

INTEROFFICE MEMORANDUM

June 14, 2011

MEMO TO: J. Russell Allen
City Manager

FROM: Carter Pettibone, Planner II

SUBJECT: Budget Note 25 – Façade Grant Program

The City of Raleigh Façade Grant Program provides funding for the rehabilitation of older commercial properties with matching cash grants for exterior improvements to assure compliance with design standards specific to Pedestrian Business Overlay Districts (PBOD) streetscape plans and the Downtown Element of 2030 Comprehensive Plan. It provides a direct economic incentive for quality building design in these areas. The program is an incentive that requires the applicant to match the City's amount on the investment. It helps implement several policies and actions of the 2030 Comprehensive Plan.

The program has been in existence since the 1980's. In 2004, administration of the program was transferred to the Department of City Planning's Urban Design Center and the individual monetary grants were increased to \$5,000. In 2007, Council increased the grant amount for buildings along Hillsborough Street in the University Village PBOD from \$5,000 to \$10,000 each with no additional appropriation or sunset. The qualifying area for Downtown Façade Grants was also recently enlarged as a result of the approval of the City's 2030 Comprehensive Plan.

An appropriation in FY12 would help to replace needed funds that were placed in a previous fiscal year's budget reserve and a lack of appropriation in FY11.

Since FY07 \$350,000 has been budgeted in the CIP for the program. Applications totaling approximately \$217,400 have been processed in that same period. During the FY10 budget process, \$112,000 of these funds was set aside in an economic reserve account.

The Department meets with potential applicants on a regular basis and applications for grants have been on the rise in 2011. The department recently received 10 applications totaling \$52,250 in requests. This is compared with approximately \$20,500 in available funds.

City of Raleigh Façade Grant Program FY07-present

FY	Budgeted	Spent
FY 06/07	\$100,000.00	\$10,000.00
FY 07/08	\$100,000.00	\$153,337.50
FY 08/09	\$50,000.00	\$5,000.00
FY 09/10	\$100,000.00	\$37,885.92
FY 10/11	\$0.00	\$11,192.00
Totals	\$350,000.00	\$217,415.42

