



776 N.E. 125 Street, North Miami, Florida 33161

## Council Report

Date: June 26, 2018

To: The Honorable Mayor and City Council of the City of North Miami

From: Tanya Wilson-Sejour, AICP, Community Planning & Development Director

Re: Revisions to Green Rehabilitation Grant Guidelines

A handwritten signature in black ink, appearing to be "T. Wilson-Sejour", is written over the "From:" line and extends into the "Re:" line.

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AMENDING THE PREVIOUSLY APPROVED GUIDELINES FOR THE REVISED GREEN BUSINESS REHABILITATION GRANT PROGRAM FOR SMALL BUSINESSES IN SUBSTANTIALLY THE ATTACHED FORM; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.**

### RECOMMENDATION

Staff recommends that the Mayor and Council amend the previously approved Green Rehabilitation Grant Program guidelines to eliminate the 50% matching requirement and allow awards up to \$10,000. The amendment also includes revising the eligible uses of the grant to be more inclusive of resilient initiatives in order to promote energy efficiency and provide greater support to the North Miami small businesses.

### OVERVIEW

North Miami City Council adopted Resolution 2015-R-26 authorizing the creation of the Green Business Rehabilitation Grant Program on March 10, 2015. This grant program is funded through the United States Housing & Urban Development's Community Development Block Grants (CDBG) economic development element pursuant to Title 24, Part 91, Consolidated Submissions for Community Planning and Development Programs, Code of Federal Regulations, which outlines expenditures for CDBG funding.

The intent and primary purpose of the Green Business Rehabilitation Grant Program is to create economic opportunity by promoting energy conservation, reduction of greenhouse gases and encouraging sustainability by retrofitting buildings occupied by small businesses thus helping the environment while saving business owners money. The program as it currently exists has been successful with 11 completed retro-fit projects and \$48,933 disbursed in grant funding equating to thousands of pounds of CO<sub>2</sub> eliminated each year. That said, there is untapped potential to support a substantially larger number of small businesses who could benefit from the retro-fit program, but who have had difficulty coming up with the \$5,000 match. Furthermore, there is still a large pool of unused grant money that has been in existence since 2015.

Currently, the Green Business Rehabilitation Grant Program provides up to \$5,000 in reimbursable grant funding and matches up to 50% of a small business' expenses. In other words, a business owner must spend 100% of the project costs up front to be eligible for 50% reimbursement of up to \$5,000. Given the hefty expenses of energy efficient air conditioners or impact windows/glass, many business owners cannot afford the full \$10,000 payment, when they will only be reimbursed half of their costs up to \$5,000.

To make the program more useful to all of North Miami's small business owners, including those without large amounts of cash reserves, Staff proposes that the grant guidelines provide for up to \$10,000 as a reimbursable grant payment without a required match. Providing a non-matching \$10,000 reimbursable grant will allow greater accessibility to the benefits of the grant's programs, and will bring the grant ceiling more in line with the market rate of energy efficient products.

Critically, these guideline revisions will help draw down the CDBG economic development funding pool which is currently at over \$70,000 in unused CDBG dollars. Each year, HUD evaluates community CDBG funding needs in part on the annual rate of draw down on existing funding. Requiring a match on the Green Business Rehabilitation Grant is impeding the ability of Staff to draw down the economic development dollars provided by CDBG.

## **CONCLUSION**

Staff recommends approval of the revised Green Business Rehabilitation Grant guidelines to promote greater access to the grant's funding for North Miami's small business community to reduce greenhouse gas emissions, save business owner's money, and help with compliance of CDBG funding.

