RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

Florida's Dynamic Waterfront Community

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MEMORANDUM

TO: Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

FROM: Jonathan Evans, Executive Director, CRA

COPY: J. Michael Haygood, CRA Attorney

DATE: November 12, 2020

SUBJECT: **A RESOLUTION TO APPROVE COMMERCIAL GRANT INCENTIVE PROGRAM APPLICATION ROUND III, FOR A TOTAL OF $84,000.00 TO ASSIST LOCAL BUSINESSES AND IMPROVE THE PROPERTIES LOCATED IN THE RBCRA DISTRICT**

REQUEST FOR BOARD ACTION

The RBCRA staff is requesting approval of the Commercial Grant Incentive Program (the "Program") applications for Round III, totaling $84,000.00, to assist local businesses to complete external improvements to their business located in the District and explore options to initiate a new project that benefits the remaining applicants who are housed on the same property. The applications were submitted under the terms of the previously board approved round. The applicants have all submitted requests for new signage. The grants if approved will require them to conform to uniform signage developed for the Plaza by the Treasure Coast Regional Planning Council as approved by the CRA Board. Funding for the three requested grants from the previous round was approved in the 2020/2021 Budget.

BACKGROUND

In March 2018, the Board approved six Commercial Grant applicants for a total of $167,293.81. Originally, $350,000, was allocated for Round I of the Program. On February 6, 2019, the Board approved Round II of the Program to accept applications for the remaining $182,706.19 not previously allocated in Round I. In August 2019, the Board provided approved the seven applicants in Round II. On September 25, 2019, the Board approved the FY2019/2020 budget in which the Commercial Grant Incentive Program was approved for $250,000.00. In October 2019, the Board approved Round III of the Program to accept applications. On January 30, 2020, the

Agency closed acceptance of submissions from local business owners. In March 2020, the Staff completed the review process and scoring for each submittal. April 22, 2020, the Board approved the highest ranked grantee and requested investigation on the property of the remaining three applicants.

CURRENT STATUS

The Commercial Grant Incentive Program has two distinct initiatives: The Property Improvement Incentive Program and the Beautification Incentive Program. The Property Improvement Incentive Program provides up to $40,000 in matching funds, which consist of 4 public dollars: 1 private dollar invested by the applicant. The Beautification Incentive Program is capped at $4,000 for small projects such as painting and minor landscaping and does not require a match from the applicant. The Agency received four new applicants from the following business categories: hair salon, tax preparation office, seafood restaurant and a marine canvas shop for Round III. As stated, Board of Commissioners has approved the top ranked applicant from Round III. The following chart illustrates the ranking of the remaining three applicants for Round III.

APPLICANT NAME	ADDRESS	RANKING	PROJECT AMOUNT	RBCRA DISBURSEMENT AMOUNT
Badie Seafood/ Vegan	31 E Blue Heron	2ND	$52,950.00	$40,000.00
Badie Alliance Tax Services	35 E Blue Heron	3RD	$52,950.00	$40,000.00
Terry's Hair Studio	29 E Blue Heron	4TH	$5,694.50	$4,000.00
TOTAL				$84,000.00

REVIEW PROCESS

All grant applications for this round were reviewed and scored by RBCRA Project Manager Andre' Lewis, RBCRA Consultant Paul Skyers, and BB&T Manager Tara Bolden and Director of Neighborhood Services Annetta Jenkins, under the supervision of the Executive Director. The evaluation team was asked to complete a confidentiality and disclosure agreement prior to the commencement of the evaluation meeting. Applications were scored based on the underwriting criteria previously approved by the RBCRA Board. The scoring for the three applicants is not critical to this round of grant applications since the available funds are not exceeded by the request for grants.

COMPLIANCE

In order to ensure that the Agency as well as the City receives a suitable return on taxpayers' investment. The grantee has to sign the following documents:

Grant Agreement- This agreement ensures that the grantee complete all improvements in one year unless granted an extension, also that the improvements are maintained for a term of 60 months. It also ensures that the grantee furnishes all the necessary documentations, such as invoices and canceled checks before reimbursement is granted.

Memorandum- Ensures the owner of the property's understanding of the Warranties and Covenants explained in article five of the agreement and serves as a mechanism to be filed in the Official Records of Palm Beach County Florida.

Promissory Note- This document holds the grantee/business owner/ corporate entity liable if the terms of the agreement are broken and the Agency must seek legal remedy.

BUDGETARY IMPACT

The Agency currently has $84,000 approved in FY2020/2021 budget to fund the previous grant round. If approved, $84,000 will be made available to provide grant assistance to the remaining three applicants from Round III. Note, all cost associated with signage for the Gateway Plaza will be procured through under the Agency's signage program.

