



Legislation Text

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TO: Chair and Members of the Board

FROM: Jeffrey Oris, Executive Director

DATE: August 20, 2019

MORATORIUM ON ACCEPTANCE OF NEW APPLICATIONS TO ALL MCRA GRANT PROGRAMS

BACKGROUND:

The MCRA currently offers grants through five separate programs to incentivize property improvements and the location of new businesses within the CRA:

- 1) Business Incentive Grant Program - Up to \$25,000 (on a dollar-for-dollar match basis) for the location of a new business or expansion of a business;
- 2) Existing Commercial and Industrial Property Improvement Program - May be equal to 80% of projects costs for an amount up to \$750,000 to upgrade the appearance of commercial and industrial properties;
- 3) Commercial Property Façade Improvement Grant Program - Up to \$50,000 (on a dollar-for-dollar match basis) to improve the appearance of street-facing exteriors of commercial structures based on property frontage square footage;
- 4) Commercial Property Landscape Improvement Grant Program - Up to \$10,000 (on a dollar-for-dollar match basis) to enhance landscaping on commercial properties;
- 5) New Business Incentive Grant Program - Up to a 5% reimbursement of eligible construction costs not to exceed \$500,000 to reduce costs associated with the construction of new building for new businesses.

As most of these programs have been in place for some time (with exception of the New Business Incentive Grant Program), it is appropriate for staff to review the parameters, requirements, and effectiveness of each program.

It is hoped that this review will lead to recommendations for program modifications and/or eliminations, that will maximize return on the CRA's investment and provide more manageable and appropriate grant programs given the mission of the CRA, nature of the built environment, the funding that can be available for these programs, and the limited term before the Agency sunsets.

This moratorium is not intended to extend to any grants or property improvement funds already awarded to by the CRA.

RECOMMENDATION:

Staff recommends a moratorium on the acceptance of new applications to all of the grant/property improvement programs while the programs are reviewed and staff prepares recommendations for modifications/eliminations to each. It is further recommended that applications not be accepted until such time as the Board takes specific action to reopen the programs or create new programs.

FISCAL IMPACT: This action will not have any immediate cost to the CRA.

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