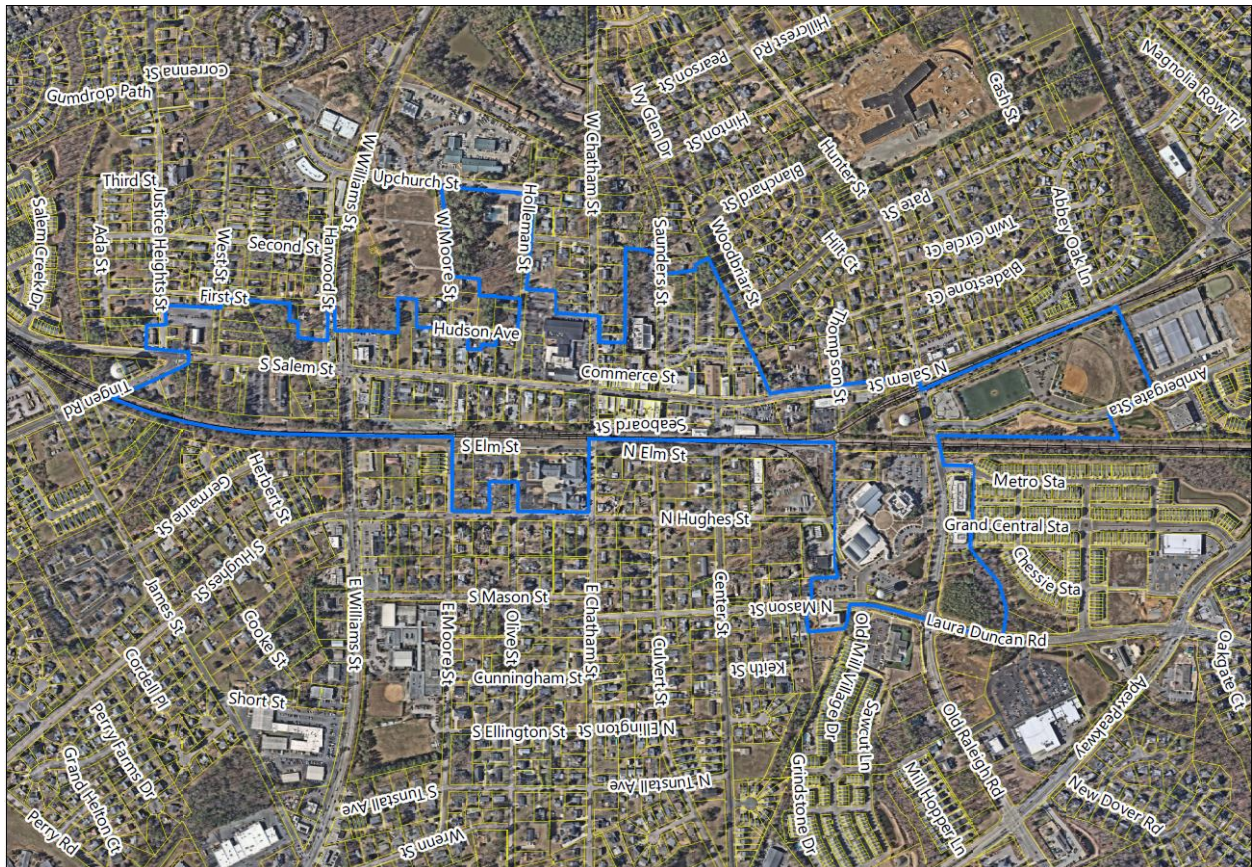




The purpose of the Town of Apex's Façade Grant Program Tier 3 grants is to provide incentive funds in the form of a matching grant to property owners to increase rehabilitation activity and encourage appropriate, attractive improvements to downtown buildings and properties, thereby increasing their longevity 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).



BACKGROUND

At the December 10, 2024 meeting, Town Council added Tier 3 grants to the Town's Façade Grant Program for large-scale exterior improvement projects initiated by property owners in the Downtown Festival District.

The Façade Grant Application, program description, and process were updated to include a façade easement and easement agreement as a requirement of the Tier 3 grant approval. The façade easement and easement agreement are required to be worked out between Town staff and the applicant prior to Council approval, but this requires the applicant to hire an attorney

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and spend considerable funds on the design of their project without knowing whether Town Council is interested in possibly funding their proposed project.

Staff recommend an additional step be included in the Tier 3 grant process to allow for the pre-authorization of proposed projects by Town Council prior to work commencing on the façade easement and easement agreement.

Further, staff recommend Council consider the Tier 3 grant proposals submitted by La Farm and Scratch and provide pre-authorization for any proposal they would be interested in possibly funding in the future.

See attached redline version of the Façade Grant application for further details on the proposed changes.

PRE-AUTHORIZATION:

Attached is the proposed revision to the Façade Grant Program to add a Town Council pre-authorization step. Once Town Council provides pre-authorization of a Tier 3 Project, the applicant is required to provide all Small Town Character Overlay District and Façade Grant documentation to Planning staff before the project can move to the easement agreement phase. Staff is proposing that if a complete application package is not received by Planning staff within 1 year of the Town Council pre-authorization, the applicant must go back to Town Council for another pre-authorization before the application package can move to the easement agreement phase.