### **Attachments:**

1. Proposed Resolution
2. Proposed Guidelines
3. Proposed Green Business Rehabilitation Grant Program Application

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AMENDING THE GREEN BUSINESS REHABILITATION GRANT PROGRAM GUIDELINES FOR SMALL BUSINESSES TO PROVIDE UP TO TEN THOUSAND DOLLARS (\$10,000) AS A REIMBURSABLE GRANT PAYMENT WITHOUT A REQUIRED MATCH, IN SUBSTANTIALLY THE ATTACHED FORM; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.**

**WHEREAS**, on March 10, 2015, the Mayor and City Council of the City of North Miami (“City”) unanimously passed Resolution 2015-R-26 authorizing the creation of the Green Business Rehabilitation Grant Program (“Green Program”) which is funded through the United States Housing & Urban Development’s Community Development Block Grants (“CDBG”) economic development element pursuant to Title 24, Part 91, Consolidated Submissions for Community Planning and Development Programs, Code of Federal Regulations, which outlined expenditures of CDBG funding; and

**WHEREAS**, the current Green Program guidelines provide a matching grant of up to Five Thousand Dollars (\$5,000.00) to help small businesses “green” their operations with the intent of reducing overhead energy costs, green house emissions, and promoting climate-change awareness; and

**WHEREAS**, the hefty expenses of energy efficient air conditioners, impact windows or glass, prevents business owners from affording the full \$10,000 payment, when only \$5,000 is reimbursable; and

**WHEREAS**, the City desires to amend the Green Program guidelines to provide up to Ten Thousand Dollars (\$10,000) as a reimbursable grant payment without a required match (“Amendment”); and

**WHEREAS**, the Amendment will provide greater accessibility to the benefits of the Green Program, will bring the Green Program’s ceiling more in line with the market rate of energy efficient products, and will utilize the large pool of unused grant money that has been in existence since 2015; and

WHEREAS, the Mayor and City Council find the Amendment is in the best interest of the City since it will advance the economic development initiatives of the City and business community.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

**Section 1. Approval of Green Business Rehabilitation Program Guidelines Amendment.** The Mayor and City Council of the City of North Miami, Florida, hereby approve and amend the Green Business Rehabilitation Grant Program guidelines providing for up to \$10,000 as a reimbursable grant payment without a required match, in substantially the attached form.

**Section 2. Effective Date.** This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED by a \_\_\_\_\_ vote of the Mayor and City Council of the City of North Miami, Florida, this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
DR. SMITH JOSEPH  
MAYOR

ATTEST:

\_\_\_\_\_  
MICHAEL A. ETIENNE, ESQ.  
CITY CLERK

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
JEFF P. H. CAZEAU, ESQ.  
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

**Vote:**

Mayor Smith Joseph, D.O., Pharm. D.

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Vice Mayor Carol Keys, Esq.

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilman Scott Galvin

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilman Philippe Bien-Aime

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

Councilman Alix Desulme

\_\_\_\_\_ (Yes) \_\_\_\_\_ (No)

# **GREEN BUSINESS REHABILITATION GRANT GUIDELINES**

## **General Information on Community Development Block Grant (CDBG)**

Economic development encompasses the process, policies, and activities by which a community improves the long-term economic and social well-being of its people. The objective of economic development is a sustainable increase in living standards, including per capita income, education, health, and environmental protection. Economic development strategies offer government, private and not-for-profit sectors the opportunities to work together to improve the local economy. CDBG gives communities the flexibility to select the strategies where it will support economic development. Additionally, it allows businesses to increase efficiency without sacrificing performance.

## **Special Economic Development with CDBG**

The City of North Miami, through the Green ~~Enterprise~~ **Rehabilitation** Grant, has implemented a special economic development activity citywide to rehabilitate commercial or industrial property that can be identified as a “small business”. The major goals for this program are to help current and future businesses “green” their operations by focusing on sustainability with respect to reducing greenhouse gas emission, promoting climate change awareness, reducing energy cost, and creating new employment opportunities through business expansion.

The rehabilitation scope is focused on green retrofit options that are sustainable. The intent and primary focus of this program is to create economic opportunity by promoting energy conservation, resiliency, reducing greenhouse gases and reducing long term operating costs that encourage sustainability by retrofitting buildings. Implementing this new economic development program helps businesses to “green” their operations and identify a rate of return on their retrofit investments.

