



City Council Staff Report

Subject: Return of Façade Improvement Grant (FIG) and Launch of Atlantic Avenue Grant (AAG) Programs

Author: Patrick A. Duhaney, City Manager 

Department: Economic Development

Date: January 16, 2026

Type of Item: Informational

Focused Action Plan Initiative

Places: 2.7 Refocus and reinvest in the Resort Area as a premier destination.

Summary

For Council's awareness and constituent referrals, the annual Façade Improvement Grant (FIG) Program and new Atlantic Avenue Grant (AAG) programs were launched this week.

The FIG program provides matching grants of up to \$10,000 to eligible businesses and property owners who are looking to make improvements to the exterior of their buildings or properties. These improvements can include highly visible windows, doors, awnings, building material upgrades, fencing, signage, accent or security lighting, and other enhancements that will make an impactful improvement of the overall appearance and attractiveness of a property.

Additionally, a one-time Atlantic Avenue Grant (AAG) program has been launched this year. Businesses located on Atlantic Avenue from 2nd to 40th Street are eligible to apply for a matching \$10,000 to \$25,000 grant. The program offers grants for significant exterior improvements like signage and art, landscaping and planters, outdoor café upgrades, facade improvements, and other significant enhancements that will enrich the overall image and appeal of a property.

Grants will be awarded by the City of Virginia Beach Development Authority (VBDA) to eligible applicants on a competitive, first-come, first-served basis and paid after successful completion of the improvements.

City Council Staff Report
Return of Façade Improvement Grant (FIG) and
Launch of Atlantic Avenue Grant (AAG) Programs
January 16, 2026

Background

For five years in a row, the FIG program has provided financial assistance to businesses and property owners seeking to enhance the attractiveness of their properties. Since the program's inception, VBDA has awarded \$458,105 in grants to 69 small businesses, who in turn have invested \$2 million in properties throughout the City.

The Atlantic Avenue Grant was directed by City Council in the FY 2025-26 budget process specifically for businesses on Atlantic Avenue.

Funding Source

- As a part of the FY 2025-26 reconciliation, \$250,000 was redirected from CIP project 100157 "Economic Development Investment Program II" to the operating budget of Economic Development for the Atlantic Avenue Grant.
- \$100,000 of Economic Development's operating budget, along with the \$250,000 specified for the Atlantic Avenue Grant, was authorized to be transferred to VBDA to issue the grants in the FY 2025-26 budget.

Stakeholder Engagement

- Since December 2025, Economic Development Staff have visited over 393 businesses in person across the City to increase awareness about the grant programs and distribute informational material.
- In-person workshops for those interested in learning more were/will be held at The HIVE, located at 140 Independence Blvd, Virginia Beach, VA 23462, on January 15, 2026, from 8:00 am to 9:00 am and on Wednesday, January 21, 2026, from 4:00 pm to 5:00 pm. Online participation options are available. The application portal and more information for the FIG program can be found at www.yesvirginiateach.com/fig.
- In-person workshops are also being held about the AAG program at the Virginia Beach Convention and Visitors Bureau, located at 600 22nd Street, Virginia Beach, VA 23451, on Friday, January 23, 2026, from 8:00 am to 9:00 am and on Wednesday, January 28, 2026, from 4:00 pm to 5:00 pm. Online participation options are available. More information is available at www.yesvirginiateach.com/aag.

Should you have any additional questions or concerns, please contact Deputy City Manager, Amanda Jarratt, at ajarratt@vbgov.com or Deputy Director of Economic Development, Emily Archer, at earcher@vbgov.com or (757) 385-2912.

Attachments (2)

- Combined FIG business cards and brochures for distribution to your constituents
- Combined AAG business cards and brochures for distribution to your constituents

FAÇADE IMPROVEMENT GRANT (FIG) PROGRAM

A **matching grant program** to support small, locally owned, and operated businesses in the City of Virginia Beach.



To learn more and apply, visit this page:

www.yesvirginiatech.com/fig

A. WHAT IS FIG?

This is a reimbursement program for significant exterior improvements for small, locally owned, and operated businesses located in any commercial or industrial zoned area within the City of Virginia Beach.

The program will match small business owners, or those who lease to small businesses, investments up to \$10,000, for exterior building, site and outdoor dining improvements. Please note this is only a 50% match of the actual capital investment. (*For instance, if you invest \$20,000, we will match 50% or \$10,000.*)

B. WHO IS ELIGIBLE?

- New or existing small businesses with less than 50 employees and those who lease to them.
- Nonprofit entities and organizations
- Properties and applicants that are current on all City of Virginia Beach licenses, fees, and taxes.
- Businesses and nonprofit entities located on any commercially or industrially zoned property (H, O, B, I, PD-H, OR, RT, and CBC Districts).

