

CITY OF CEDAR CRA BUSINESS RECOVERY, RESILIENCE AND REDEVELOPMENT GRANTS PROGRAM

APPLICATIONS ACCEPTED BETWEEN JUNE 1 AND JUNE 30, 2025.

On September 26, 2024, Hurricane Helene devastated Cedar Key. Less than two weeks later Hurricane Milton further contributed to the devastation. These natural disasters, which followed Hurricanes Idalia in 2023 and Debby in June of 2024, caused widespread damage across the island, including to the essential businesses that the City's residents and visitors rely on – all of which are in the Cedar Key Community Redevelopment Area. These natural disasters have not only set back redevelopment efforts within the CRA; they have contributed to additional blight and diminished the community's resilience to future storms. In order to maintain a healthy, thriving community for residents and visitors, the City of Cedar and its CRA require robust and resilient businesses, especially those that provide essential services during and after storms.

I. Overview of Program

This Grant Program is designed to encourage the recovery and redevelopment of Cedar Key, and support blight removal and prevention for businesses within the Community Redevelopment Area. The CRA Board ("Board") will provide up to \$400,000 from the Community Redevelopment Trust Fund to provide funds for storm recovery, resiliency, and redevelopment within the CRA. These funds will be allocated into 3 grant categories:

- 1) Large Grants - \$300,000 total,
- 2) Small Grants - \$80,000 total,
- 3) Permit Fee Grants - \$20,000 total.

Key Considerations for Applicants. All grant categories are retroactive to September 26, 2024, subject to the conditions set forth below. Grants may be awarded to both new and existing businesses. Large Grants are limited to "Essential Businesses," as defined below. No applicant may apply for funding in more than one grant category for the same business at the same **physical** address. Grant funds are paid out through reimbursement only. For Large and Small Grants, the Board will provide reimbursement for no more than 50% of the lowest of two submitted bids, but the applicant may choose to use any qualified contractor. The Board reserves the right to award less than the full amount of the funding requested, and to include other grant conditions with any award.

Essential Businesses. The Board will give priority consideration to projects in commercial spaces for businesses determined to be "Essential" by the Board. Essential Businesses are those commercial enterprises that provide the community with goods and services that contribute to the well-being and day-to-day survival of residents enabling them to remain in Cedar Key and thrive during and after a natural disaster. These include, but are not limited to, retail food

providers, pharmacy and medical assistance providers, restaurants and bars, dry goods, hardware and home improvement providers, fuel suppliers and boat repair and marina facilities.

II. Grant Categories

Grants will be awarded in the following categories based on the review criteria provided in the grading rubric below. No applicant may apply for funding in more than one grant category for the same business at the same **physical** address.

- **Large Grants.** The program will provide grants of up to \$100,000 to successful applicants to reimburse pre-approved expenses associated with repairs to Essential Businesses in commercial structures and may include demolition expenses. Large grants may also be used to support the development of new Essential Businesses within the CRA. Reimbursement will not exceed 50% of the total cost of the project, based on the lowest bid as described in the Grant Execution requirements below.
- **Small Grants.** The Program will provide grants of up to \$10,000 in reimbursement for pre-approved expenses for projects that enhance the resilience of businesses (including non-essential businesses) through improvements to commercial buildings and property, including improvements necessary to bring the buildings and property into code compliance. This may include, but is not limited to, floodproofing, elevation of buildings and associated building service equipment (HVAC's etc.), wind mitigation and on-site stormwater enhancements. Floodproofing and elevation grants are limited to properties located in a Special Flood Hazard Area (Zones A and V) as defined by the most recent FEMA flood maps. Reimbursement will not exceed 50% of the total cost of the project, based on the lowest bid as set forth in the grant execution requirements below.
- **Permit Fee Grants.** – The Program will provide a grant to the City of Cedar Key in the amount of \$20,000 to enable the City to reimburse business applicants in commercial spaces for 50% of the cost of **timely paid** City required building permits sought on or after September 26, 2024, including the 3% State of Florida surcharge imposed on applicable City-originated permits. This grant does not apply to the City's pre-permitting fee for new development. It also does not apply to permits and approvals that do not originate with the City, such as impact fees and water and sewer hookups. Any funds not expended by the City will be returned to the CRA.