By implementing the “green” criteria, businesses engage in “Green Building Retrofit” measures such as water conservation, energy conservation, greenhouse gas reduction, and reducing long term operating costs that encourage sustainability by buying green or recycled products. Business owners will realize significant saving over time. Our goals for this program are to reduce greenhouse gas emission, promote climate change awareness, reduce energy cost and create new employment opportunities through business expansion. The following eligible items may be considered, based on the results of the energy audit, for “green” retrofit are including but not limited to:

1. Lighting fixtures
2. Insulation options
3. Draft/light sealants for windows and doors to conserve energy

4. Automatic timed devices
5. Install energy efficient appliances per energy audit
6. Provide options for Solar energy such as fixtures (on a small scale)
7. Generators
8. Impact windows/glass

## The Process

The following identifies the steps in the application process:

1. The city will develop a baseline GIS database of businesses through identification of the worst and best energy consumers by gathering data from any available source and the City's Utility Department.
2. The city will make continuous efforts for public outreach.
3. All information will be placed on the Community Planning and Development website and related websites.
4. Grant application checklist:
  - a. Grant application
  - b. Proof of ownership or authorization to make renovations
  - c. Occupational License or Business Tax receipt
  - d. Proof of Insurance
  - e. Checklist to determine eligibility
  - f. Energy Audit completion-coordination with FPL (free)
  - g. Agreement to obtain Green Business Certification (application is free)
  - h. ~~Source of Match/Verification of Match Funds~~
  - i. Verification of the number of employees (i.e. payroll sheets)
  - j. Proof of energy efficiency/sustainability of products or improvements
5. Once the applications are received, it will go through the following review process:
  - a. CP&D staff review to include (a) prioritizing retrofit needs (b) analyze rate of return based on the data obtained from quarterly billing statement.
  - b. Application deemed complete
  - c. Site inspection by ~~LEED and Building~~ CP&D staff (inspector deem if permits are needed)
  - d. Execution of grant agreement
  - e. Follow-up meeting and Notice to Proceed by CP&D staff
  - f. Building permit process (where applicable)
  - g. Site Inspection (for process)
  - h. Grant monitoring by CDBG-Meeting National Objective

## **Funding Sources**

Implementation of the Green Business Rehabilitation Grant Program will be funded by the U.S. Department of Housing and Urban Development. The grant will be administered through the Community Development Block Grant (CDBG) Program. Other funding sources will be identified through ongoing grant opportunities. **Green Rehabilitation Grant is a reimbursable grant paid to business owners after payment for upgrades have occurred.**

## **Program Limits & Requirements**

Funding Limit: The City has allocated \$50,000 **annually** to the Green Business ~~Enterprise~~ **Rehabilitation** Grant Program. Subsequently, the maximum amount allocated to each business will be up to ~~\$5,000~~ \$10,000. ~~A match of 50% is required for a total of \$10,000 for the project retrofit.~~

Requirements & Scope: Participants in the City of North Miami's Green ~~Enterprise~~ **Rehabilitation** Grant Program shall comply with those provisions of the local adopted codes. For the purposes of this CDBG program, small businesses will be identified through the criteria established by Miami Dade County:

1. Cannot have more than seven (7) employees
2. Must not be part of a national chain or franchise

Business can be non-profit or for-profit and must have been in business for at least 2 years (proof include old license, incorporations, sales tax, income tax, and utility bill). Although not a requirement, business development or capacity building courses/seminars are strongly encouraged.

## **Compliance, Necessity and Feasibility of Repairs**

Contractors or other participants shall ensure that the provisions of the Green Rehabilitation Grant Program are applied to each facility that is rehabilitated with financial assistance provided in whole or in part from the CDBG funds.

The Green ~~Enterprise~~ **Rehabilitation** Grant Program is not intended to address every item that may be in need of rehabilitation within the structure. Notwithstanding the requirements of the Green ~~Enterprise~~ **Rehabilitation** Grant Program, rehabilitation funding will be made on the basis of a determination of the necessity and feasibility of the proposed rehabilitation in accordance with the guidelines.

