

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: 6/7/2010

Reviewed by: BP

SUBJECT: Update on Economic Development and recommendations for upcoming Fiscal Year, including use of existing funds for commercial Façade Improvement Program

REPORT BY: Judy Lieberman, Assistant City Administrator

STAFF RECOMMENDATION

1. Receive Update on September 2009 Economic Development Workplan
2. Approve use of \$12,000 from existing FY2009/10 funds for a façade improvement program to be administered jointly by the City and the Albany Chamber of Commerce.

DISCUSSION

In September of 2009, City Council received the economic development report and an accompanying workplan. The status of these items is discussed in the attachment to this report.

The City's Economic Development Report provided a variety of recommendations for strategies to make Solano and San Pablo attractive to new businesses, and desirable for existing businesses to remain and expand. One of the overall strategies in the report (Section VI) is to work with existing local organization and businesses to make physical and aesthetic improvements in the Albany commercial districts. Run-down streets and storefronts breed a perception that the area is on the decline, and an undesirable place to shop, eat or come to for various services. The City has made a number of physical improvements, as noted in the attachment. Although most merchants do keep their storefronts in good condition, there are indeed some that are struggling. The Façade Improvement program will provide incentives for local businesses to rehabilitate their physical appearance on the street.

The City has not had a façade improvement program since the 2003 URM (un-reinforced masonry) related program, which used Community Development Block Grant funds. Unfortunately, CDGB funds are no longer available for this use. The city will be working with the Chamber of Commerce to determine the specifics of the program, including coordination with Planning and Zoning Commission, target areas, etc. Funds are intended to be used for improvements that improve the appearance and desirability of the frontage, such as exterior painting, signs, windows/doors and awnings. The Chamber will administer the program, also on a reimbursement basis. The Solano Avenue Association is supportive of this program.

SUSTAINABILITY IMPACT

The economic development program encourages green transportation, such as walking and bicycling for local shopping and services. Bay Friendly Landscaping has been used for planter boxes. We are working with the Environmental Resources program to reduce the use of plastic bags, encourage more green certified businesses, and promote recycling, composting and reuse. For the façade improvement program, we will encourage the use of green products and pay the differential in costs for items such as low VOC paints or recycled materials.

FINANCIAL IMPACT

Community promotion funds from FY2009/2010 will be used to fund the façade improvement program.