

MARGATE COMMUNITY REDEVELOPMENT AGENCY

RESOLUTION NO. 626

A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE ADOPTION AND IMPLEMENTATION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY COMMERCIAL DEMOLITION MATCHING GRANT GUIDELINES WHICH ARE ATTACHED HERETO AS EXHIBIT "A"; PROVIDING AN EFFECTIVE DATE.

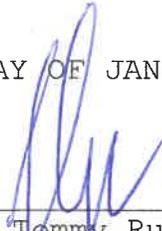
BE IT RESOLVED BY THE BOARD OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY OF MARGATE, FLORIDA:

SECTION 1: That the Board of the Margate Community Redevelopment Agency, hereby approves the adoption and implementation of the Margate Community Redevelopment Agency Commercial Demolition Matching Grant Guidelines ("Guidelines") a copy of which is attached hereto as Exhibit "A".

SECTION 2: That the Executive Director is hereby authorized and directed to take all actions consistent with this Resolution and the Guidelines which are attached hereto and specifically made a part of this Resolution as Exhibit "A".

SECTION 3: That this Resolution shall become effective immediately upon its passage.

PASSED, ADOPTED, AND APPROVED THIS 15TH DAY OF JANUARY, 2020.



Chair Tommy Ruzzano

RECORD OF VOTE

Simone	<u>Absent</u>
Arserio	<u>Yes</u>
Schwartz	<u>Yes</u>
Caggiano	<u>Yes</u>
Ruzzano	<u>Yes</u>



**Margate Community Redevelopment Agency
Commercial Building Demolition Matching Grant Program**

**Program Guidelines and
Frequently Asked Questions
(FAQ)**

What's it all about?

The purpose of the Commercial Building Demolition Grant is to assist property owners with demolition and removal of outdated and obsolete buildings within the Margate Community Redevelopment Agency's ("MCRA") Redevelopment Area. The MCRA seeks to facilitate the construction of modern, flexible, and more desirable buildings that may be, but are not required to be, built on larger parcels that are created by the assemblage of smaller parcels. Such newer buildings will attract a diversified market, enhance the aesthetics of the MCRA, and increase the tax base.

What do I need to know about the program?

The MCRA is making available to all commercial property owners within the defined Community Redevelopment Area, cash grants to demolish existing buildings as follows:

For One Lot:

An amount not to exceed \$75,000.00 for the demolition of all structures on each lot, and the demolition must include the primary structure.

For Projects containing multiple lots:

The MCRA will negotiate a maximum award depending upon the number of lots and structures to be demolished. If demolition is to take place on multiple lots that will be assembled into, and operated as a single site or project, the MCRA will provide an amount not exceed \$75,000.00 for each lot, and the project must include the demolition of primary structures on each lot.

This money is available on a dollar-for-dollar match basis (i.e., for every one dollar the property owner pays for demolition, the MCRA will contribute one dollar). The match cannot exceed 50% of the total cost of the demolition and removal of the structures. The MCRA's funds will only be paid on a reimbursement basis.

In order for a project to be eligible, an approved site plan which includes the construction of new building(s) on the lot(s) after the demolition must be submitted to the MCRA for approval. The MCRA Board must approve the site plan for the new construction, and the Commercial Building Demolition Matching Grant Agreement (the "Agreement"). New buildings must have an anticipated value that exceeds the value of the building(s) to be demolished from the lot(s). Reimbursement will not be made until the new buildings are constructed and receive a Certificate of Occupancy (CO) from the City of Margate Building Department, as well as final inspections from all other applicable governmental entities. The CO must be issued within two (2) years of the execution of the Agreement. Properties shall be free of any liens, code enforcement fines, and should have no other amounts owed to the City of Margate prior to the distribution of any grant funds.

How would the program progress? What are the steps?

Step 1 - The Property Owner (OWNER) submits an application for the grant to the MCRA. The application explains what the OWNER wishes to undertake and it includes an estimate of the total cost of demolition (with at least two quotes by licensed demolition contractors) and the anticipated value of all new replacement building(s) and other construction. The application must cover improvements to all buildings on the property or in the project (a project is a property or properties that are jointly operated under a single identification such as a shopping center or building name; except separately owned out-parcels may be excluded). The MCRA **will NOT reimburse** for the demolition of ancillary structures/buildings or other site improvements unless the primary buildings located on the parcel are also demolished.

Step 2 – If the MCRA Board determines, in its sole discretion, that the building(s) to be demolished and the replacement project meet the program intent and the intent of the MCRA's Community Redevelopment Plan, the OWNER and MCRA will sign the Agreement. The Agreement shall contain the maximum final grant award and will outline all the requirements for OWNER to receive the grant dollars, which will be given on a reimbursement basis only, and will include firm completion dates and paperwork required to be submitted to close out the project.

Step 3 – Once the Agreement is approved and executed by both the OWNER and the MCRA, OWNER may then demolish structures on the property and obtain approval for the replacement buildings/structures from the City of Margate. OWNER must then construct the new buildings and project.

Step 4 – OWNER engages a Contractor to construct the improvements. OWNER is responsible to obtain all necessary governmental approvals and permits and pay all necessary fees. OWNER commences construction of building(s) and improvements. NOTE: Any alterations to the appearance, size, or placement of the new project must be approved by the MCRA Board as well as properly approved and permitted by the City of Margate.