## **CDBG Regulation Enforcement and Payment Structure**

Enforcement of the Green Enterprise ~~Enterprise~~ **Rehabilitation** Grant Program shall be carried out by means of progress inspections by CP&D staff and agreements between the City and the owner. The owner has the sole responsibility for construction services. All parties receiving CDBG funds for rehabilitation activities must comply with CDBG regulations. These obligations shall be expressed in the subsidy agreement between the owner and the City of North Miami. Payment is issued on a reimbursable basis and is subject to inspection and program compliance documentation.



# Green Business Rehabilitation Grant Program Application

Community Development Block Grant Program  
U.S. Department of Housing and Urban Development

## Community Planning and Development

City of North Miami

12400 NE 8<sup>th</sup> Ave

North Miami, FL 33161

305-985-9825

[www.northmiamifl.gov](http://www.northmiamifl.gov)



# Green Business Rehabilitation Grant Application Program

## Policies and Guidelines

### Purpose

The Mayor and Council adopted Resolution 2015-R-26 authorizing the creation of the Green Business Rehab Grant Program on March 10, 2015 and subsequently modified the program on June 26, 2018. The intent and primary purpose of this program is to create economic opportunity by promoting energy conservation, reduction of greenhouse gases and encouraging sustainability by retrofitting buildings occupied by small businesses. Implementing this new economic development program will help current and future small businesses to “green” their operations and identify a rate of return on their retrofit investments.

### Eligibility Criteria

A business owner/business may qualify for consideration provided it meets all of the following criteria:

1. Business must be located in a commercial space with the City of North Miami (Proof of ownership or a copy of executed lease is required).
2. Business can be non-profit or for-profit and must have been in business for at least 2 years
3. Cannot have more than seven (7) employees including the owner(s), corporate officer(s), part time and full time employees on the business payroll at the time of program application submittal. Leased employees through another organization will be considered as the business’ employee
4. Must not be part of a national chain or franchise
5. Must not have received a CRA commercial grant or Green Rehabilitation grant in the last five (5) years
6. Grant application submitted
7. Proof of ownership or authorization to make renovations
8. Proof of Property Insurance
9. Proof of Energy Audit completion- coordination with FPL (free) – Provide FPL Report
10. Must not have liens against the property
11. Must be demonstrable green improvement

### Use of Funds and Activities

The following eligible items may be considered, based on the results of the energy audit, for “green” retrofit are including but not limited to:

1. Lighting fixtures
2. Insulation options
3. Draft/light sealants for windows and doors to conserve energy
4. Automatic timed devices
5. Install energy efficient appliances per energy audit

6. Provide options for Solar energy such as fixtures (on a small scale)
7. Generators
8. Impact windows/glass

### **Program Rules and Requirements**

1. The maximum grant amount available for each business is up to \$10,000
2. Grant is reimbursable and does not require payback or match
3. The program is subject to the City's funding availability. Applications are accepted and reviewed on a first come, first serve basis.
4. The business must have the City of North Miami Certificate of Use and/or Business Tax receipt.
5. The application must be submitted in the legal name of the applicant (i.e., Name of business owner(s), corporation name as registered with the Florida Department of State, Division of Corporations, etc.)
6. For corporations, information demonstrating the corporation has an "Active" status in the Florida Department of State, Division of Corporations.
7. The business owner or an authorized representative of the corporation who has legal authority to bind the organization in a contract with the City of North Miami must sign application.
8. Submission of an application shall constitute acknowledgement and acceptance of all terms and conditions contained in the guidelines and the application. Acceptance of this application does not constitute a contract and does not obligate the City to award funds.
9. Applicant must be willing to comply with all regulations, guidelines and policies as they relate to the program. Applications that are incomplete, illegible, lack required attachments, or have other content errors or deficiencies may be rejected.
10. If recommended for funding, Business Owners will be required to sign a written agreement with the City (Letter of Agreement, Provided by the city).
11. Payments will be made directly to the business after proof of expenditure and installation.
12. After participation in grant program, ineligible for 12 months after completion

