For Immediate Release
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Council agrees to accelerate funding for successful downtown incentive program

KITCHENER – This afternoon, Kitchener City Council agreed to give a boost to downtown business property owners who want to make a significant contribution to the look and feel of the city's core.

At its regular meeting of the Finance and Corporate Services Committee, council agreed to accelerate the funding for the city's popular Façade Improvement Grant Program (FIGP) – increasing the funding for 2010 by $75,000. The increase will enable the city to grant up to nearly $200,000 this year to downtown businesses that want to improve the exteriors of their storefronts.

"There has been great interest in the incentive programs and they are proving to be an excellent investment in terms of the private sector investment they're leveraging in our downtown," said Cory Bluhm, the city's manager of downtown community development. "It's really encouraging to see that the transformation that is happening with the King Street reconstruction project is also encouraging building and business owners to bring new life to their storefronts."

"On behalf of downtown Kitchener Business Improvement Area, we're all very pleased with the positive impacts the grant programs have had on the downtown – both on the businesses taking part in the incentive programs, and on the businesses that surround them," said Mark Garner, executive director of the downtown BIA.

The City of Kitchener administers both the FIG program and a second financial incentive program – the Upper Storey Renovation Program which offers incentives for converting under-used upper storey floor space into residential units. Today, Cory Bluhm, the city's manager of downtown development, shared with Council details of the success of both programs.

Façade Improvement Grant Program
A five-year program, the façade improvement grants enable business owners to apply for grants to assist with exterior façade improvements – including fascia, signage, entryways and windows. Applicants can receive up to $10,000 per storefront or façade, where the applicant covers a minimum 50 per cent of the total costs. Buildings with multiple storefronts can received up to $30,000.

Council approved $200,000 worth of façade grants in 2009 with $175,000 actually granted to business owners with the following results:

- 12 approved applications
- 5 applications completed to date
- 3 applications commenced by not yet complete
- 2 applications to being in 2010
- 2 applications withdrawn
- $65,000 invested by the city in the first few grants to business owners has leveraged $252,000 in private sector investment in storefront improvements.

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- When all of the 2009 projects are complete, the city will have granted $175,500, while leveraging an estimated $547,000 in private sector investment.

For 2010, city staff is reviewing nine more applications for the Façade Improvement Grant Program. These projects will receive $114,500 in grant incentives from the program which is ultimately anticipated to result in an investment totalling $395,000 by the private sector.

The additional $75,000 in funding approved for the program today by Council will come from the 2013 Façade Improvement Grant Program allocation. Coupled with nearly $25,000 left from the 2009 program, the city will be able to provide nearly $200,000 in façade grants in 2010. Currently, the city has an additional six potential applicants who have expressed an interest in completing façade enhancements in 2010.

“We’re soon going to be undertaking a business attraction strategy to try and attract new retailers and restaurants and these incentives may play a significant role in helping us to attract these businesses,” added Bluhm.

Upper Storey Renovation Program

Since its initiation in 2005, the city’s upper story renovation program has. Progress to date includes:

- 7 applications with 6 completed to date
- 3 units still to be created
- 26 new residential units created downtown
- 38 new downtown residents
- When all of the current project applications are complete, the city will have granted 244,625, while leveraging an estimated $1.7 million in private sector investment.

A five-year program, the Upper Storey Renovation Program finished on December 31, 2009. City staff will be re-evaluating the program to determine whether it will continue in the future. It is anticipated that a recommendation will be presented for council’s consideration in early 2011.

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