



NEWTOWN CRA BUSINESS ASSISTANCE GRANT PROGRAM



*Established by the City of Sarasota, Florida
Community Redevelopment Agency / City Commission on November 2, 2020*

*Administered by the Planning Department
1565 First Street, City Hall Annex Building, Room 301A, Sarasota, FL, 34236*

www.sarasotafl.gov/government/planning/office-of-economic-development/business-assistance-grant



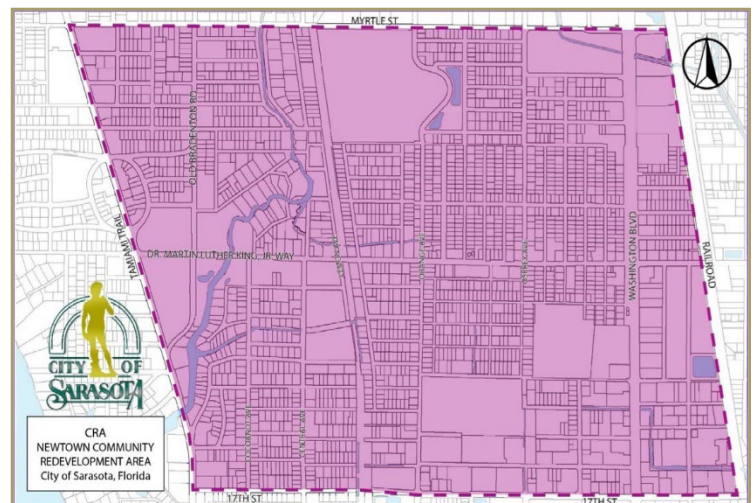
Purpose and Background

The purpose of the Newtown CRA Business Assistance Grant Program is to attract new businesses and/or enhance existing businesses in the Newtown Community Redevelopment area. The goal of this grant opportunity is to strengthen and stimulate Newtown's economy, cultivating a healthy and attractive region with an abundance of shopping, dining, and business services, while increasing employment opportunities and supporting the creation of small businesses that are owned and operated by CRA residents.

The Newtown CRA Redevelopment Plan identifies the importance of building and sustaining a strong business network within the Newtown area. Expanding access to goods and services within walking distance of CRA residents' homes while simultaneously increasing employment and ownership opportunities can significantly impact the quality of life for those who live and work in the area.

The Newtown Community Redevelopment Area (CRA) was established in June 2006 to collect Tax Incremental Funds (TIF) in the area identified as Newtown and use those funds for revitalization. The use of 'TIF Funds' is overseen by the City of Sarasota's Community Redevelopment Agency, based on the recommendations of the Agency's Advisory Board, and in accordance with the adopted goals of the City of Sarasota's Newtown CRA Redevelopment Plan.

The Newtown CRA encompasses approximately 837 acres of land, 14% of which is designated for commercial use. The CRA includes portions of three major commercial corridors of the City – North Tamiami Trail, North Washington Blvd., and the 17th Street corridor. It also includes Dr. Martin Luther King, Jr., Way, which historically served as a 'Main Street' for the local African American neighborhood.





ELIGIBILITY REQUIREMENTS

(Staff will evaluate applications based on the criteria below)

1. Business must be a For-profit entity.

a. Requirements:

- i. Business must be registered as an active business through the State of Florida.
- ii. Have and maintain a current Local Business Tax Receipt with the City of Sarasota.
- iii. Must provide proof of minimum insurance requirements established by the City. The types and coverage limits vary depending on the type of business, include but not limited to, commercial general, automobile, worker's compensation, umbrella liability, and professional liability insurance.
- iv. Existing businesses must demonstrate economic sustainability by submitting two or more years of business tax returns to demonstrate stable and/or upward trending of their operations.
- v. All eligible businesses must be able to demonstrate a commitment to creating and participating in an improved economy for the Newtown area including the advancement of local residents, the stability of the business community, the quality and variety of dining and retail options, and the appropriateness of the community's appearance and activities.
- vi. Grants awarded for Food trucks are required to provide a current notarized lease agreement from the property owner if the applicant is not the landowner, prior to grant execution.

