



STAFF REPORT

AGENDA ITEMS #: 21-93
COUNCIL MTG OF: July 20, 2020
FROM: David Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Administration
SUBJECT: Derry Downtown Façade Improvement Program Expansion

PURPOSE: To continue the Downtown Façade Improvement Program by eliminating program deadlines.

TOWN ADMINISTRATOR COMMENTS:

The Council is requested to approve this Resolution to allow additional participation in the program within the Derry Commerce Corridor TIF District, as activity was delayed and/or cancelled during the COVID-19 Pandemic.

BACKGROUND:

The Town Council in August 2019 recapitalized the Downtown Façade Improvement Program in the amount of \$250,000 from proceeds within the Derry Commerce Corridor Tax Increment Financing Fund. At that time, the Council approved the following participation levels:

50:50 matching grant for improvements <\$200,000 at \$5,000/grant = \$100,000
50:50 matching grant for blight removal at \$5,000 = \$ 50,000
\$20,000 grant for façade improvement work costing in excess of \$200,000 = \$100,000

Activity has been minimal since the Council's latest action, particularly in light of the Pandemic, when businesses were necessarily focused on business survival rather than infrastructure improvements.

DISCUSSION:

Downtown business owners initially responded enthusiastically to the program; the entire initial \$100,000 appropriation was obligated with several more businesses on a waiting list. Over \$250,000 in private investment has been leveraged with the original \$100,000 town match.

Of the \$250,000 appropriated during the second funding round, only \$8K has been obligated, although there are several businesses which are beginning to refocus on infrastructure and façade improvements now that the worse of the Pandemic is behind us.

Staff is requesting Council authorization to continue the program for an indefinite period; staff will make semi-annual reports to the Council and during the annual budget process, which will give the Council an opportunity to review the program and make any necessary adjustments.

FISCAL IMPACT: There is no fiscal impact associated with this Resolution as ample funding remains in the Program.

RECOMMENDED MOTION: Please see Resolution #2021-048 (Please read the Resolution).