Retroactivity. Applicants who have already undertaken and completed, or are in the process of completing projects, including demolition, may also apply for a Large Grant, Small Grant or Permit Fee Grant provided they provide documentation establishing that the work for which funding is sought occurred on or after September 26, 2024. Applicants applying for a Large or Small Grant must also provide documentation that:

- The reimbursement sought represents fair market rates for similar work in Cedar Key, as demonstrated by invoices, cancelled checks, contracts, proof of payment, and any other evidence deemed acceptable to the CRA Board.

- The reimbursement sought represents no more than 50% of the total project expenditures for which reimbursement is sought, as set forth in the grant execution requirements below.
- The project was undertaken by a licensed and insured contractor.
- The project complied with all applicable federal, state and local laws.
- The project complies with all other applicable grant eligibility criteria set forth below.

III. Review Process

- Applications will be accepted by CRA staff between June 1, 2025, and June 30th, 2025, inclusive.
- Timely submitted applications will be forwarded to the CRA Board for consideration at a scheduled and noticed Board meeting after the June 30th application deadline. At its discretion, the Board may establish additional grant funding rounds within the overall program cap.
- For Large and Small Grants, the CRA Board will be guided by the evaluation rubrics provided below.
- The Board reserves the right to award less than the full amount of the funding requested, and to include other grant conditions with any award.

IV. Eligibility Requirements

- The project must be within the Cedar Key Community Redevelopment Area as identified on the map on the CRA webpage.
- The project must be located in a structure with a land use category that permits the business activity, or the applicant must have been granted, or applied for, a variance, conditional use or special exception. (Funds will not be disbursed until the variance, conditional use or special exception that has been applied for has been granted by the City Commission).
- The project must be consistent with Chapter 163, Part III, Florida Statutes, the Florida Community Redevelopment Act, and the Cedar Key Community Redevelopment Plan as amended, as determined by the City Attorney.
- The applicant must be the owner of record of the property, or a tenant with the written approval of the owner in which the owner agrees to the grant submission and acknowledges that should the grant be awarded to the applicant. The owner will have to enter into the Grant Funding Agreement with the CRA and execute the Security Documents (as set forth below).
- The property must be free from any judgments, liens, **open** code violations and all mortgage and tax obligations must be current prior to the meeting of the CRA Board at which the application is heard.
- The project must comply with the Florida Building Code, the Florida Fire Prevention Code, Florida construction law, and applicable land development regulations of the City of Cedar Key.
- Applicants for Large and Small Grants must submit two bids for the project work from Florida licensed and insured contractors. However, as noted below, the applicant may

choose any contractor that meets the eligibility requirements but will only be reimbursed for 50% of the lowest bid.

- Applicants for retroactive grants must submit adequate evidence that the request represents fair market rates for similar work in Cedar Key, as demonstrated by invoices, cancelled checks, contracts, proof of payment, and any other evidence deemed acceptable to the CRA Board.

V. Eligible Expenses

- Fixed improvements which contribute to storm recovery and blight alleviation to facilitate occupancy, essential business development and resilience. This includes permanent improvements that will remain despite lease terminations or sale of properties, including electrical/mechanical/plumbing/HVAC repairs/upgrades, structural repair/upgrades, accessibility improvements.
- Demolition in the best interest of blight alleviation and redevelopment within the CRA.
- Improvements for food service businesses, including, but not limited to, grease traps, venting systems, fire sprinkler systems, or other fixed capital expenses.
- Renovations or improvements that may be required by the Florida Fire Prevention or Florida Building Code to address accessibility issues, or that make “historic buildings,” as defined by the Florida Building Code, habitable. Examples include, but are not limited to, repair or installation of an elevator, ramps, sprinkler systems, or plumbing, electrical, or mechanical upgrades.
- Façade repair or improvements if related to storm damage, including re-roofing, cleaning and/or repainting of masonry work, stucco work, or replacement of structural architectural elements.
- Improvements that contribute to building resiliency to flooding and wind. Including, but not limited to, elevation of structures to Base Flood Elevation, or to add freeboard, floodproofing, and wind mitigation.
- Other justified expenses, not specifically listed as ineligible below, approved by the Board.

