



# **SITE DEVELOPMENT ASSISTANCE PROGRAM**

## **PROGRAM GUIDELINES**

### **PURPOSE**

The Site Development Assistance Program is open to existing commercial properties within the Community Redevelopment Area. The program encourages business and property owners to improve their existing business sites through interior and exterior improvements and/or business expansion projects.

The intent of the Site Development Assistance Program is to help defray the cost of interior and exterior improvement projects to commercial properties that result in a publicly visible improvement or the enhanced viability of business activity within the CRA District. Reimbursable costs generally include design, labor, installation and material costs associated with building expansions and renovations.

Criteria that will be considered in the review of an application may include, but are not limited to:

1. The visual impact of the project on the area
2. The impact the project will have on property values in the area
3. The project's probability of success
4. The number of new jobs that the business will create, particularly for area residents
5. The level of appropriateness for the type of business in its respective location as consistent with CRA and City plans, including the 2005 Cluster Analysis and Retail Development Strategy ("Cluster Study"), Downtown Master Plan, West Atlantic Redevelopment Plan, North Federal Highway Redevelopment Plan, and other areawide plans
6. The amount of private funds being invested into the project

### **FUNDING & AWARD LIMITS**

For FY 2015/16, the Site Development Assistance Program is available within in Sub-Areas #3, #4, #5, #6, #7 and #8 of the CRA District. In CRA Sub-Areas #1 and #2, the program is restricted solely to art galleries and art studios, and office users. An office user is defined as any business entity primarily engaged in professional, administrative and/or clerical activities, including but not limited to company headquarters, financial services (excluding banks), insurance agencies, architects, lawyers, engineers, real estate offices, marketing, advertising or design firms, travel agencies, consulting firms, software and technology firms, abstract and title agencies. The term

"office user" does not include medical offices or medical clinics, call centers, or personal service providers. (Refer to attached Geographical Sub-Areas map.)

Funding is dispersed on a reimbursement basis only. Eligible projects may receive a maximum grant award of \$50,000, based on eligible project costs. For projects located in target areas of the CRA District (Sub-Areas #3, #4, #7, and #8), grant awards will be calculated using a reimbursement rate of 100% applied to the first \$10,000 of eligible expenses. Thereafter, a reimbursement rate of 40% will be applied to eligible expenses. Grant awards for projects in all other areas of the CRA District (Sub-Areas #1, #2, #5, and #6) will be calculated using a reimbursement rate of 40% of eligible project costs.

Any single eligible expenditure included in the project budget which exceeds \$25,000 may be subject to a reduced reimbursement percentage rate as determined by the CRA Board.

Applicants may not apply for funding through the Site Development Assistance Program more than once within any fiscal year. No property may receive more than the maximum allowed grant award, as set forth within these guidelines, within a five-year period.

Funding for the Site Development Assistance Program is allocated annually as needed. Assistance from this program may, at the sole discretion of the CRA, be combined with assistance from other programs. Funding for approved projects may be carried from one fiscal year to the next at the sole discretion of the CRA.

#### **GENERAL PROVISIONS & ELIGIBLE EXPENSES**

Exterior and/or interior improvement projects for commercial properties are generally eligible for funding under the Site Development Assistance Program. Commercial properties may include general retail, office, restaurant, medical, automotive, professional services and facilities, recreational and other commercial uses as allowed by the City of Delray Beach Land Development Regulations. Mixed-use properties are generally eligible for funding, provided that the commercial component makes up at least 51% of the square footage of the structure. For mixed-used projects with a commercial component that makes up less than 51% of the use of the structure, only the portion of exterior improvement costs that can be attributed specifically to the commercial space may be eligible for reimbursement.

Pursuant to the goals of the CRA, the recommendations of the Downtown Cluster Study and the City of Delray Beach Land Development Regulations, the following businesses/uses will be considered automatically ineligible for assistance under the Site Development Assistance Program:

- a. Any business or property within CRA Sub-Areas #1 and #2, with the exception of art galleries, art studios, and office users, as defined within these program guidelines.
- b. Religious institutions or organizations throughout the CRA District
- c. Single-family properties throughout the CRA District
- d. Residential condominium properties throughout the CRA District
- e. Non-condominium multi-family residential properties of less than eight units
- f. Any business which is a non-conforming use as determined by the City of Delray Beach

Expenses specifically eligible for reimbursement include, but are not limited to, the following items:

- Landscaping and Irrigation
- Exterior alterations and repairs, stucco, painting and other general façade improvements
- Exterior Windows, Exterior Doors and Storefront Improvements
- The installation and improvement of parking, driveways, and sidewalks
- Interior and exterior lighting fixtures and related electrical work
- Exterior Signage
- Awnings and canopy features
- HVAC repair or replacement
- Ceilings
- Flooring
- Interior doors and walls, including repair, replacement, demolition or reconfiguration
- Interior painting
- Interior mechanical/engineering/plumbing improvements
- Interior permanent fixtures, including but not limited to cabinetry, countertops, sinks, ceiling fans, toilets, and permanent displays
- Hood and fire suppression systems
- Design, permitting and engineering fees

Expenses specifically ineligible for reimbursement include the following items:

- Purchase of appliances, equipment, inventory, furnishings, decorations, or supplies
- Purchase of real property
- Rent, lease, or mortgage payments
- Interior improvements to residential portions of any property
- Security system repair and/or replacement
- Roof Repair or Replacement, with the exception of roof projects that structurally alter the façade of the building and are visible from adjacent roadways (i.e., change from flat to pitched roof, or significant increase in roof pitch, etc.)
- Contractor Overhead and General Supervision Fees
- Construction Mobilization and General Conditions
- Drainage
- Site Utilities
- Cleaning and Grading
- Attorney fees

Notwithstanding the fact that the expense is listed above, any specific expense may be deemed ineligible at the sole discretion of the CRA.

