

# NW 7TH AVENUE COMMUNITY REDEVELOPMENT AGENCY

## COMMERCIAL IMPROVEMENT GRANT PROGRAM

### PROCEDURES MANUAL

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#### **I. PURPOSE**

- A. This policy is established to outline procedures and guidelines to be used for providing assistance to rehabilitate privately owned commercial and industrial buildings which are occupied by licensed businesses and which have qualified for the NW 7th Avenue Corridor Community Redevelopment Agency (CRA) Commercial Improvement Grant Program (“CIP” or “Grant Program”), with funds to be provided by the CRA. Funds can only be used for improvements to the building and property, correction of code violations, and removal of architectural barriers to give access to disabled persons.
- B. Participation by private building owners and business operators in the program is voluntary and by application only.
- C. The overarching goals of the Program are to stimulate employment, grow business, and grow investment within the CRA. Preference for CIP funding will be given to applicants who can demonstrate that CIP funding will:
  - 1) Retain existing jobs and enhance the skill level and pay of existing jobs;
  - 2) Create new jobs, in particular, Create high-skill, higher paying jobs with incomes at or above the Area
  - 3) Median Income for Miami-Dade County;
  - 4) Help the Applicant expand sales revenue, improve competitiveness or enter new markets, and/or;
  - 5) Be used to leverage other funds to expand or increase the overall size of the project proposed by the applicant.
- D. The CIP Grant Program provides two different funding programs, with separate conditions and requirements as follows:
  - 1) Grants awarded in an amount up to \$50,000, requiring a minimum 25 percent match of the total grant amount from Grantees, and
  - 2) Grants awarded in an amount of \$50,000 and up shall be no more than 20 percent of the project cost, and will require the execution of a Community Benefits Agreement (CBA) from the Grantee.

#### **II. ELIGIBLE COMMERCIAL IMPROVEMENTS**

- A. Eligible improvements funded by the CIP Program include but are not limited to:
  - 1) Exterior or Interior Painting
  - 2) Siding, Masonry or Stucco Facing
  - 3) Sewer hook-up
  - 4) Roof Repairs
  - 5) Exterior or Interior Lighting
  - 6) Exterior Signs
  - 7) Window or Door Replacement
  - 8) Awnings, Canopies and Shutters
  - 9) Historic Storefront Restoration
  - 10) Landscaping or Irrigation for Landscaping

- 11) Surface Parking Lot Improvements
  - 12) Fences and Gates
  - 13) Resolution of Code Violations
  - 14) Improvements required by the Americans with Disabilities Act (ADA)
  - 15) Additions to existing buildings, or expansion of existing buildings
  - 16) Demolition expenses
  - 17) Design plans, specifications, labor, materials, equipment, fees and services associated with approved CIP program improvements
- B. Grant funds may be used to directly fund eligible building rehabilitation or may be used to as credit enhancement to leverage the applicant's acquisition of a loan to make its eligible business improvement. Credit enhancement uses for grant funds include, but are not limited to:
- 1) Additional Equity for loan application;
  - 2) Matching funds for other grant or loan programs, and/or;
  - 3) Interest rate write-down

