



Agenda Item Report

Meeting Type: Community Development Authority

Meeting Date: March 16, 2026

Item Title: Consider and take action regarding alternate funding sources for the façade grant program

Submitted By: Mike Kornmann, Director of Community and Economic Development

Detailed Description of Subject Matter: The façade program is likely to have higher interest levels in some years and less in others. Recently, we have had more interest and that has stretched our current funding of the program. One option to in implementing the fund is to use a prioritization process to select the best applications. While not all applications may be funded, the prioritization process will help maintain a healthy fiscal position. Furthermore, additional funding can help grow the program and expedite the revitalization of downtown.

Options include:

1. WEDC Small Business Development Grant: This program funds matching grant programs (start-up, façade, expansion), small business financing for firms with fewer than 25 full-time employees, and other small business financing tools. Costs are only eligible after WEDC approval. This program could expand façade grants to also include ADA improvements, fire safety, roofs, and other infrastructure projects in downtown.
2. Transfer of excess tax incremental district funds to the TID #6 (Downtown): TIF law allows for mixed use TID's to transfer excess funds to blighted TIDs. All current TIDs are mixed used except for TID#6 which is a blighted TID (downtown). The donor TID needs to amend its project plan and have a projection that it will have excess funds.
3. Business Improvement District (BID): As outlined in state statutes, this district is created and the nonprofit board sets additional taxes on the districts property owners. The board then can use these funds for district wide improvements including façade grants. Some BIDs work with cities and coordinate programs.
4. Additional city levy funds: CDA can request additional general levy funds through the annual budget process

List all Supporting Documentation Attached:

- WEDC Small Business Development Grant Program Guidelines
- TIF Funds Transfer To Blighted TID
- Business Improvement District Fundamentals

Action Requested: Provide direction to staff regarding funding strategies