Step 5 – Upon completion of construction of the project, the payment of all fees and costs, the close out of all permits, and the issuance of a Certificate of Completeness or

Certificate of Occupancy (CO) for the project and all of its elements, OWNER shall submit all required paperwork to the MCRA for reimbursement up to the grant award amount. If all paperwork is in order, subject to the MCRA's approval, the grant funds will be paid to the OWNER. In order to be eligible for any grant funds, the CO(s) for all new buildings must be issued within two (2) years of the execution of the Agreement. The Agreement shall terminate if the CO for all new buildings is not issued within two (2) years from the execution of the Agreement. The Agreement shall contain the maximum amount of grant funds that would be paid to OWNER, and will specify all of the requirements for construction that the OWNER must satisfy in order to receive the grant funds. The Agreement shall also include deadlines for the completion of construction, the issuance of the CO, and the submittal of all paperwork to the MCRA that is required to close out the project and obtain the grant funds.

When do I get the money?

In order to insure that an individual project is undertaken, the OWNER must undertake all the work and pay for all work performed. Upon completion of the new building(s), site improvements, and the issuance of a CO by the Margate Building Department and the close out of all project permits, the OWNER will submit a request for payment with supporting documents. Upon review of supporting documents, to the satisfaction of the MCRA, the MCRA will declare the project complete, and issue a check to the OWNER for the grant funds which the OWNER is entitled to receive pursuant to the Agreement, which shall not exceed the maximum grant amount as stated in the Agreement. The MCRA will not be obligated to reimburse the OWNER for any portion of any demolition costs which the OWNER incurred prior to the date on which the MCRA executed the Agreement, or any costs incurred by the OWNER after the initiation of construction of the new building(s). If the project is not completed within two (2) years of the date the MCRA executes the Agreement, the Agreement shall terminate, and the MCRA shall have no further obligation to reimburse OWNER.

What is an eligible expense under the Program?

Reasonable costs associated with undertaking the demolition of an existing commercial or industrial building will be eligible. This may include but not be limited to: building take-down, removal of debris, removal of existing asphalt parking surface, shut off of water and electric service, removal of pipes and wires, regrading of site, removal of other infrastructure if appropriate, permit and other fees. The MCRA, in its sole discretion, shall make the final determination of what expenses are eligible for reimbursement. No expenses associated with a demolition grant will be reimbursed if a replacement project (in its entirety as approved by the City) is not constructed or if the new project (in its entirety as approved by the City) does not receive a CO within two (2) years of the date the MCRA executes the Agreement. In addition, if the new building(s) does not have an estimated taxable value which exceeds the taxable value of the existing buildings located on the property, then the project will not be eligible for reimbursement.

What is NOT an eligible expense under the Program?

The removal of ancillary structures, or other site improvements, when the primary structures on the lot are not removed, reconfiguration of any on or off-site infrastructure (electric, water, drainage, etc.), or damage to any off-site infrastructure, structure, vehicle, or personal-property are not eligible for reimbursement. Damages caused to any persons or animals whether on-site or offsite are not eligible for reimbursement. No deposits placed or costs incurred by the property owner prior to the MCRA's execution of the Agreement shall be eligible for reimbursement under this grant program.

When and where are applications accepted?

The MCRA will accept applications from 9 a.m. until 5 p.m. Monday thru Friday at the MCRA Offices at Margate City Hall, 5790 Margate Blvd., Margate FL 33063. Applications mailed to this address will be stamped in at 5:00 p.m. on the day they are received in the MCRA's Office at the Margate City Hall location. The MCRA will continue to accept application until all funds for the program year have been allocated.

What else should I know about the Program?

It is the intent of the MCRA to fund applicants on a first-come, first-served basis; however, the MCRA reserves the right, at its sole discretion, to make any final determinations as to how this program will be offered and implemented. This may include, but not be limited to: ranking of applicants, which applicants will be funded, all conditions of funding, and approval of all plans, designs and materials to be utilized. Other conditions that will be placed upon funding will be found in the Agreement executed by the MCRA and OWNER in order for a reimbursement to be considered.

Is this really a grant program?

Technically this is not a grant program but is a forgivable loan program. The Agreement shall be recorded as a lien against the property on which the demolition will occur, and on which the project shall be constructed. The Agreement will be forgivable eight (8) years after the payment of the grant funds to the OWNER. If, at any time in the eight (8) years immediately following the disbursement date of the grant funds to the OWNER pursuant to the Agreement, the property is altered in any manner without prior approval of the MCRA, or after the sunset of the MCRA, the City of Margate City Commission, the OWNER shall repay all funds provided pursuant to the Agreement. Should the OWNER not make any alterations to the project following the payment of the grant funds, or all alterations are done with proper approval from the MCRA, or after the MCRA's sunset, the City of Margate City Commission during the eight (8) years following the disbursement of the grant funds, the loan will be considered satisfied.

What do I do if I have more questions about the Program?

Contact the Margate Community Redevelopment Agency's Office by one of the following methods:

By telephone: (954) 935-5320

By email: CRA@margatefl.com

By mail: The Margate CRA
ATTN: GRANTS
5790 Margate Blvd.
Margate, FL 33063