### III. GENERAL TERMS AND CONDITIONS

- A. Any building determined to be eligible for rendered rehabilitation assistance shall be located within the boundaries of the Community Redevelopment Area, which is more fully described as: **the geographic area bounded on the North by NW 119 Street, bounded on the East by Interstate 95, bounded on the West by the property lines of the properties that abut NW 7th Avenue and on the south by NW 80 Street and the area generally bounded on the North by the City of Miami Gardens, bounded on the East by Interstate 95, bounded on the West by the westernmost property lines of the parcels that abut the westerly right of way along NW 7th Avenue, and on the South by the City of North Miami** ("Redevelopment Area").
- B. The property must be a privately owned non-residential commercial building located within the Redevelopment Area. Adult entertainment businesses and liquor stores are not eligible for CIP Grant funding. Religious institutions, and residences are also not eligible. In mixed-use commercial/residential buildings only the commercial portion of the building is eligible for grant assistance.
- C. Buildings being considered for improvement grants must be at least five (5) years old. Buildings that have received improvement grants from the CRA within the past five years are not eligible for assistance.
- D. The property must be structurally feasible for rehabilitation.
- E. **Under no circumstances may CIP funds be expended on a building that will not be occupied after rehabilitation.** Buildings to be rehabilitated shall be occupied at the time funding is requested or subject to a bona fide lease or rental agreement providing for occupancy or re-occupancy after completion of the rehabilitation. With prior approval, a building owner may contract with the CRA to undertake the commercial rehabilitation improvement process on a vacant business unit with the caveat that the CRA will not reimburse any cost until such time as the business unit is actually occupied. Should the business unit remain vacant for one year following completion of the rehabilitation, the CRA's responsibility to reimburse any cost shall expire.
- 1) The eventual occupant must provide proper business, professional and occupational operating licenses. If the occupant or user of the space does not require any type of licensing, proof of tenancy will be sufficient, such as a lease.
- F. No substantial changes will be made to the improvements for a minimum of two years following completion of the rehabilitation of the building unless said changes are approved, in writing, by the CRA. If any changes are made without the prior written consent of the CRA, the building will not be eligible for further benefits in any CRA funded program.

- G. The property owner shall keep the property in good condition and repair, fully tenantable and shall not remove or demolish any improvements thereon in accordance with applicable terms and conditions. If this provision is violated, the property owner will be notified of any violations and will be given 60 days to correct violations. If the violations are not corrected within the prescribed time frame, the building will not be eligible for further benefits in any CRA funded program.

#### IV. ARCHITECTURAL DESIGN AND CONSTRUCTION

- A. All projects are subject to approval by the appropriate County departments. Uses and activities taking place at the applicant's property, and the proposed rehabilitation to be undertaken shall be consistent with the requirements of the Florida Building Code, compliant with all Miami-Dade County building and zoning requirements, and any and all necessary Federal, State and local permits. The applicant is responsible for acquiring all necessary permits and approvals for the project.
- B. Buildings with pending code violations are not eligible for an improvement grant unless the proposed work involves resolution of the pending violation.
- C. Design plans will be reviewed by the CRA Grants Administration staff and Architect for completeness, appropriateness, and consistency with applicable codes. Submitted Design Plans are subject to the following Design requirements:
- 1) Designs must be of high quality and must include a sealed set of plans and specifications if required by the County Building Department.
  - 2) All designs must be reviewed and approved by the CRA prior to construction in order to be eligible.
  - 3) Colors shall be compatible and complimentary to those of existing nearby buildings.
  - 4) Where feasible, designs should consider the removal of material and architectural barriers which restrict mobility and accessibility of elderly or handicapped persons.

#### V. COMMUNITY BENEFITS AGREEMENT

- A. Match reduction-hiring contractor within CRA Business Stimulus Zone??
- B. Approval and receipt of CIP Funds is subject to the Grantee entering into and executing a Community Benefits Agreement (CBA) with the CRA. **One of the goals of the program is to stimulate employment of persons living within the CRA Employment Stimulus Zone (ESZ). The CRA ESZ is defined as sip codes: 33147, 33150, 33167 and 33168.** Each Grantee must employ, based on the funding level received, persons from within the CRA Employment Stimulus Zone, according to the standards listed below.

CIP Grant Funding Level	\$0 to \$100,000	\$100,001 to \$200,000	\$200,001 to 500,000
Construction Jobs for Persons Living Within the ESZ	15%	20%	25%
Permanent Jobs for Persons Living Within the ESZ	1	3	5
Match	25%	No more than 20 percent of project cost	

- C. Permanent jobs will be required to be maintained for at least 5 years. Any permanent jobs not held for 5 years will require the entity to reimburse the CRA for a portion of the grant amount.
- D. In addition, each Grantee must document that all jobs supported by CIP funding will be paid no less than the Annual Living Wage as defined by Miami-Dade County.