RECOMMENDATION

Staff recommends approval of three remaining Commercial Grant Incentive Program applicants for Round III totaling $84,000.00.

EXHIBIT A
SCORING CRITERIA
&
PROCEDURE MANUAL
EXHIBIT A
PROGRAM APPLICANTS

Business Name	Location	Project Amount	Amount Allocated	Applicant Summary
Badie Seafood & Grill **331pts Scored**	31 E. Blue Heron Blvd.	$52,950.00	$40,000.00	The applicant is applying for a Property Improvement Incentive Program Grant of $40,000. The total project cost is $52,950, and the applicant will invest $12,950 of its own funds on this project. The applicant will use the grant funds to enhance the property's visual appeal. Specific improvements include: • Exterior brick and window sill replacement. • Installation of outdoor lighting and signage The applicant's establishment is located on a primary Commercial Corridor (Blue Heron Blvd.) within the Community Redevelopment Area.
Badie Alliance Tax Service **294pts Scored**	35 E. Blue Heron Blvd	$52,950.00	$40,000.00	The applicant is applying for a Property Improvement Incentive Program Grant of $40,000. The total project cost is $52,950, and the applicant will invest $12,950 of its own funds on this project. The applicant will use the grant funds to enhance the property's visual appeal. Specific improvements include: • Exterior brick and window sill replacement. • Installation of outdoor lighting and signage The applicant's establishment is located on a primary Commercial Corridor (Blue Heron Blvd.) within the Community Redevelopment Area.
Terry's Hair Studio, Inc. **269pts Scored**	29 E. Blue Heron Blvd	$5,694.50	$4,000.00	The applicant is applying for a Beautification Grant of $4,000. The total project cost is $5,694.50, and the applicant will invest $1,694.50 of its own funds on this project. The applicant will use the grant funds to enhance the property's visual appeal. Specific improvements include: • An outside security surveillance system • Proposed Signage thru Signage Program • The installation of Accordion Shutters The applicant's establishment is located on a primary Commercial Corridor (Blue Heron Blvd.) within the Community Redevelopment Area.

COMMERCIAL GRANT PROGRAM SCORING CRITERIA SHEET

Eligibility Checklist	YES	NO		N/A	COMMENTS
Business Located in the CRA					
Proof of legal business Entity					
Proof of Tax Identification					
Proof of Occupational license					
CRA Attorney search- No evidence of lawsuit					
Lien Search/ Adverse Records		Not Adverse 10pts		Adverse 0pts	COMMENTS
City Clerk Property Records Search					
Police Dept. Records Search					
Operational History		3< 0pts		3>5pts	COMMENTS
Three or more Years of Operation in Riviera Beach					
Elimination of Blight		Question (A) 5-20		Question (B) 5-10	COMMENTS
(A) Improves a dilapidated, aged or obsolete structure or roof; or internally improves mechanical system, plumbing and HVAC system					
(B) Addresses adverse environmental conditions					
Tiff Increase		10 Point awarded			COMMENTS
Proof of applicants investment in excess of 1:1 match					
Local Preference		35 Point awarded			COMMENTS
The project's tenant has a signed long term lease and is a Riviera Beach resident					
Community Development Impact		5 Point awarded			COMMENTS
A. Healthy food choice (*grocery Stores, health conscious eatery)*					
B. Health Care Services *(medical, dental, eldercare etc.)*					
C. Retail & Leisure *(restaurants, cultural arts etc.)*					
D. Hospitality (hotels, themed establishments, spas etc.)					
E. Education (charter schools, childcare, youth programs)					
F. Marine Industry					
G. Green Industry (solar, green batteries, energy mgmt. companies etc.)					
New Business Economic Impact		5 Point awarded each			COMMENTS
A. Business hires 5 employees or more					
B. Evidence that at least 20% the business employees have salaries above living wage $11.62 Hr					
C. Evidence of the utilization of PBC Career Source job training Incentive Programs					
Existing Business Impact		5 Point awarded each			COMMENTS
A. More than four (4) employees residing in Riviera Beach					
B. Evidence that at least 20% the business employees have salaries above living wage $11.62 Hr					
Contractor Selection		25%= 5pts	50%=10pts	75%=20pts	COMMENTS
Evidence that contractors domiciled in Riviera Beach received work valued at % or of the total contract on the improvements done on the project.					

AL 10-22-20

Economic Development Incentive

2.1 Property Improvement Incentive Program

2.1.1 *Program Description*

The Property Improvement Incentive Program awards grant funds to improve commercial real property under competitive criteria. The program focus is on improving the property located along the major right-of-way corridors in the CRA. The applicant is required to invest a minimum of $10,000 for improvements to building and/or site for a maximum CRA award of $40,000. The applicant will be eligible for a grant from the CRA for up to $40,000 based on $1 private for every $4 in public funds match criteria. The Board reserves the right to increase or decrease the award amount; including any amount approved for leverage; providing that such changes are communicated prior to Marketing & Intake Procedures (explained below).