b. Not eligible:

- i. Not-for-Profit organizations, including those related to religion, education, and healthcare.
- ii. Businesses, business owners, property owners, or business operators who are in arrears for City or County ad valorem taxes, assessments, utility bills, code compliance fees or fines, or other unpaid balances.
- iii. Applicants and all business owners with a criminal conviction of, pleaded guilty, or pleaded nolo contendere to any fraud, dishonesty, bribery, embezzlement, false statement, or felony theft within the last 10 years or have/has an unpaid valid monetary judgement or lien entered against them by a Florida Court or other governmental body.
- iv. A business or applicant who has previously been awarded funds under this program.

2. Business uses must be a PERMITTED USE in the Newtown CRA and within the respective zone district per the City of Sarasota Zoning Code and proposed improvements must meet all applicable City codes and regulations.

a. *Not eligible: Uses that conflict with the permitted uses of the zone district, including non-implementing districts.*

b. *Not eligible: The following PERMITTED USES:*

- i. Adult bookstores/video stores
- ii. Commercial parking uses
- iii. Self-service car washes
- iv. Private clubs
- v. Storage including self-storage, contractor storage, vehicle and/or boat storage
- vi. Crematoriums/Funeral Houses
- vii. Schools – Training, Vocational, Colleges
- viii. Limo and Taxi Dispatch services (with or without on-site vehicle storage)

3. Business address MUST have a physical, non-residential location within the Newtown CRA boundary and be owned or leased by the applicant.

4. Businesses must result in a net increase in one or more of the following:

- a. *Ad Valorem revenues*
- b. *Local Business Tax Receipt revenues*



- c. *Sales tax revenues*
- d. *Part-time and/or full-time employees*
- e. *The quantity of quality goods manufactured or produced within the City of Sarasota*

****Industrial business uses must demonstrate an increase in local hiring; a public/community interaction component as part of their operations at their business location; and no increase in environmental waste generated as a result of their business activities.***

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ELIGIBLE GRANT USES

General Conditions:

1. The CRA encourages applicants to purchase goods and services from City of Sarasota businesses and purchase Energy-STAR certified equipment, where applicable.
2. Only expenditures made AFTER the execution of the Grant Agreement contract are eligible for reimbursement.
3. Grant funds may not be used to acquire goods and services that do not meet the City of Sarasota's Zoning Codes, permitting standards, building codes, or other regulatory parameters. For example, the cost of a sign may not be reimbursable if it is determined the sign did not meet zoning standards. Applicants must independently ensure that improvements expensed as part of their Grant-funded projects comply with City restrictions and regulations.

Signage:

- ▶ New or improved exterior signage
- ▶ Expenses related to the design and manufacturing, installation, labor, materials and permitting of signage
- ▶ Eligible signage types (as defined and regulated by the City of Sarasota Zoning Code):
 - ▶ Banner, Canopy, Directory, Free-standing, Ground, Identification, Indirectly Illuminated, Marquee, Monument, Pole/Post, Projecting, Pylon, Roof, Wall, and Window signs
- ▶ Ineligible signage types (as defined in the City of Sarasota Zoning Code):
 - ▶ Animated/Electronic (Variable) Message Boards, Portable, Real Estate, Wind, or Yard signs

Sidewalk Dining:

- ▶ New or improved chairs, tables, and/or umbrellas
- ▶ Landscaping improvements, irrigation, outdoor lighting, electrical outlets (see allowable zoning districts)
- ▶ Portable pressure-washing equipment (See EQUIPMENT COSTS section of this document)
- ▶ Ineligible expenditures: Privately owned trash cans, service carts, temporary signage/menu boards, and sidewalk café development application fees/annual renewal costs

Storefront Improvements:

- ▶ Improvements to the visible frontage of a ground-floor business that faces the public right-of-way
- ▶ Design, engineering, procurement, labor, installation, and associated construction permitting costs
- ▶ Repair, replacement, or new application of awnings, windows, doors, lighting, paint, landscaping, tile or other decorative materials
- ▶ Structural and roofing improvements as needed to ensure storefront improvements are 'up to code'