Grantees under this program agree to complete the project that the funding was awarded for, according to the scope of work presented in the application. Furthermore, all work must be done in compliance with applicable State, County, and City of Delray Beach laws, ordinances, and regulations, and must have the appropriate permits and Certificates of Completion issued.

The Site Development Assistance Program benefits are contingent on funding availability, approval of the Grant Application by the CRA Board of Commissioners, and the approval and execution of the Grant Agreement by the CRA Board of Commissioners, and are not to be construed as an entitlement or right of a property owner or applicant. Properties in the CRA areas are not eligible for City/CRA funded programs when such funding conflicts with the goals expressed in the CRA Redevelopment Plan. The CRA reserves the right to deny any Site Development Assistance Program application if in its sole and absolute discretion it determines that the business or project will not further the goals and objectives established for the economic development of the CRA District. The CRA may obtain an analysis by a third party or outside firm hired by the CRA to evaluate the application.

## **PROCEDURES FOR IMPLEMENTATION**

1. **Application Process** – All applicants are strongly encouraged to meet with CRA staff in order to determine eligibility before submitting an application. Funding requests will not be considered until all required documentation is submitted to the CRA office.

Application packets must include the following documentation:

- a. Completed/executed application form
  - b. Copy of executed commercial lease OR warranty deed
  - c. Business Plan; or Business Plan Summary pertaining to the use, management and occupancy of the property
  - d. Three-year financial projections of property operations/maintenance
  - e. Evidence of financial ability to pay for the complete project (approved loan, cash balance, line of credit, etc.)
  - f. Narrative description of entire renovation project being undertaken, including sources of project financing and anticipated benefit to property and CRA District
  - g. Detailed budget for entire renovation project, broken down into interior and exterior improvements and/or renovations
  - h. Detailed breakdown of interior/exterior renovations and improvements for which reimbursement is being requested under the grant program and all associated plans and renderings
  - i. Verification of approved site plan modification application from City of Delray Beach
  - j. Photographs of the existing conditions of interior/exterior of the property
  - k. Executed Site Development Assistance Program grant agreement
2. **Approval of Funding Request & Grant Agreement** – Once eligibility is verified and all required documentation has been submitted, CRA staff will present the funding request and grant agreement to the CRA Board of Commissioners for approval. Staff will notify the applicant of the Board's decision.

3. **Payments** – Grant funds are dispersed on a reimbursement basis for eligible and pre-approved expenses only.
4. **Site Visits** – CRA staff may conduct site visits before issuing reimbursements in order to verify that improvements are being completed as presented in the approved application.
5. **Discontinuation of Payment** – The receipt of past payments is not a guarantee of future payments. The CRA retains the right to discontinue payments at any time according to its sole and absolute discretion.

### **REIMBURSEMENT PROCESS**

- No grant funds will be dispersed prior to the receipt of a Temporary Certificate of Occupancy, Certificate of Occupancy, or other necessary final inspection approvals.
- To receive reimbursement grantees must submit the following:
  - Detailed work invoice – from the vendor, corresponding to the completed approved reimbursable improvements
  - Proof of payment – in the form of a cancelled check or credit card statement
  - CRA staff may request additional information to accompany reimbursement requests, including, but not limited to, photographs, verification of vendor certifications, building permits, occupational licenses, or other documentation.
- For projects in target areas of the CRA District (Sub-Areas #3, #4, #7 and #8), reimbursement is at the approved grant award rate of 100% for the first \$10,000 of final eligible expenses, and 40% of the final eligible expenses thereafter, as presented for reimbursement, up to the maximum approved grant award, unless otherwise specified by the CRA Board. Projects in all other areas of the CRA District will be reimbursed at the approved grant award rate of 40% of final eligible expenses, unless otherwise specified by the CRA Board.
- Grantees may submit up to 2 reimbursement requests for eligible expenses that have been completed prior to the completion of the overall project. No more than 75% of the approved grant award may be disbursed prior to the receipt of a Temporary Certificate of Occupancy, Certificate of Occupancy, or other necessary final inspection approvals.
- After receipt of a Temporary Certificate of Occupancy, Certificate of Occupancy, or the other necessary final inspection approvals, grantees may submit the final reimbursement request to the CRA. Final grant disbursements will not be released until staff verifies that the business is still in operation, there are no active liens or code enforcement violations on the property, and that the completed improvements have been sufficiently completed to the satisfaction of the terms of the approved grant , as determined by an on-site inspection.
- The CRA may impose any additional or alternate terms and conditions it deems appropriate to protect the assets of the organization, with regards to funding and reimbursement.