

Attachment 1 - Storefront Improvement Grant Program

In Spring 2020, the Office of Economic Development launched the Pilot Storefront Improvement Grant Program with \$50,000 from the Community Benefit Fund. The Pilot Program's purpose is to improve the appearance of commercial storefronts to encourage economic vitality, enhance business marketability, increase property values, and attract residents, visitors, and new businesses to the enhanced business district. The Pilot Program is designed to benefit businesses located on Main Street and be a catalyst for future investment in the downtown and Main Street Revitalization. Eligible improvements include, but are not limited to paint, lighting, signage, awnings, windows, outdoor seating/dining, landscaping, benches, and historic architectural features.

Staff has entered into a contract with Architectural firm William Maston and Associates to assist applicants with design services. Staff has marketed one grant at \$15,000 including design services, and a second grant at \$20,000 grant, which does not include design services but instead allows the applicant to utilize \$5,000 for an Architect of their choosing for the required permit and design plan set.

Due to the limited nature of the Pilot Program, staff targeted smaller buildings with one to three businesses located along Main Street. Outreach was conducted to businesses and property owners including Neeka Corporation, Tequila Shots, Red Chillies, The Best Sandwiches, and Reiki Energy Healing/Black Cat Comics.

The property owner of 167 and 187 South Main Street, where Red Chillies and The Best Sandwiches reside, submitted the Pilot Program's first application in August 2021. There is a current proposal to design and build a shared outdoor dining area between the two restaurants to create a festive and safe destination to dine outdoors during the pandemic and beyond. The applicant will receive up to \$15,000 in grant funding and design services from the Architect retained by the City and will be required to pay for up to 25% of the overall improvement costs. The architectural team will provide design sketches, as-builts, and guide the applicant through the City's permitting process. Staff has met several times with the business and property owners, Architect, and other City staff from Planning, Building Safety, and Fire Departments to analyze the site and work through any anticipated issues. Preliminary drawings have been prepared and staff is currently collaborating on solutions for meeting minimum parking and accessibility requirements.

While staff received one grant application in 2021, other property and business owners expressed interest in the Pilot Program, but shared concerns related to the pandemic, future tax increases due to improved properties, and inability to get property owners' consent for improvements.

To start marketing the second Pilot Program grant project without design services, as well as garner interest in the future ARPA funded Storefront Improvement Grant Program, staff conducted in-person outreach to approximately a dozen property and business owners along Main Street on January 28, 2022. As a result of the recent outreach, staff has received interest from five additional property and business owners to participate in the grant program. They include Seema Beauty Salon, Bombay Chaat House, Gurus of Dance, NPS Medical Clinic and

Olinger's Real Estate. Each interested party has received a flyer, Program Guidelines and Application. On February 8, 2022, staff received an application from Seema Beauty Salon, a property and business owner. Based on the recent strong interest, staff anticipates receiving several completed applications soon.

To continue spurring Main Street revitalization through ARPA investment, staff recommends the following Storefront Improvement Grant Program structure:

Level 1 Grants: Up to \$15,000 for the following improvements: paint, landscaping, and signage.

Level 2 Grants: Up to \$25,000 for the following improvements: lighting, awnings, outdoor seating and dining, benches, windows, historic architectural features, and more.

In addition to the grant amount, grantees will receive design services from an architectural firm obtained via a Request for Proposals (RFP) at a contract amount of not to exceed \$75,000. The design services will consist of conceptual drawings and guiding applicants through the City's permitting process. Taking into consideration number of potential applicants, staff capacity, and the ability to complete the projects within the deadlines required by ARPA, staff is recommending that the ARPA funded grant program could include five Level 1 Grants of up to \$15,000 each, six Level 2 Grants of up to \$25,000 each and design services for a total grant program amount of \$300,000.

The completion of these projects will help create placemaking and the pedestrian-scale appeal that is desired along Main Street. Presently, staff continues to implement the Pilot Storefront Improvement Grant Program and will apply any lessons learned and necessary changes to the ARPA-funded Storefront Improvement Grant Program to best set up business and property owners for success.