


CITY OF COOS BAY URBAN RENEWAL AGENCY
Agenda Staff Report

MEETING DATE August 21, 2012	AGENDA ITEM NUMBER
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TO: Chair Melton and Board Members

FROM: Joyce Jansen, Economic Revitalization Administrator 

Through: Rodger Craddock, City Manager *REC*

ISSUE Proposed Revisions to the Façade Improvement Grant Program

BACKGROUND

Beginning in the late 1950s the State of Oregon implemented a program to assist cities and counties fund community improvements. Oregon Revised Statutes (ORS) Chapter 457 regulates the establishment and management of urban renewal districts. The intent of urban renewal is to improve specific areas of a city or county that are poorly developed or underdeveloped, eliminate blighting conditions and improve conditions to encourage economic development. The City of Coos Bay has two separate urban renewal districts. The Downtown District was established in 1988. The district is comprised of 1,298.3 acres and includes the downtown core area and the industrial/commercial/recreational areas located along the bay. The Empire District was established several years later in 1995. This smaller district is located in the area which until 1961 was known as Empire City. The district is 271.3 acres and includes the business district located on Newmark Avenue and the waterfront area along the bay.

To assist property and business owners in making improvements to their buildings the Urban Renewal Agency amended both district plans and adopted a façade improvement grant program in November 2006.

The purpose of the Façade Improvement Program is to provide financial assistance to property owners and tenants of commercial properties to promote the revitalization of Coos Bay's Urban Renewal Districts. The objectives of the façade improvement grant program are:

- a. To improve the aesthetics of existing businesses and buildings,
- b. To provide financial assistance for façade improvements to small business owners and/or tenants of commercial properties,
- c. To encourage urban renewal district façade improvements such as painting, awnings and changes to other exterior building features.

Twenty-one grants totaling \$368,786 with a project value of \$840,443 have been awarded in the Downtown District. Four grants totaling \$130,081 with a project value of \$282,283 have been awarded in the Empire District. The program has been in existence for almost six years.

The Agency met in a work session in May to review the façade grant program and discuss possible revisions to the program. Proposed changes to the program are as follows:

- Grant Eligibility: Retain the current grant eligibility requirements; grants are available to commercial properties and business owners located within the urban renewal districts.
- Pre-application: Require a pre-application. The purpose of the pre-application is to provide greater assistance to the applicant in the grant process. The process would require the applicant to meet with staff and the Design Review Committee for a review of the proposed project. Currently applicants are encouraged to meet with staff and the Design Review Committee prior to submitting an application, but since it is not a requirement, many do not follow this procedure. The pre-application would be available on the website and at city hall. The complete application would not be on the website and would be available after the pre-application process.
- Change the Maximum Grant Available: It is proposed the maximum grant of \$25,000 be available to both property and business owners. Business leases often require the lessee to cover the costs of property improvements. Currently the \$25,000 grant applies to property owners and a max grant of \$5,000 for business owners renting/leasing but not owning the building.
- Include Signage in the Grant: It is proposed to add signage to the program. Currently signage is not eligible for grant funds. If covered in the program, a grant would not be approved for a sign only; the sign must be a part of an overall façade project.
- Develop Standards for Awnings and Signage: City code regulates location and size for signage. The Empire and Front Street Design Standards include standards for signage and awnings. Development of standards for awning and signage in other areas of the city could be undertaken at a future time.
- Include Sidewalks in the Grant: Due to the cost of materials and labor for sidewalk construction it is recommended sidewalk replacement be included in the grant program. To be eligible, the sidewalk would be required to be part of an overall façade improvement project and required to match adjacent sidewalk design. The city's code addresses construction requirements and includes the ADA requirements in the construction/replacement of sidewalks.
- Landscaping and Outdoor Space: It is proposed that landscaping and development of outdoor space be included in the grant program. To qualify for funding these improvements would be required to be part of the overall façade improvement project. The Agency may wish to develop landscaping and outdoor space standards before including these items in the program.
- Development of a Checklist: The Agency would use a checklist or criteria when considering a project for a grant. The check list may include items such as whether the applicant is following the recommendation of the Design Review Committee, does the project increase the value of the property, and does the project promote economic

development. Using a checklist would allow the Agency discretion in the amount of the grant award.

For example, the Agency may award a higher grant amount, such as \$35,000, for a building that is listed or has been listed on the National Register of Historic Places, or if the applicant chooses not to follow the DRC's recommendation, the grant award would be 75% of the amount available. The DRC chair would attend the URA meeting when the grant application is being considered.

- Program Guidelines: No changes are recommended by staff or the DRC to the current guidelines, other than providing a definition for the city's meaning of *historic buildings* as used in the guidelines. Staff's suggestion that *historic buildings* shall be those structures currently or previously listed on the National Register of Historic Places.
- Review the Ordinance Establishing the Design Review Committee: The current ordinance was enacted in 2001 and does not include reviewing façade grant applications as a role of the committee. Staff's recommendation is to consider changes to the ordinance at a future time.
- Steps for Applying for a Façade Improvement Grant
 - Pre-application: Meeting and review with staff and the Design Review Committee
 - Application: Meeting and review with staff and Design Review Committee
 - Design Review Committee recommendation to the Urban Renewal Agency
 - Urban Renewal Agency Approval

BUDGET IMPLICATIONS

It is not anticipated that revisions to the façade grant program would impact the budget at this time. The budget officer reviews program funding needs when preparing the proposed budget and funding levels are reviewed and approved by the budget committee. The change in funding eligibility and additional components eligible for the facade grant program may increase the number of applications submitted.

ADVANTAGES

The revisions to the grant program would assist a greater number of property and business owners in making improvements to their buildings, thereby stimulating the economy, increasing property values, and enhancing livability in the urban renewal districts. Some of the revisions would also make other aspects of the program a smoother process.

DISADVANTAGES

None identified.

ACTION REQUESTED

Review the proposed changes to the façade improvement grant program and direct staff to implement revisions effective August 22, 2012.

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