The Property Improvement Incentive is designed to eliminate blighted conditions by incenting commercial property owners to make exterior improvements. The grant can serve as a match or be used to leverage other economic development incentives programs offered by others (loans, grants or investments).

2.1.2 *Marketing & Intake Procedures*

1. Each round will open with RBCRA announcing the Application Period (no less than 60-days). In addition to publishing this program's features on the CRA's website and program brochures, RBCRA will initiate outreach efforts through staff and consultants (if applicable) to commercial realtors and business organizations such as Chambers of Commerce, Business Development Boards, Economic Councils, Regional Planning Councils and local Business Networking Groups to market this program.
2. RBCRA staff will request that the applicants (owners/managers of the prospective properties) complete an Application Packet that staff will use as a part of the initial assessment process. The assessment process includes reviews of:
    - A Sources & Uses worksheet that explains, in detail, how the project will be financed (see Appendix A-11)
    - Evidence of sustainability: An existing business must show two or more years of profitable operations in Riviera Beach at the Incentive Location. A new business will be required to present financial projections.
    - Engineering Plans & Specifications (that demonstrate that the technical aspects of the project are compliant with the City's regulations and that they will facilitate successful execution of the Business Model); renderings and designs of the project's architectural elements, etc. The RBCRA reserves the right to require improvements to be consistent with

architectural guidelines if established in the target area as a condition for the grant funds.

- Copies of Business Licenses, Certifications, Registrations, etc.
- Written communication from the City of Riviera Beach's Planning & Zoning Department indicating that the project is consistent with the City's Zoning & Land Use regulations.

3. Each application will be assigned a RBCRA staff person (or consultant) who will serve as its "designated project manager" and ensure that the application is processed expeditiously and that the applicant is kept informed throughout the various stages of processing the application
4. RBCRA Staff will form a Selection Review Committee to consist of no less than five members who are appointed by the Executive Director and may consist of staff, consultants or volunteers. Each applicant will undergo a review by no less than two reviewers (one staff and one external reviewer). Any anomaly in score will be reviewed by the Executive Director and adjusted based on the Selection Criteria and Underwriting Guidelines outlined below.

2.1.3 Selection Criteria

The Property Improvement Incentive challenges its applicants to achieve a high threshold of performance in order to be eligible for an award. A Highly Qualified Applicant must achieve a minimum aggregate score of "60" to the extent that funds are available. The RBCRA staff will present a list of applicants from the highest score to the least for the Board's review and approval. The Program's selection criteria shall include:

1. An Eligibility Checklist. This review consists of a pre-requisite set of criteria that deems the Applicant qualified to proceed for competitive review (property is located in the CRA; evidence of a business entity; and no adverse lawsuits or unpaid fines against the City or CRA).

2. Project Criteria. This section assesses the project's impacts: the degree to which it eliminates blight, increase tax revenues and is located in Board approved Redevelopment Priority Areas.

3. Community Development Impacts: Bonus points are allocated to the extent that the business provides goods & services for industry targets set by the Board.

4. Economic Impacts: Bonus points are allocated for jobs created or retained; evidence that business pays a higher or livable wage; evidence that business is recruiting applicants through PBC Workforce Alliance or Riviera Beach Mayor's Initiative; addresses targeted

5. economic conditions set by the Board such as juvenile delinquency; and evidence that contractors domiciled in Riviera Beach are performing the improvements.

2.1.4 ***Underwriting Guidelines***

See the Appendix

2.1.5 ***Approval Procedures***

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
   b) Copy of executed multi-year commercial lease or proof of ownership
   c) List of all jobs to be relocated to or created in the Riviera Beach CRA. Include qualifying jobs as well as non-qualifying jobs. Also, include brief job descriptions, salaries and benefits
   d) Schedule of proposed Eligible Reimbursable Costs
   e) Additional items as required in the Application Form

   The Agency may also request the following additional information:
   f) Business plan, including executive summary and three-year financial projections of revenues and expenses
   g) 3-year historical financials (as applicable)

2. Approval of Funding Request – Once eligibility is verified and all required documentation has been submitted, CRA staff will present the funding request to the CRA Board of Commissioners for approval. Staff will notify the applicant and landlord of approval, if granted.

3. Grant Agreement – Following approval of the Grant Application by the CRA Board of Commissioners, the CRA and the Applicant shall negotiate and enter into a Grant Agreement which will clarify the terms and conditions of the PDI Grant, subject to the approval of the CRA Board of Commissioners.