STAFF RECOMMENDATION:

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

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SEPTEMBER 2025 PRE-AUTHORIZATION REQUESTS

There were two projects submitted by the July 31, 2025 deadline for Town Council consideration in September 2025 for possible pre-authorization of their Tier 3 grants.

Per the Façade Grant Program guidelines, Tier 3 grant projects may include elements shown in the Downtown Plan or proposed for Council consideration on publicly viewable portions of the property:

- Streetscape elements matching Downtown Plan in public right-of-way.
- Streetscape elements (pavers/bricks/bus stops) on private property.
- Creation of patios or other outdoor service areas for public use and benefit on private property.
- 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.
- Other Downtown Plan elements like catenary lighting, wall murals, ground murals, etc.
- Public parking on private property.
- 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.

Eligibility Criteria:

- a. If a tenant will be doing the proposed work, the tenant must obtain the property owner's signature on the application.
- b. Tenants are not eligible for Tier 3 grants. Façade easements must be signed by the property owner.
- c. Only properties with existing buildings constructed more than 3 years prior to the date of application are eligible.
- d. Applicant shall agree at the time of Tier 1 and/or Tier 2 application to maintain the façade and may not receive a grant for the same work within any five-year period. Tier 3 Projects shall be subject to the terms of the façade easement.
- e. Improvements and/or rehabilitation must comply with all state and local regulations, including obtaining required building permits through the Building Inspections Department.
- f. Utility and mechanical equipment, if any, must be concealed or screened from view. Screening shall be of similar color and design as the building.



Both of these proposed projects potentially address public input provided during the Downtown Plan process, where citizens noted that downtown Apex needs more Outdoor Seating, Restaurants, and Breakfast places (the larger the font, the higher the number of responses for that word).

Downtown Plan (page 51)

Downtown Apex needs MORE...



LA FARM TIER 3 GRANT PROPOSAL:

Applicant: LFBS - Apex Downtown, LLC (La Farm Bakery)

Owner: Wilkinson Properties of North Carolina

Address: 202 S. Salem Street

See attached “La Farm Tier 3 Grant Proposal” packet for full details including letter from Nova Design Group, PA, concept drawing, and site plan.

Located at 202 S. Salem Street, the subject property was previously used as a bank and is now proposed to be converted to a tenant-occupied retail bakery and café/restaurant. The applicant identified the cost of the overall project to be \$758,900 and they are requesting a \$300,000

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Façade Grant, which is the maximum amount in a 36-month period. The reimbursement would need to occur in two budget years as \$200,000 is the maximum in any one fiscal year.

The applicant is “Seeking to renovate an old vacant bank building on S. Salem St, this will activate that part of the street and extend the Downtown corridor towards Hwy 55. We seek to enhance walk-ability, improve street scape, all the while updating the façade to fit the rest of downtown. La Farm Bakery will be a great addition to the retail offerings in the downtown area. It will satisfy the need for more desirable and healthy restaurants.”

The applicant proposes to “Upgrade façade to add more penetrations, exterior seating, planters, landscaping, decorative concrete block exterior walls, stone and exterior tile accents with wheat pattern, faux windows with glass tile to match entrance windows, awnings, remove pneumatic bank tube system, patio floors, exterior ceiling fans & heaters, parking lot topped & re-stripped, sidewalk replaced along perimeter of the site as needed for the new entrance, new exterior lighting, dumpster enclosure.”

Note from staff: if Town Council gives their pre-authorization on this project, the property owner would need to be the one to enter into the easement agreement with the Town, not the tenant.

This project could address several Downtown Plan goals, including (from pages 25 and 179):



SCRATCH TIER 3 GRANT PROPOSAL:

Applicant: Scratch Kitchen and Taproom

Owner: MJ2 Holdings, LLC

Address: 225 N. Salem Street

See attached “Scratch Tier 3 Grant Proposal” packet for full details including 3D renderings.

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Located at 225 N. Salem Street, the subject property is currently an owner-occupied restaurant in a retail building; no change to the land use is proposed. The applicant identified the cost of the overall project to be \$506,920 and they are requesting a \$250,000 Façade Grant, which is under the maximum amount in a 36-month period. The reimbursement would need to occur in two budget years as \$200,000 is the maximum in any one fiscal year.

The applicant states that “This project includes the removal of the current pergola structure behind Scratch Kitchen and Taproom and adding a new, larger three season room. This three season room will have a retractable roof system, sliding glass windows, lighting, and ceiling fans to maximize the dining experience at Scratch. Also included in this project is the addition of a gas fire pit in front of Neat & Sweet along with permeable astroturf in the existing grass area to make this space more functional for the building’s tenants and restaurant patrons. The completion of this project will create a functional gathering place for the Apex community.”

The applicant notes that “This will make the back of the Tobbaco [sic] Mule Exchange building more inviting, more functional, and create a better experience for patrons. The current patio space is only usable in great weather, leaving it vacant most of the year. The project would be inviting for the general public all year. This project will also improve the building’s aesthetics from the “back” where people park. The addition of the turn and fire pit area will also help make this a gathering place for the community. Turning the back of the building into a community center.”

This project could address several Downtown Plan goals, including (from page 25):



8 Preserve the authentic by keeping the character while creating new memories.



6 Interweave multi-functional public space of all sizes.



4 Connect the community with comfortable journeys and lively destinations.