

7-21-22 Façade Grant update resolution Draft

TITLE: Approving and Implementing Changes to the City of Madison Façade Grant Program to increase grant amounts, improve equity, simplify the process and strengthen the program.

FISCAL NOTE

Currently the annual Façade Grant budget is \$125,000. The proposed process changes do not require that the overall disbursement amount change. However, an increase in program eligibility, increase in maximum grant amount, simplification of process and elimination of a required match for smaller projects may result in an increase in the number of applicants and amount requested and thereby in increased budget requests in future years. (Care draft of fiscal note)

WHEREAS, the City's Façade Grant Program was established to provide funding for the improvement of commercial building facades in defined commercial corridors and nodes; and

WHEREAS, in light of the 100th approved City of Madison Façade Grant, staff reviewed the grant program and process requirements; and

WHEREAS, the City has awarded over \$1,285,200 in grants over approximately 20 years, which have leveraged over \$3,290,600 in private matching funds; and

WHEREAS, the maximum \$10,000 grant amount has not increased since the program's inception, despite inflation and increases in building and materials costs; and

WHEREAS, the Façade Grant Program process requirements, grant amount, and lengthy review process for the limited funds has been unchanged for 20 years, and has been a limiting factor in the amount of potential impact the program could have; and

WHEREAS, in the past several years, special area plans have recommended that the grant program add eligibility for additional small commercial corridors, and other neighborhood activity centers; and

WHEREAS, the Façade Grant Staff Team analyzed the existing Façade Grant Program through equity, process and program improvement lenses.

NOW THEREFORE BE IT RESOLVED, that the Common Council hereby approves the recommendations contained in the Report of the Façade Grant Staff Team, dated 7-21-2022, and the implementation of program changes to increase grant amounts, improve equity, simplify the process and strengthen the program; and

BE IT FURTHER RESOLVED, that the Common Council authorizes increasing the overall Façade Grant amount and implementing a tiered grant system to allow staff to grant additional money for large projects over \$10,000, and reduce the approval processes and match requirements for smaller grants to support small local businesses and/or historically underrepresented entrepreneurs; and

BE IT FINALLY RESOLVED, that the Common Council approves simplifying the approval process by placing the program within the Economic Development Division, removing the requirement for Common Council approval of each grant, and implementing a Purchase Order Grant Disbursement method.