C. WHO IS NOT ELIGIBLE?

- Chain businesses with more than three locations
- National franchises
- Places of worship
- Residential buildings or complexes
- Government-supported institutions
- Private clubs or social centers

D. WHAT IMPROVEMENTS ARE ELIGIBLE?

Improvement projects must not have already occurred at the time of the application and must make a visible, demonstrable improvement to the exterior of a building or property. All improvements are required to meet applicable zoning, building codes, and design guidelines. Routine maintenance, movable furnishing, consumable supplies, and other non-capital investments will not be considered. Improvements eligible for grant funding are as follows:

FAÇADE IMPROVEMENTS

Exterior improvements may include any highly visible windows, doors, awnings, parapets, canopies, accent or security lighting improvements and building

material upgrades. Building material specifications, imagery, and scaled drawings or elevations of the proposed improvements, as would be required by the City to obtain a permit, must be provided.

Routine maintenance, such as roofing system repairs/ replacements, power washing, and HVAC system repairs/replacements are not eligible.

FENCING

Example images or scaled drawing of proposed fencing, specifying height, length, color, and survey, as required to obtain a permit, must be provided.

SIGNAGE

Signage improvements may include new or replacement of commercial signage. Scaled drawing with measurements of proposed sign(s), description, proposed location, and other specifications, as would be required for zoning review, must be provided.

LANDSCAPING

A landscape plan must be submitted, showing site location, size, plant types, and quantity.

PARKING UPDATES

Upgrading an unimproved parking area (e.g. gravel lot) with a paved or other approved surfacing material is eligible, as well as full repaving and re-striping, bicycle parking areas and bike racks. Site drawings, site work description, proposed surfacing materials, and other perimeter improvements, as required by the Zoning Ordinance, must be provided.

Minor and routine parking maintenance, such as parking lot patching, will not be eligible.

OUTDOOR CAFÉ

Upgrades to or establishment of an outdoor café space are eligible. A detailed scaled drawing of the outdoor café site, with the survey of the property, is required.

E. HOW MUCH ARE THE GRANTS?

Applicants may request one grant between \$1,000 and \$10,000 to match their investment of at least the same amount to achieve the proposed improvements. A third-party cost estimate or quote for the proposed improvements is required to justify the grant amount request.

No more than one grant shall be awarded to a business or property owner per fiscal year. Funding is not an entitlement and is available on a competitive first-come, first-served basis until funds for the fiscal year are depleted.

F. WHAT IS THE SELECTION PROCESS?

Applications will first be ranked on:

- Completeness of application
- Eligibility of business (per section B)
- Eligibility of proposed improvements (per section D)
- Whether they are a woman, minority or veteran-owned business

If an applicant has previously received a FIG grant A Grant Review Committee will then evaluate the highest-ranked applications and recommend those that make the most demonstrable impact for approval to the Virginia Beach Development Authority (VBDA). VBDA will approve a resolution authorizing the grant award.

The Grant Review Committee is comprised of representatives from Virginia Beach City Council, VBDA, the City Manager's Office, and the City Departments of Planning and Community Development, and Economic Development.

G. HOW DO I RECEIVE THE GRANT?

Grants are performance-based and will be authorized by VBDA after successful completion and evaluation of the improvements. Invoices and proof of payment must be submitted.

All improvements must be completed within six (6) months from the date of grant award. A final inspection by Economic Development Staff will be conducted prior to payment approval to ensure consistency with the originally approved improvements. Substantial changes to the originally approved improvements must be approved by the VBDA prior to making changes. Only one grant check will be issued per award.

One extension for up to two (2) additional months can be approved administratively. Subsequent requests for an extension are not guaranteed and must be reviewed and approved by the VBDA. If an extension is not granted and work has not commenced within six (6) months from the award date, the Resolution becomes null and void.

Facade Improvement Grant (FIG) Program



- A matching grant program offering \$1,000 to \$10,000 to small businesses, non-profits, and organizations in Virginia Beach, VA.
- 50% match of the actual capital investment for the property.
- Work must be completed within 6 months of award.



ATLANTIC AVENUE GRANT PROGRAM (AAG)

Matching investments from \$10,000 to \$25,000 to support businesses between 2nd and 40th Streets on Atlantic Avenue



To learn more and apply, visit this page:

www.yesvirginiatech.com/aag

A. WHAT IS AAG?

AAG is a reimbursement program for significant exterior improvements for businesses and property owners located along Atlantic Avenue from 2nd Street to 40th Street within the Virginia Beach Oceanfront Resort Area.

