

9. Consideration of an amendment to the Commercial Property Enhancement Program (CPEP) guidelines.



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Clinton Hatcher, Community & Economic Development Director

DATE: October 17, 2024

RE: Consideration of an amendment to the Commercial Property Enhancement Program (CPEP) guidelines.

SUMMARY:

To facilitate investment and improve the street view of commercial properties within the city limits of Palm Bay, City Council approved a Commercial Property Enhancement Program (CPEP) on November 4, 2021. The Program was written to target major commercial corridors while also giving a preference to the properties that lie within the Bayfront Community Redevelopment District. The CPEP is a performance-based reimbursement grant program to encourage private capital investment and improvements to the exterior frontage of commercial properties located within the Palm Bay. The Program is subject to funding availability and is awarded on a first-come, first-ready basis. The Program was intended to enhance and improve the street view of the built environment from the public perspective, making Palm Bay more competitive in attracting new businesses, retaining existing businesses, and serve as a catalyst for further investment in commercial properties, with the goal of increasing the ad valorem tax base of the City.

At the August 13, 2024 Regular Council Meeting (2024-19), Palm Bay City Council gave staff direction to revise the program guidelines to require applicants to obtain detailed estimates from a minimum of three (3) separate contractors and for staff to confirm the legitimacy of the quotes being provided in the application package. Staff has also revised to guidelines to remove all language of the Bayfront CRA, as the CRA sunset on May 4, 2024. Staff also made minor edits to certain sections to provide more clarity.

The Community & Economic Development Department administers the Program, and determines eligibility of applicants based on the program guidelines attached, for City Council's consideration.

REQUESTING DEPARTMENTS:

Community & Economic Development

Honorable Mayor and Members of the City Council

Legislative Memorandum

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FISCAL IMPACT:

There is no fiscal impact.

STAFF RECOMMENDATION:

Motion to approve revisions to the Commercial Property Enhancement Program (CPEP) guidelines.

ATTACHMENTS:

1. Revised CPEP Guidelines
2. Revised CPEP Application



Commercial Property Enhancement Program

PROGRAM DESCRIPTION

The Commercial Property Enhancement Program (CPEP) is a performance-based reimbursement grant awarded to applicants to encourage private investment and improvements to the exterior frontage of commercial properties located within the city limits of Palm Bay. The CPEP is intended to enhance and improve the street view of the built environment from the public perspective, making Palm Bay more competitive in attracting new business.

The City of Palm Bay's Community & Economic Development Department will administer the Program and determine the eligibility of applicants. A Commercial Enhancement Committee will review applications and make recommendations regarding proposed enhancements and the award of funding. The Program is subject to funding availability and is awarded on a first-come, first-ready basis. In no case may an applicant be reimbursed for improvements previously undertaken prior to grant approval. Grant funds will be disbursed on a reimbursement basis upon proof of receipts, proof of payment, and final inspection by the City of Palm Bay's Building Department (if required).

Eligible Properties

Commercial properties located within the City of Palm Bay limits; and in accordance with the Program Guidelines set forth below:

PROGRAM GUIDELINES

Grant Criteria

- Shall not be a residentially zoned property, home-based, or non-profit business.
- Business and/or property owner shall be in good standing and have all required licenses, including a City of Palm Bay Business Tax Receipt.
- New construction is ineligible.
- Not for Profits are ineligible unless engaged in a commercial lease with a for-profit business.
- ~~Properties located within the boundaries of the Bayfront Community Redevelopment Area (CRA) will be given priority over the funds.~~
- Applications for grant funds may be made by: (1) the owner of a building; or (2) the lessee of a building, in which case the lessee must provide a copy of a valid lease agreement and an affidavit of the building owner with their consent to the program. Upon City Council approval, the owner

of the building will be required to sign the Grant Agreement and Restrictive Covenants (to be filed with Brevard County Clerk of Courts).

- Applicants must obtain, and submit with their application, written estimates/quotes/bids from a minimum of three (3) different contractors. Estimates shall outline all improvements to the subject property in line-item form, providing the estimated cost per item. City staff will confirm the validity of the quotes with the contractor. Any taxes should be a separate line item.
- All contracts for enhancement work must be in compliance with all applicable federal, state, and City of Palm Bay Code of Ordinances. The applicant will be responsible for ensuring compliance with these requirements when hiring a contractor to perform the work.
- If an eligible property has current code violations, the violations must be brought into compliance as part of the enhancements, prior to reimbursement of funds.
- Any existing City liens must be satisfied prior to reimbursement of funds.
- Applicants shall apply for all required permits within sixty (60) days of award.
- Applicants shall be awarded a maximum of one (1) grant per address.

ELIGIBLE ENHANCEMENTS (Note: All enhancements must be substantially visible from an eligible roadway)

- Roof repair/replacement
- Installation of exterior permanent fixtures to include decorative lighting, fencing, and architectural features
- Exterior facade restoration
- Exterior painting
- Replacement of windows/glazing and doors
- Signage
- Awnings or canopies over doors, windows, or walkways
- Landscaping enhancements
- Asphalt removal/replacement and repaving/restriping
- Irrigation system and installation
- Dumpster enclosures

FUNDING

Grantee Contribution

The Program requires a minimum \$10,000 investment by the Grantee.

City Contribution

The City will provide matching funds in an amount not to exceed \$10,000. The City shall not reimburse for any amount greater than \$10,000, or otherwise the amount approved by City Council if less than the maximum award. Grant funds are provided on a reimbursement-basis only and upon completion

and inspection of work. The applicant shall be required to provide proof of payment by the applicant to the contractor. The City shall not reimburse for taxes due. (ONLY the amount approved by City Council) on a reimbursement basis.