## Required Documents for Funding

Please use this checklist to complete the application package:

- Completed Green Business Rehabilitation Application
  
- Energy Audit completion- coordination with FPL (Free)
  
- Proof of “green” or sustainable improvement
  
- Company’s Certificate of Incorporation
  
- Business Income Tax Return (Form 1120) for the past 2 years
  
- Current Lease agreement or deed to the property (must be a commercial lease/space)
  
- City of North Miami Business Tax Receipt
  
- W9
  
- Business Insurance
  
- Copy of IRS determination letter as a non-profit organization (required for all non-profit organizations)

**\*\*\*The City reserves the right to request additional information about the business and/or business owner(s) that may be needed to process the grant application.\*\***

# APPLICATION SUBMISSION

The application must have the original signature of the company owner(s)

**Deliver to:**

City of North Miami

Community Planning & Development Department

ATTN: Sam Blatt, Economic Development Manager

Phone Number: (305)-893-6511 ext. 19006

Email: [sblatt@northmiamifl.gov](mailto:sblatt@northmiamifl.gov)

# Green Business Rehabilitation Grant Program

## PERSONAL CONTACT INFORMATION

Applicant Name (First, Middle, Last):

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Email Address: \_\_\_\_\_

DOB: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Home Phone:

Cell:

Work:

U.S. Citizen (Circle One): Yes/ No

If not, are you a lawful Permanent Resident Alien? Yes/ No

Home Address (Street, City, State, Zip Code):

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Circle One: Own / Rent

Mailing Address, if different from Home Address:

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## **PROPOSED USES OF FUNDING**

- Lighting fixtures
- Insulation options
- Draft/light sealants for windows and doors to conserve energy
- Automatic timed devices
- Install energy efficient appliances per energy audit
- Provide options for solar energy such as fixtures (on a small scale)
- Generators
- Impact windows/glass
- Other: \_\_\_\_\_

## BUSINESS/PROPERTY INFORMATION

Company Name:

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Business Address:

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Business Email: \_\_\_\_\_ Business Phone: \_\_\_\_\_

Describe your business activity (What you sell/service you provide, who your market is, etc.):

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Business Website: \_\_\_\_\_

How long in Business: Years \_\_\_\_\_ Months \_\_\_\_\_

Years of Operation at Current Location: \_\_\_\_\_

Number of Current Employees: \_\_\_\_\_

Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Annual Sales: \$ \_\_\_\_\_

Lease or Own business location (circle one): Lease/Own

If lease, who is your landlord: \_\_\_\_\_

Landlord Phone: \_\_\_\_\_ Landlord Email: \_\_\_\_\_

Do you have your landlord's permission to make the requested grant improvements and/or are your improvements allowed in your current lease agreement? Yes/No

Are there any City tax liens filed against the Business Applicant or any Guarantor or Co-applicant? Circle one: Yes/No

If yes, please explain:

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## PROJECT INFORMATION & GRANT REQUEST

Amount of Grant Request: \$ \_\_\_\_\_

Estimated Total Project Cost: \$ \_\_\_\_\_

Detailed description of how funds will be used and what energy efficient improvement is being made (include a list of items to be purchased, if applicable):

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_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL:</b>	\$ _____

# Applicants Certification

By my signature, I (we) certify that I have read and understand the application, criteria and program requirements. I further certify that all of the information I (we) supplied is correct and accurate. All of the owners of the company/organization (regardless of ownership percentage) are aware of this grant and are in full agreement with the business securing financing for this project. My (our) signature(s) represent my (our) agreement to comply with the City of North Miami and the Department of Housing and Urban Development, as it relates to this grant request.

Each Proprietor, General Partner, Limited Partner and Business Owner, owning 20% or more must sign below. For all Non-Profit Organizations, all guarantors must be approved by Community Planning & Development.

Business Name: \_\_\_\_\_

By: \_\_\_\_\_

Signature and Title

Date

Guarantors:

\_\_\_\_\_  
Signature and Title

Date

\_\_\_\_\_  
Signature and Title

Date