Interior Improvements:

- ▶ Goods and services related to establishing a new business or expanding an existing business within an existing structure or located on real property
- ▶ Build-outs of ground-floor shell space or first-floor expansions of building footprints
- ▶ Addition or expansion of patios for patron use
- ▶ Repair, replacement, or creation of interior walls
- ▶ Handicap accessible restrooms
- ▶ Flooring, ceilings, lighting, sprinklers, emergency exit hardware and signage, doors, wall surfaces, built-in counters, built-in cabinets
- ▶ HVAC, plumbing, mechanical, and/or electrical work as needed to implement new business/business improvements
- ▶ Structural and roofing improvements as needed to ensure interiors/ interior improvements are 'up to code'
- ▶ Design, engineering, permitting, procurement, and construction costs



ELIGIBLE GRANT USES (CONTINUED)

Food Trucks/Trailers:

The Newtown CRA recognizes the value of mobile food operations to the community's economy. Food trucks and trailers can act as a stepping-stone to opening brick and mortar locations – giving owner-operators time to build capital, gain experience, and grow customers. Micro dining also helps preserve and promote regional cuisine, a critical component of cultural tourism. The Newtown Business Assistance grant for Food Truck/ Trailer retrofits is meant to advance economic development within the Newtown CRA and to contribute to economic advancement for Newtown residents; All reasonable attempts must be made to operate the mobile food business continuously (for up to 3-years, or until opening a permanent business, whichever comes first). The applicant must acknowledge that if the business changes to a non-permitted use under the Newtown Business Assistance Grant program, does not meet other City zoning regulations, or ceases operations within a three (3) year period, the City shall require repayment of 100% of the granted amount.

- ▶ Food Trucks, as defined by the City of Sarasota Zoning Code are “single, temporary, non-permanent structures, such as a vehicle, truck, or van, with an associated trailer, stand, or cart, where the preparing, cooking, and/or serving of food and/or nonalcoholic beverages is performed.” Operation of Food Trucks in the City of Sarasota is limited to real property within specific zoning districts of the City, and/or within the boundary of a permitted Special Event. Food Truck operators must meet all State and Local requirements for licensing, permitting, inspections, and operations, including those identified in the Mobile Food Dispensing Vehicle Plan Review by the Florida Department of Business and Professional Regulations Division of Hotels and Restaurants.
- ▶ Applicants requesting funding assistance for a Food Truck or Trailer must 1) Reside in the Newtown CRA area; 2) Identify at least one permitted operating location within the CRA, and; 3) Have an approved storage location for the Truck/Trailer when not in use that complies with the City’s regulations on commercial vehicle parking; 4) Prior to grant execution, provide a current notarized lease agreement from the property owner if the applicant is not the landowner.
- ▶ Eligible project costs include:
 - ▷ Installation of food preparation/handling equipment in either a Food Truck, or Food Trailer (See EQUIPMENT COSTS section of this document).
 - ▷ Retrofits and/or enhancements to Food Trucks or Food Trailers (For example – service windows, vehicular paint and detailing, including advertising wraps (as allowed by City of Sarasota Zoning Codes))
 - ▷ Temporary patron seating/umbrellas, and portable signage (as allowed by City of Sarasota Zoning Codes)
- ▶ Ineligible expenditures:
 - ▷ Purchase of a Food Truck or Trailer
 - ▷ Vehicle lease, rental, insurance, or storage costs for Food Truck or Trailer



Food Truck: A mobile kitchen that can be driven



Food Trailer: A mobile kitchen towed by a trailer

Equipment:

- ▶ Tangible property essential to the operation of applicant’s business may be considered eligible for funding if deemed critical to the operation of the business (up to 10% of the CRA’s contribution: See EQUIPMENT COSTS section).
- ▶ Examples of eligible equipment might include restaurant refrigerated storage; stoves/ovens/hood systems; gym/training equipment; 3-D printers and/or other robotic equipment used in production or manufacturing; specialized equipment used in the production of printed materials or in the creation of digital media (music, television, or film); and other equipment determined to be eligible by Application reviewers.