RENOVATION & CONSTRUCTION ASSISTANCE

- A. The City will assist the applicant(s) in identifying eligible costs toward the reimbursement of labor, materials, and equipment, associated with improvements to the facility/property.
- B. The applicant(s) must comply with all requirements of the City of Palm Bay for obtaining permits and approvals of the work, including building permits, sign permits, certificates of occupancy, certificate of completion, and any other related approvals and permits. Work of any kind started or performed without proper permits, sealed plans (any structural improvements requiring sealed plans), and specifications, if applicable, will not be eligible for program assistance. The applicant is responsible for ensuring these requirements are met when hiring contractors to perform the work.
- C. Construction must be completed within twelve (12) months of the date of the Grant Agreement. One (1) extension may be granted by the Community and Economic Development Director upon written valid request by the grantee.
- D. All construction must be inspected by the City's Building Department (if required) and proof of issuance of final inspection, certificate of completion (CO), or similar instrument.

DOCUMENTS TO BE PROVIDED

1. Proof of ownership of the property. (If owned by corporation or company, provide copy of articles of incorporation or articles of organization and list of corporate officers and members). Lease Agreements for any building tenants or occupants on the property and affected by the improvements.
2. If the applicant is a tenant or lessee of the property, property owner's consent to the enhancement improvement application is required.
3. Proof of property taxes paid on the property proposed for improvement, including current year's taxes, if due, and prior years.
4. Photos to include close-up of property front view; block front view of same side of street; and block front view across the street from the property.
5. Conceptual photos or designs for how the property will appear following completion of enhancements.
6. Site Survey (required ONLY in the case of landscaping improvements).
7. Written estimates/quotes/bids from a minimum of three (3) different contractors. Estimates shall outline all improvements to the subject property in form, providing the estimated cost per item. Any taxes should be a separate line item.
- ~~8. Complete, written scope of rehabilitation work.~~
87. A minimum of three (3) Quotes or bid estimates/quotes/bids detailing enhancements and associated costs.
9. Proof of insurance coverage. (Please ask your insurance agent to send the Accord Form).



COMMUNITY & ECONOMIC DEVELOPMENT
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**COMMERCIAL PROPERTY ENHANCEMENT PROGRAM
APPLICATION**

Applicant Name: _____

Applicant Telephone Number: (____) _____ E-Mail: _____

Mailing Address: _____

Property Address: _____

Property Owner Name: _____ Telephone: (____) _____

Business Name (if applicable): _____

Brief description of improvements to be made: _____

Total Estimated Project Cost: _____

Grant Funds Requested: _____

PLEASE ATTACH THE FOLLOWING (See Program Guidelines for more details):

- Copy of Deed/Proof of Ownership or Copy of Lease Agreement/Owner Authorization if applicant is a tenant or occupant on the property
- Copy of City Occupational/Business License (if applicable)
- Proof of property taxes paid on the property proposed for improvement, including current year's taxes, if due, and prior years
- Color Photographs/Slides of Current Condition
- Site Survey (required ONLY in the case of landscaping improvements)
- Written estimates/quotes/bids from a minimum of three (3) different contractors. Estimates shall outline all improvements to the subject property in line-item form, providing the estimated cost per item. Any taxes should be a separate line item.

- A minimum of three (3) estimates/quotes/bids for detailing enhancements and all costs associated with the project
- ~~Complete, written scope of rehabilitation work~~
- Proof of insurance coverage. (Please ask your insurance agent to send the Accord Form)

GRANT CRITERIA:

- Shall not be a residential property or home-based business.
- Business and/or property owner shall be in good standing and have all required licenses, to include a City of Palm Bay Business Tax Receipt.
- New construction is ineligible.
- Not for Profits are ineligible unless engaged in commercial lease with a for-profit business.
- ~~Properties located within the boundaries of the Bayfront Community Redevelopment Area (CRA) will be given first priority over the funds.~~
- The property must be located within the City Commercial properties located within the City of Palm Bay limits; and in accordance with the Program Guidelines set forth below:
- Applications for grant funds may be made by: (1) the owner of a building; or (2) the lessee of a building, in which case the lessee must be joined by an affidavit of the building owner with their consent to the program.
- Applicants must obtain written estimates/quotes/bids from a minimum of three (3) different contractors. Estimates shall outline all improvements to the subject property in line-item form, providing the estimated cost per item. City staff will confirm the validity of the quotes with the contractor. Any taxes should be a separate line item.
- ~~Applicants must submit a minimum of three (3) quotes by different vendors on the improvements being applied for.~~
- All contracts for enhancement work must be in compliance with all applicable federal, state, and City of Palm Bay Code of Ordinances.
- If an eligible property has current code violations, the violations must be brought into compliance prior to reimbursement of funds.
- Any existing City liens must be satisfied prior to reimbursement of funds.
- Applicants shall apply for all required permits within sixty (60) days of award.
- Applicants shall be awarded a maximum of one (1) grant per fiscal year.

ELIGIBLE EXPENSES:

- Roof repair/replacement
- Installation of exterior permanent fixtures to include decorative lighting, fencing, and architectural features
- Exterior facade restoration
- Exterior painting
- Replacement of windows/glazing and doors
- Signage
- Awnings or canopies over doors, windows, or walkways
- Landscaping enhancements
- Asphalt removal/replacement and repaving/restripping
- Irrigation system and installation
- Dumpster enclosures

Contact the Community & Economic Development Department for questions related to this application.

The applicant understands and acknowledges the criteria required for grant approval.

Signature of Applicant

Date