4. Grant Payments – Subject to the terms and conditions of the Grant Agreement, reimbursement will be made within ninety days from the CRA receiving the following:
   a) Invoices and proof of payment for Eligible Reimbursable Costs
   b) Certificate of Occupancy or Certificate of Completion (if construction was involved)
   c) Verification that the jobs are in place including payroll records.

   Alternatively, it is within the CRA Director's discretion to authorize that partial grant payments be issued on a draw schedule so as to facilitate the timely completion of some of the approved projects (see the Business Incentive Payment Checklist form below).

5. Site Visits – CRA staff will conduct a site visit before grant payment is made in order to verify that the business is in operation. Staff may also conduct unannounced site visits periodically in order to ensure compliance with the terms of the grant agreement.

6. Reporting – By accepting the grant, the applicant agrees to comply with any reporting procedures deemed necessary by CRA staff to verify that the required job positions are properly fulfilled and maintained. Reporting may include, but is not limited to, payroll records, work schedules, and reporting forms.

2.1.6 Disbursement & Compliance Procedures

1. RBCRA will provide stewardship over the project and ensure that its plans review and approval processes get placed on the "fast track" within City Hall.

2. RBCRA will provide further project management involvement in terms of grant/incentive administration, interaction with City Departments (example: Police & Sanitation) on behalf of the property, marketing support, and other forms of technical support as needed.

3. As stipulated in the project agreement, RBCRA will release funds to the client on a reimbursement basis at the completion of the entire project (upon examination of the project's Certificate of Occupancy) or pursuant to processing each draw request (see Draw Request Form in Appendix A-10) in an expeditious manner (within ten working days).

4. RBCRA staff will perform monitoring exercises at least three times per year to record the applicant's compliance with the grant's requirements (i.e. job creation/retention, use of local contractors, etc.). The monitor will formally report the applicant's level of compliance to the RBCRA Director, and will also report any corrective action plans that the applicant has committed to implementing in order to achieve the agreed upon compliance goals in the grant agreement.

Economic Development Incentive

2.5 Beautification Incentive

2.5.1 *Program Description*

This program awards funds for visual (exterior) improvements to commercial real estate property. These improvements are for painting, parking lot resurfacing, signage, and landscaping, etc. Labor and materials may be contributed by the CRA in lieu of grant funds or a portion of the grant award. Maximum CRA grant awards cannot exceed $4,000. The **Beautification Incentive Program** was established by the CRA to encourage existing building owners or operators to improve the exterior of their buildings to provide "curb appeal." The program allows the CRA to fund 100% of the cost to paint, landscape and/or pressure cleaning an existing building with the Riviera Beach CRA, up to $4,000. Property or business owners must submit a completed application accompanied by two estimates from licensed painters or landscapers and, if the grant request is part of a larger project, a total project budget. To be considered, an applicant must achieve an aggregate application score of "60" points to be considered qualified – see Underwriting Guidelines.

2.5.2 *Marketing & Intake Procedures*

1. Each round will open with the RBCRA announcing the Application Period (no less than 60-days advance notice). In addition to publishing this program's features on the CRA's website and on program brochures, the CRA's staff will initiate outreach efforts to targeted businesses, property owners and associations.
2. The applicant will select two color choices—building and trim (recommended color palette options are available upon request.), and secure detailed proposals from two licensed and insured painters. The CRA reserves the right to require the applicant to choose urban design or architectural standards approved by the CRA Board for the area, if applicable.
3. See Section 2.1.2 for additional details.

2.5.3 *Selection Criteria*

Eligible structures include commercial buildings within the CRA.

Business must be properly licensed and approved by the City of Riviera Beach.

The following structures, expenses and projects will be automatically ineligible for assistance:

- ✓ Structures not located within the CRA District
- ✓ Trailers and other mobile/temporary structures
- ✓ Painting and pressure cleaning projects started prior to approval of application by CRA Board
- ✓ Projects done without the proper City approvals or licenses
- ✓ Projects using colors not approved by the Riviera Beach CRA and the City's Planning and Zoning Department.

2.5.4 ***Underwriting Guidelines***

See the Appendix

2.5.5 ***Approval Procedures***

1. After processing the application, staff will forward it to the CRA board for final approval
2. After the application receives final approval, the applicant will be contacted and told to move forward with the project.

2.5.6 ***Disbursement & Compliance Procedures***

1. Reimbursement will not be provided for projects completed before the application for assistance is approved.
2. To receive reimbursement, the applicant must submit: a copy of the work contract signed by both the vendor and the applicant, a copy of the work permit from the City of Riviera Beach, and proof of payment in the form of front and back of the cancelled check showing that the applicant has paid for at least 50% of the project.
3. The CRA will reimburse the applicant directly for up to 50% of the project costs - the CRA will not pay paint contractors directly; payment of contractors is the sole responsibility of the applicant.