The AAG program offers a 50% match of investments between \$10,000 and \$25,000 for exterior building, site, and outdoor dining improvements. Please note this is only a 50% match of the actual capital investment. *(For example, if you invest \$50,000, we will match 50% or \$25,000.)*

B. WHO IS ELIGIBLE?

- Owners and tenants of properties with frontage on Atlantic Avenue from 2nd to 40th Street in Virginia Beach.
- Properties and applicants must be in zoning compliance at the time of application and current on all City of Virginia Beach licenses, fees, and taxes.

C. WHAT IMPROVEMENTS ARE ELIGIBLE?

Improvement projects must not have already occurred at the time of the application and must make a visible, demonstrable improvement to the exterior of a building or property. All improvements are required to meet applicable zoning, building codes, and Oceanfront design guidelines ([Oceanfront-Resort-District-Design-Guidelines-2017.pdf](#)).

Routine maintenance, indoor improvements, consumable supplies, and other non-capital investments will not be considered. All improvements shall be made to the exterior sides of the building or property that directly borders Atlantic Avenue, not the Virginia Beach Oceanfront Boardwalk. Improvements eligible for grant funding are as follows:

FAÇADE IMPROVEMENTS

Exterior improvements may include any highly visible windows, doors, awnings, parapets, canopies, accent or security, and building material upgrades. Building material specifications, imagery, and scaled drawings or elevations of the proposed improvements, as would be required by the City of Virginia Beach to obtain a permit, must be provided.

Routine maintenance, such as roofing system repairs/replacements, power washing, and HVAC system repairs/replacements are not eligible.

LIGHTS & LIGHTING FIXTURES

Fixture height, light source, and mounting requirements must be adhered to while promoting the following lighting standards: security, accent, canopy area, and commercial parking area.

SIGNAGE

Signage improvements may include new or replacement of commercial signage. Scaled drawings with measurements of proposed sign(s), description, proposed location, and other specifications, as would be required for zoning review and approval, must be provided. All signs must follow the [Oceanfront Resort District Form based Code](#).

ART

Murals, sculptures and wall art must be differentiated from signage by avoiding incorporation of the business name, advertising any product, merchandise or service, business or establishment.

LANDSCAPING & PLANTERS

Significant additions, removals, or revisions to the ornamental landscape (including trees, bushes, shrubs, flowers, etc.) that are associated with the street frontage landscaping of parking lots or building facades on a property are eligible. A landscape plan must be submitted, illustrating the scope of work to include site location, size, vegetation types, and quantities.

OUTDOOR CAFÉS

Upgrades to or the establishment of an outdoor café are eligible. A detailed scaled drawing of the outdoor café site, with the survey of the property, is required. All outdoor sidewalk cafés within the City Right-Of-Way must be in compliance with [the Resort Area Outdoor Cafe Franchise Regulations](#). The deadline to apply for a new Outdoor Cafe in the City Right-Of-Way for proceeding summer season is February 1, 2026. Construction of Café's within City Right-Of-Ways is prohibited between May 15 and October 1.

D. HOW MUCH ARE THE GRANTS?

Applicants may request one grant between \$10,000

and \$25,000 to match their investment of at least the same amount to achieve the proposed improvements.

A third-party cost estimate or a quote for the proposed improvements is required to justify the grant amount request. Funding is available on a competitive first-come, first-served basis until funds for the fiscal year are depleted.

No more than one grant shall be awarded to a business or property owner per fiscal year. Funding is not an entitlement and is available on a competitive first-come, first-served basis until funds for the fiscal year are depleted.

F. WHAT IS THE SELECTION PROCESS?

Applications will first be ranked on:

- Completeness of application
- Business eligibility (per section B)
- Proposed improvement eligibility (per section C)

A Grant Review Committee will then evaluate the highest-ranked applications and recommend those that make the most demonstrable impact for approval to the Virginia Beach Development Authority (VBDA). VBDA will approve a resolution authorizing the grant award.

The Grant Review Committee is comprised of representatives from Virginia Beach City Council, VBDA, the Resort Advisory Commission, and the City Divisions of Zoning, Resort Management, and Economic Development.

G. HOW DO I RECEIVE THE GRANT?

Grants are performance-based and will be authorized by VBDA after successful completion and evaluation of the improvements. Invoices and proof of payment must be submitted.

All improvements must be completed within twelve (12) months from the date of grant award.

A final inspection by Economic Development Staff will be conducted prior to payment approval to ensure consistency with the originally approved improvements. Substantial changes to the originally approved improvements must be approved by the VBDA prior to making changes. Only one grant check will be issued per award. If the work is not substantially complete within twelve (12) months from the award date, the Resolution becomes null and void.

Atlantic Avenue Grant (AAG) Program



- A matching grant program offering \$10,000 to \$25,000 to support businesses between 2nd to 40th Street on Atlantic Ave in Virginia Beach, VA.
- 50% match of the actual capital investment for the property.
- Work must be completed within 12 months of award.