



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: May 23, 2023

SUBJECT: CONSIDERATION OF AN AMENDMENT TO THE
FACADE AND PROPERTY IMPROVEMENT GRANT
PROGRAM GUIDELINES

ISSUING DEPARTMENT: City Manager's Office

SUMMARY:

Issues:

Should the City Council approve an amendment to the Façade and Property Improvement Grant Program Guidelines?

Recommendation:

Staff recommends the City Council consider approval of an amendment to the Façade and Property Improvement Grant Program Guidelines

Fiscal Impact:

There is no fiscal impact associated with the staff recommendation.

BACKGROUND:

On March 11, 2021, the American Rescue Plan Act of 2021 ("ARPA") was signed into law. ARPA included a \$350 billion allocation of Coronavirus State & Local Fiscal Recovery Funds to financially assistance state and local governments with responding to COVID-19. Qualifying uses of the ARPA funds include, but are not limited to, rental assistance, mortgage assistance, utility assistance, services to assist those who are unhoused, and various programs to support businesses. In 2022, the City Council formed an ARPA Ad-Hoc Subcommittee to review, discuss, and recommend eligible City uses. The La Mesa Façade and Property Improvement Grant Program (Grant Program) was recommended by the subcommittee and subsequently approved by the City Council. The Grant Program was funded in the amount of \$500,000 as a two-year

pilot program with \$250,000 available each year. The goal of the Grant Program is to assist local businesses with completing exterior façade and property improvements to enhance business-use properties and improve the economic climate.

DISCUSSION:

In January 2023, the City began accepting online applications on a first come, first serve basis for year one of the Grant Program. The City received 21 applications, and 14 were approved for funding. The 14 projects committed \$250,000 in available funding for year one. The remaining seven applicants were placed on a waiting list for year one in case any approved projects were not completed. Additionally, applicants on the waiting list are invited to apply for year two funding when the City opens the application period on July 10, 2023. Year two funding will be advertised to the La Mesa business community via the City's community engagement platforms, the La Mesa Chamber of Commerce, and the La Mesa Village Association.

On April 6, 2023, the ARPA Ad-hoc Subcommittee met to discuss and recommend eligible uses for the remaining ARPA funding and to receive an update on the Grant Program. At the meeting, the subcommittee expressed concerns regarding the Grant Program Guidelines, which allows a property owner to qualify for funding for multiple properties, subject to funding availability. Currently, the Grant Program Guidelines allow the following:

1. Properties that have received grant funds from the façade grant program in prior years; properties that have received one of the City's micro grants in prior years are eligible to apply in year two
2. Applicants owning or doing business on more than one property may apply for additional grants provided the properties are not contiguous to each other

The Subcommittee recommends that an amendment to the Grant Program Guidelines be considered by the City Council to delete the above conditions and add a condition limiting applicants to one grant per property owned. Below is the recommended language:

- Applicants owning or doing business on more than one property may only apply for funding for one property. Properties that have received grant funding in prior years are not eligible to receive funding in subsequent years.

The amended Program Guidelines are attached as Attachment A. The edits to the conditions are shown on page 3.

CONCLUSION:

Staff recommends the City Council consider approving an amendment to the Façade and Property Improvement Grant Program Guidelines.

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Amanda Lee
Assistant City Manager



Lyn Dedmon
Assistant to the City Manager

Attachment A: Amended Façade and Property Improvement Grant Program Guidelines