SPECIAL CONDITIONS: PROPERTIES WITH HISTORIC VALUE

The CRA is committed to recognizing the economic and cultural value of historic assets within our community. Grant applicant seeking improvements to structures which have been designated as a historic structure (both locally, and/or nationally) will be required to meet the Federal Secretary of the Interior's Standards for Rehabilitation, to ensure that alterations to historic structures will not diminish the historical value of the structure and/or District. For clarification of issues related to historic designation, historic districts, and Federal Standards for Rehabilitation please see:



- ▶ **City of Sarasota's Historic Preservation program information:**
<https://www.sarasotafl.gov/government/planning/historic-preservation>
- ▶ **Federal Secretary of the Interior Standards:** <https://www.nps.gov/tps/standards.htm>
- ▶ **Or Contact:** Dr. Clifford Smith, Sr. Planner – Historic Preservation
Clifford.Smith@SarasotaFL.gov, 941-263-6585

ADDITIONAL RESOURCES:

SIGNAGE - For clarification of City of Sarasota signage guidelines please see:

- City of Sarasota Zoning Code Article VII – Regulations of General Applicability DIVISION 1. – Signs:
https://library.municode.com/fl/sarasota/codes/zoning?nodeId=ARTVIIREGGEAP_DIVISI
- City of Sarasota Zoning Code Sec. II-201 – Definitions:
https://library.municode.com/fl/sarasota/codes/zoning?nodeId=ARTIIDERUCO_DIV2DE
- Sign Permit/Plan Requirements and Application (“Signs-Checklist”):
<https://www.sarasotafl.gov/government/development-services/building-permitting>
- **Or Contact:** Zoning staff at CityZoning@SarasotaFL.gov or by calling 941-263-6432 (Weekdays 10am - 5pm)

SIDEWALK CAFÉ - For clarification of City of Sarasota sidewalk café guidelines please see:

- City of Sarasota Zoning Code Sec. II-201 – Definitions:
https://library.municode.com/fl/sarasota/codes/zoning?nodeId=ARTIIDERUCO_DIV2DE_SII-201DE
- City of Sarasota Sidewalk Café information:
<https://www.sarasotafl.gov/government/public-works/transportation-engineering-division>
- Provisional Use/Sidewalk Café permit documents (Form M):
<https://www.sarasotafl.gov/government/development-services/development-application-forms>
- Or Contact: Wesley Stuckey, Engineering Technician, at Wesley.Stuckey@SarasotaFL.gov, (941) 263-6532

CONSTRUCTION - For clarification of City of Sarasota guidelines related to building improvements:

- Commercial Building Alterations/Renovations Checklist:
<https://www.sarasotafl.gov/government/development-services/building-permitting>
- Or Contact: Building/Permitting Services at 941-263-6455

ZONING - For clarification of City of Sarasota guidelines related to land use please see:

- City of Sarasota zoning information/maps:
www.sarasotafl.gov/government/development-services/zoning
- **Or Contact:** Zoning Staff at CityZoning@SarasotaFL.gov, or 941-263-6432 (Weekdays 10am - 5pm)



AWARD INFORMATION

Maximum CRA AWARD is \$60,000. To receive a \$60,000 award, grantees must commit a minimum of \$12,000 (CRA resident) and \$30,000 (non-CRA resident) of their own funds/resources towards the total Project Cost.

Eligible businesses can receive up to \$60,000 in CRA grant contributions. Project Cost is the total of all eligible expenses used to create, expand, and/or enhance your business. Project Cost will be shared between the applicant and the CRA based on a 20/80 ratio for applicants who live within the CRA and a 50/50 ratio for applicants who live outside of the CRA. Upon receiving the grant funds, applicant must make every effort to achieve continuous operation as a permitted use under this grant program for at least three (3) years. If the business changes to a non-permitted use under the Newtown Business Assistance Grant program, does not meet other City zoning regulations, or ceases operations within a three (3) year period, the City may require repayment of 100% of the grant amount. Local Business Tax Receipts (LBTR) may be requested for up to three (3) years post grant award to determine these requirements.