## **VI. CIP GRANT CONTRACT REQUIREMENTS AND CONFLICTS OF INTEREST**

- A. Grantees are required to enter into and execute a 1) Contract with the CRA for payment of CIP funds, and 2) a construction contract between the property owner and the selected contractor or vendor.
- B. The applicant is responsible for employing its own contractors. However, for buildings under contract with CRA funds, the building owner, lessor, lessee, tenant, or occupant or employee of the same, either personally or corporately, shall not serve as a paid contractor or sub-contractor for the rehabilitation of said building, nor shall they be paid for their own labor with CRA funds for the rehabilitation of said building.
- C. No person, including but not limited to any officer, board of directors, managers, supervisor, or employees employed by the CRA, who is in the position of authority, and who exercises any function or responsibilities in connection with the CIP, has at the time the CIP is initiated, or shall have during the term of the CRP, received any of the services, or direct or instruct any employee under their supervision to provide such services as described in the CIP. Additionally, no family member related to any officer, board of directors, managers, supervisor, or employees employed by the CRA, may apply for a CRP grant. The term “related to” includes the following:
  - 1) By blood or adoption: Parent, child, sibling, first cousin, uncle, aunt, nephew, or niece;
  - 2) By marriage: Current or former spouse, brother- or sister-in-law, father- or mother-in-law, son- or daughter-in-law, step-parent, or step-child; or
  - 3) Other relationship: A current or former relationship, occurring outside the work setting that would make it difficult for the individual with the responsibility to make a decision or recommendation to be objective, or that would create the appearance that such individual could not be objective. Examples include, but are not limited to, personal relationships and significant business relationships.
- D. Building owners or occupants must disclose any business or personal relationship with members of the CRA. Applicants who have an apparent conflict of interest and are otherwise eligible to participate and receive assistance through this program may submit a waiver for the same. No benefits may be received prior to the approval of such waiver.

## **VII. APPLICATION**

- A. A property owner or business owner/operator must complete the Commercial Improvement Program Application form to include architectural renderings. A property owner or business owner who is applying for \$50,000 or more through this program, must complete the Commercial Improvement Program Application Form and include schematic-level drawings.
- B. The CRA, jointly with its partner, Neighbors and Neighbors Association, Inc. (“NANA”) will establish an application deadline or deadlines, and will accept applications and note the date and time of receipt on each. Applications will be reviewed to ensure completeness. An incomplete application will not be processed and will be returned to the applicant. The applicant will be notified by mail and must return the complete application within 10 days. All applications to be submitted by Registered Mail by common carrier or hand delivered to NANA. A sign in sheet will be provided and must be signed by applicant.
- C. NANA shall review applications, design criteria, make recommendations for acceptance or rejection of the applications, review complaints, recommend additional policies or procedures as necessary and provide continuity for building owners/business operators inquiries. The staff may consider any and all factors including completeness of the application, length of time the business has been in operation, location of the business, type of business, continuity of ownership, benefit to the community, number of employees, and the level of assistance requested as it relates to the limited amount of CRA funds available for rehabilitation of commercial buildings.

- D. Each application will be evaluated by the CRA for 1) completeness, 2) conformance with the objectives of the Enhancement and Innovation Grant program, and 3) the economic impact of the use of the funds proposed by the applicant. The CRA reserves flexibility in its evaluation of grant applications. However, the two most important criteria used in the evaluation and award of grant funds are:
- 1) Preference will be given to applicant businesses that make a clear case that the use of grant funds will meet as many of the program objectives stated in Section I.C above.

