

LEASE SUBSIDY GRANT PROGRAM

I. STATEMENT OF PURPOSE

The purpose of the Lease Subsidy Grant Program is to provide incentives in the form of matching grants to encourage the relocation of businesses to targeted areas within the City of Daytona Beach Community Redevelopment Areas. The intent of the program is to increase the occupancy rates of commercial buildings with the redevelopment areas. The program assists retail merchants, restaurants, and professional offices with costs related to leasing buildings within the redevelopment areas.

II. ELIGIBILITY

Any new business locating, or existing business relocating, into targeted areas of the City of Daytona Beach Community Redevelopment Areas are eligible to apply for assistance. Generally, the following are targeted areas:

1. Downtown Redevelopment Area: Beach Street Shopping District (Retail & Restaurants)
2. Main Street Redevelopment Area: E-Zone (Retail & Restaurants)
3. Midtown Redevelopment Area: MMB & MLK Corridor (Retail & Restaurants)

In addition the business should meet the criteria for targeted businesses within those areas as part of the strategy recommended by the applicable Redevelopment Advisory Board.

III. PROJECT FUNDING

The projects will be funded with available funds from the applicable Redevelopment Trust Fund based on the following limits:

A. Funding

Eligible projects may receive awards of up to one (1) year rent for a minimum two year lease with no single grant exceeding \$6,000.

B. Limit on Allocation of Funds

Rental subsidies may be approved for one-third of the business's monthly rent, up to a maximum of \$500/month. Subsidy payments will be paid in monthly installments for a maximum of twelve (12) consecutive months during the first 18 months of a business's operation. The total subsidy amount will not exceed \$6,000 per business. Properties with multiple tenant space may apply for funding based on individual tenant spaces. There is a two year limit between tenants. An individual business may receive the funding one time.

C. Disbursement

Grants will be awarded on a first come, first serve basis. In order to insure that funds are provided, improvements to be made under this grant program must be initiated and completed within ninety (90) days after submitting the grant application.

IV. PROGRAM ADMINISTRATION

The Redevelopment Staff is responsible for the management of the program. The program is subject to overall policy direction and general oversight by the Daytona Beach Community Redevelopment Agency.

Grants will be administered following the City's purchasing policies. The Redevelopment staff will receive and process recommendations for approval. Redevelopment staff will work with the grant applicant to ensure the applications comply with the codes and ordinances of the City of Daytona Beach.

A. Application Process

1. Applicant (owner/lessee) contacts Redevelopment staff for a Grant Application. If the applicant is the lessee, written consent of the owner should be attached to the application.
2. Redevelopment staff discusses the process, including permitting needs, with the business owner.
3. Business Owner provides a detailed outline of the proposed business. This will include:
 - a. Copy of executed multi-year commercial lease
 - b. Business plan, including executive summary and three-year financial projections of revenues and expenses
 - c. 3-year historical financials (for existing businesses only)
4. Redevelopment staff reviews the project to ensure compliance with program guidelines.
5. Redevelopment staff informs applicant of funding decisions.
6. Applicant acquires applicable permits, including Occupational License from Permits & Licensing Division.
7. Permits & Licensing Division issues Occupational License.
8. Redevelopment staff inspects project to determine compliance with guidelines and issues a request for payment to property owner.

B. Grant award criteria:

Grant awards will be based on the following criteria:

1. Business must be located within designated targeted areas.
2. In order to qualify for funding, the applicant must be one of the following:
 - a. New business venture
 - b. Existing business relocating to a redevelopment area
 - c. Existing business opening an additional location
 - d. Existing Businesses are defined as being in operation for more than six months at the time of application.
 - e. New Business venture is defined as a company in operation for less than six months.

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3. Business must have an executed multi-year lease (2-year minimum) for the new location in the eligibility area.
4. The lease may not exceed \$15 per sq. ft.
5. The business must be a targeted business listed in the targeted area strategy.
6. The business must have business hours that conform to the general business hours of the targeted area.
7. Business must be properly licensed and approved by the City of Daytona Beach.
8. The business and business owner does not owe the City money.
9. The property where business is located has a taxable value (property owner pays ad valorem taxes)

ATTACHMENT: TARGETED BUSINESSES

DOWNTOWN REDEVELOPMENT AREA

Retail / Restaurant

Attract businesses that serve the needs of the following customer base:

- ❖ Halifax Region residents that have \$50,000+ household income with professional occupations, generally empty-nester or retired.
- ❖ Office Workers – business lunch or business services
- ❖ Local Downtown Residents – neighborhood services

Beach Street: *Unique Shopping – Restaurant Row – Cultural Attractions*

- Unique Shopping, including, but not limited to:
 - Home Décor / Home Gifts
 - Jewelers
 - Art & Music Galleries
 - Stationary & Flower shops
 - Clothing & Apparel (Professional / Upscale Men's & Women's)
 - Sporting Goods (Bicycle / Outdoor / Golf)
 - Book Stores
 - Wine / Cigar Shops
- Restaurant Row, including, but not limited to:
 - Full Service Restaurant (Lunch / Dinner)
 - Coffee Shops
 - Sandwich Shops
 - Ice Cream Shops
- Neighborhood Services, including, but not limited to:
 - Grocery / Food Market
 - Dry-Cleaner
 - Nutritional Shop

MAIN STREET REDEVELOPMENT AREA

Tourist Related Business

Attract businesses that serve the needs of tourists:

- Shopping, including, but not limited to:
 - Art & Music Galleries
 - Book Stores
 - Clothing & Apparel (Professional / Upscale Men's & Women's/ Children / Teen)
 - Sporting Goods – Beach Related
- Restaurants, including, but not limited to:
 - Restaurants
 - Coffee Shops
 - Sandwich Shops
 - Ice Cream Shops

MIDTOWN REDEVELOPMENT AREA

Retail / Restaurant

Attract businesses that serve the needs of local residents in Midtown area.

- Neighborhood Retail, including, but not limited to:
 - Grocery / Food Market
 - Dry-Cleaner
 - Nutritional Shop
 - Music & Entertainment Shops
 - Stationary & Flower shops
 - Clothing & Apparel
 - Sporting Goods
 - Book Stores
- Neighborhood Restaurants, including, but not limited to:
 - Restaurant/Diners/Cafes
 - Coffee Shops
 - Sandwich Shops
 - Ice Cream Shops

MAIN STREET REDEVELOPMENT AREA: E-Zone