GRANT AWARD LIMITATIONS: EQUIPMENT & SUPPLY COSTS

Staff will review the eligibility of equipment based on the business type and nature of request – to ensure the expenditure is necessary for the business to operate. Supplies are generally not an allowable expense.

SPECIAL FUNDING CONDITIONS: SWEAT EQUITY

The CRA will allow up to 10% of the CRA’s total contribution to be matched through ‘sweat equity’. The term ‘sweat equity’ is used to describe labor provided directly by the applicant, in lieu of paying a contractor for services.

This type of work must be limited to the type of activities that can be safely accomplished by the applicant and/or permissible as ‘un-permitted’ work by the City of Sarasota per Code Section 105.2.2, ordinance 08-4778. This includes repairs that do not exceed a value of \$1,000 provided that such repairs shall not involve structural work or any other work which violates the provisions of the technical codes; or the work to be performed is exempt from the permit requirements pursuant to Section 105.2. Applicant must consult with staff and, in some cases, the City of Sarasota Building Division to confirm what activities can count towards sweat equity.

Once work is complete, an applicant must provide the City with an itemized invoice detailing the work and number of hours they have contributed towards meeting Project Costs, to be valued at the current volunteer labor rate of \$25/hour. All sweat equity activities (in aggregate) shall not exceed 10% of the CRA contribution towards the project costs.

Example:

Applicant Type	Project Cost	Applicant’s Contribution <i>(Paid by business)</i>	CRA Contribution	Applicant’s Investment <i>(After CRA reimbursement)</i>
CRA Resident	\$10,000	\$2,000	\$8,000 (80% of Project Cost)	\$1,200 - Monetary / \$800 - Sweat Equity (40 hrs)
Non-CRA Resident	\$10,000	\$5,000	\$5,000 (50% of Project Cost)	\$4,500 - Monetary \$500 - Sweat Equity (25 hrs)

If you need more clarification on the Funding Tables, please contact City staff.



AWARD INFORMATION (CONTINUED)

PAYMENT PROCESSES

Grantee must fulfill their match requirements before any reimbursement requests are submitted.

Grantee has two options for the distribution of funds: 1) Reimbursement to Grantee, or 2) Direct payments to vendor/contractor. The CRA requests that financially solvent Grantees submit a single request for reimbursement, or staggered reimbursements at key project stages. Grantees who may require support to fund project costs may elect for direct payments to their vendor/contractor for construction-related work.

During the Application review and approval process, Staff and Applicant will create a Distribution of Funds plan, that outlines the applicant's options and schedule for reimbursements and/or direct payments.

REIMBURSEMENT TO GRANTEE

The City will reimburse Grantees for amount(s) expended up to the Grant award limit AFTER receiving paid invoice(s) and proof of payment(s) from the Grantee for the portion of the work completed in the form of copies of canceled check(s) (front and back), credit/debit card transaction receipt(s), and/or cash apps with transmission documentation.

The City will also require original, notarized partial and final "release of lien" from all contractors and subcontractors.

DIRECT PAYMENT TO VENDOR/CONTRACTOR

Upon completion of key stages of construction, Grantees may forward approved invoices to the City staff for payment directly to vendors/contractors (Vendors/Contractors, like all Grant-fund recipients, will receive funds through the City's Automated Clearing House (ACH) or via check, which will require registering the vendor/contractor as a City Vendor (requiring an IRS Form W-9, and ACH-registration). City staff will share instructions on how to register a vendor/contractor as a City Vendor to receive direct payments.

All invoices submitted by the applicant and paid by the City will be used towards the overall balance for the total grant award stated in the executed Grant Agreement. Contractors may be eligible to receive a percentage of the identified construction costs up-front upon a signed agreement to begin the project. This up-front payment shall be paid first from the applicant's match requirement or, from the CRA's contribution - based on special circumstances and identified in the Distribution of Funds plan. The CRA will strive to be flexible yet must adhere to all local and state regulations related to grant payments. The City may make grant payments directly to the Contractor on behalf of the applicant; however, this arrangement shall create no privity of contract between the City and the Contractor. The City does not assume any liability related to the agreement between the Contractor and the applicant.