**Although not a mandatory requirement, the CRA encourages applicants to use the program grant funds to leverage and increase the total amount of funds to be invested. Applicants are strongly urged to use the grant funding to leverage either investor dollars, additional grant dollars from other sources, or debt to increase the size, value, and impact of the total investment proposed using Innovation Investment Grant Funds. Applicants are urged to contact their business banker to discuss how the grant funds can be used to leverage a more significant investment in their business.**

## **VIII. PAYMENT PROCESS AND PAYMENT CONDITIONS**

- A. The Agreement between property owners and contractor/vendors will provide for the payment process. All payments are on a reimbursement basis.
- B. The owner must receive three formal written quotes from eligible licensed contractors. NANA will review all quotes provided by the contractors selected to perform the work, for reasonableness of cost, prior to the owner/tenant entering into a contract for the work to be performed. If the cost of the total job is less than \$3,000, and the installation is provided by the vendor (i.e., windows or awnings), only one written quote is necessary. All contractors must have a General or Building contractor's license (Class A or B) as per Florida Statute 489, part 1, Department of Business and Professional Regulation.
- C. Construction must start within ninety (90) days of design approval and be completed within one hundred eighty (180) days of the start of construction.
- D. The owner and/or tenant must comply with all requirements of the County for obtaining building permits, sign permits, electrical permits, or any other related permits. Work of any kind started without proper permits, required sealed plans (any structural improvements require sealed plans) and specifications, if applicable, will not be eligible for assistance.
- E. Construction contracts lasting less than 3 weeks in duration will be paid by a lump sum at the end of the contract upon issuance of the Certificate of Occupancy (if appropriate), final inspection by the Architect and County Building Official, and all release of liens from contractors, sub-contractors and suppliers.
- F. Construction contracts lasting more than 3 weeks in duration may have progress payments for the eligible program costs, at the request of the owner, every 2 weeks with the final payment to be made upon issuance of the Certificate of Occupancy, final inspection by the Architect and County Building Official and receipt of all labor standards documentation, and all release of liens from contractors, sub-contractors and suppliers.
- G. The owner/occupant must document the expenditure of their match before any funds are released by the CRA. With prior approval of the Chairwoman or designee, the agreement between the CRA and owner/occupant may allow for the CRA to fund allowable expenses on an approved invoice on a reimbursement basis, not to exceed limits specified per approved Grant. Requests for reimbursement of construction costs will be reviewed only as a complete package. Any costs not included in a request for reimbursement will be considered at a later date. Documentation required with an application for payment of renovation construction costs includes:
  - 1) Cancelled checks
  - 2) Detailed invoices and paid receipts
  - 3) Name, address, telephone number and, if applicable, the building contractor, sign contractor,

- 4) vendor, etc.
- 4) Signed statement attesting to the design and construction costs incurred.
- H. The CRA reserves the right to verify any and all costs associated with design and construction work for which payment is requested.
- I. All change orders must be approved by the CRA or any costs associated with that change order will be disallowed.
- J. All checks for reimbursement will be issued to the property owner through NANA unless provided for differently between the CRA and property owner. Final payment will be made only after receipt of final inspection by NANA and the CRA, and following release of liens, approval and Certificate of Occupancy from the County Building Department where required and Certificate of Appropriateness where required.
- K. Additional work not eligible for CRA funding assistance and architect services shall be paid by business owner.

## **IX. CAVEATS**

- A. The NW 7th Avenue CRA reserves the right at its sole and absolute discretion, reject any and all grant applications, postpone or cancel the Grant program, or waive any irregularities in applications submitted for program grant funding. The CRA reserves the right to request and evaluate additional information from any applicant after the submission deadline as the CRA deems necessary.
- B. Areas not covered in detail in this policy which arise during the application, implementation, or construction phases will be handled as the situation may dictate so as not to impede orderly progress. If the item has the potential for reoccurrence, it shall be resolved, and then included as an addendum to this policy. The CRA Board shall have the final determination related to interpretations of this policy.