TAX LIABILITY

A grant from the City of Sarasota may be considered taxable grant income. The Grantee will have submitted a Federal Tax Form W-9, which is incorporated herein by reference. The City may issue a Federal Tax Form 1099-G to recipients of funds in excess of \$600, whether funds were paid directly to Grantee or to a third-party pursuant to authorization from the recipient. It is the Grantee's responsibility to consult with a tax professional regarding any 1099-G issued by the City and associated tax implications.

ADMINISTRATIVE APPEAL

Should a funding request be denied, an appeal may be submitted in writing to the City of Sarasota City Manager or their designated Deputy. The applicant will be notified of appeal decision by email within 30 days of receipt of the request for appeal.



TIMELINE

(Use this document to identify necessary steps and track your progress)

- Request initial meeting to discuss program and ensure Applicant is informed of all aspects of grant and review eligibility. Call 941-263-6378 or email Newtown.CRA@SarasotaFL.gov. **MEETING DATE:** _____
 Additional meeting dates with City Staff, and/or mentoring sessions below:
Meeting Date (2): _____ **Meeting Date (3):** _____ **Meeting Date (4):** _____
- Submit Application to the City of Sarasota's Planning Dept, including: **SUBMIT DATE:** _____

- | | |
|--|--|
| <input type="checkbox"/> Application | <input type="checkbox"/> If existing business/food truck, Lease Agreement (min. two-years) |
| <input type="checkbox"/> Project Budget | <input type="checkbox"/> Written approval of property owner (if applicable) |
| <input type="checkbox"/> Completed IRS W-9 | <input type="checkbox"/> Pro-Forma (1 year minimum) (New business only) |
| <input type="checkbox"/> Signed Grant Agreement | <input type="checkbox"/> Business Tax Returns (1 year minimum) (Existing businesses only) |
| <input type="checkbox"/> Quotes, bids, estimates | <input type="checkbox"/> Letters confirming private loan/private donor support |

- Planning Dept grant review staff completes an Evaluation Sheet to determine eligibility. Only COMPLETE submissions will be reviewed. Planning Dept staff provides written response indicating if application is determined Eligible, Ineligible or if Reapplication is required. **REVIEW DATE:** _____
RESPONSE DATE: _____
- Eligible applications added to upcoming CRA Advisory Board Meeting; All materials must be prepared and submitted 10 days prior to meeting date. **MEETING DATE:** _____
MATERIALS DUE: _____
- CRA Advisory Board approval **APPROVE DATE:** _____
- Upon CRA Advisory Board Approval, applicants will then be asked to submit: **SUBMIT DATE:** _____
 - If new business, copy of Lease Agreement (minimum two years)
 Notarized lease agreement for use of property (Food Truck/Trailer only)
 - Completed Distribution of Funds plan, created in collaboration with staff.
- Grant Agreement executed by City Manager or their designated Deputy **EXECUTE DATE*:** _____

***ALL REIMBURSABLE PURCHASES AND PROJECT ACTIVITIES MAY NOT BEGIN UNTIL AFTER THIS DATE**

- Applicant expends personal funds per the Distribution of Funds plan and required applicant match.
- If requesting reimbursement, applicant submits copies of PAID INVOICES. **SUBMIT DATE:** _____
If requesting direct payment, applicant submits invoices from vendors.
- The CRA submits a reimbursement request/direct payment request for processing **SUBMIT DATE:** _____
- Applicant/contractor receives electronic transfer of funds **TRANSFER DATE:** _____
- Above process continues until Maximum Grant Award is reached:
SUBMIT DATE (2): _____ **SUBMIT DATE (3):** _____ **SUBMIT DATE (4):** _____
TRANSFER DATE (2): _____ **TRANSFER DATE (3):** _____ **TRANSFER DATE (4):** _____
- Applicant provides written notice of Project Completion, including final budget **SUBMIT DATE:** _____