VI. Ineligible Expenses

- Routine maintenance or repair expenses.
- Expenses for temporary improvements or improvements that will not remain with the property in the event of sale or lease termination.
- In-kind and “sweat equity” labor and material costs.
- Professional architectural, engineering, legal or other consulting services.

VII. Duplication of Benefits

This program shall not be used to duplicate or supplant benefits received or available from insurance policy payouts, and FEMA or other federal or state assistance programs.

VIII. Grant Execution Requirements

- A Grant Funding Agreement between the CRA and the owner/tenant and contractor must be executed prior to the initiation of any approved project.
- Eligible expenses will be reimbursed only for 50% of the lowest bid, but the applicant may choose any contractor that meets the eligibility requirements, regardless of bid amount.
- The CRA will disburse payments directly to the owner and contractor as specified in the Grant Funding Agreement.
- Disbursements will not be made until the project is complete and has been inspected; or, when based on scheduled draws, until the owner or lending institution has first satisfied its share of the draw.

IX. Grant Security

- All applicants receiving grant funds must execute a note and mortgage in favor of the CRA in an amount equal to the grant funds received (the “Security Instruments”).
- If an applicant fails to adhere to the guidelines of the Program, the applicant shall be required to repay all grant funds to the CRA.
- The owner may not sell or transfer property improved by a CRA Large Grant (the “Grant Property”) without the prior notice and written approval from the CRA Board in accordance with the following schedule, measured from the project completion date, final inspection date or final payment date, whichever is later in time (“Hold Period”):

Grant Amount in dollars	Duration of “Hold Period.”
0 – 40,000	2 years
40,001 – 60,000	3 years
60,001 – 80,000	4 years
80,001 – 100,000	5 years

Failure to provide notice and obtain the Board’s approval prior to any sale will require the owner/grantee to repay the CRA with interest as set forth in the Grant Application Agreement and Security Instruments.

- In the event a grant awardee sells a Grant Property without the CRA Board’s approval and fails to repay the grant funds to the CRA as required in the Security Instruments, otherwise defaults on the Security Instruments, or fails to adhere to the Grant Program Eligibility or Execution Requirements, the CRA shall have the right to enforce collection of the grant funds by means of all legal and equitable remedies available, including the filing and foreclosure of the lien against the property.

Application Form [Attached]

CRA LARGE GRANT EVALUATION RUBRIC

EVALUATION CRITERIA	POINTS	EXPLANATION
Economic impact	0 – 30	Will the project directly or indirectly create jobs, increase business revenues, or expand the local tax base. Higher scores should be awarded to projects that demonstrate lasting economic benefits to Cedar Key.
Provides an essential business service	0 - 30	Does the project address an essential need for residents, workers, or visitors. Higher scores should be awarded to projects that provide the community with goods and services that contribute to the well-being and day-to-day survival of residents enabling them to remain in Cedar Key and thrive during and after a natural disaster. These include, but are not limited to, retail food providers, pharmacy and medical assistance providers, restaurants and bars, dry goods, hardware and home improvement providers, fuel suppliers and boat repair and marina facilities.
Maintains or increase resiliency to storm-induced wind and water	0 - 20	Does the project incorporate design or infrastructure that improves the business's and Cedar Key's resilience to storm surge, flooding, wind damage or future extreme weather and climate. Higher scores should be awarded for innovative or proven mitigation strategies.
Preserves or enhances local character	0 - 10	Does the project respect or enhance the historic, coastal and small-town identity of Cedar Key? Projects that maintain or enhance architectural, cultural or environmental character score higher.
Feasibility and readiness	0 - 10	Is the project feasible and ready to be implemented. Are land use, permitting and implementation logistics satisfactorily addressed. Stronger proposals have a clear path to implementation.

CRA SMALL GRANT EVALUATION RUBRIC

EVALUATION CRITERIA	POINTS	EXPLANATION
Enhances Business Resilience	0 – 30	Award higher scores to projects that clearly address specific risks (e.g., storm surge, high winds) and incorporate innovative or proven strategies to improve the physical or operational resilience of the business.
Risk of Flooding (Flood Zone) and Wind damage	0 – 20	Prioritize projects based on flood risk. Assign 20 points for properties in FEMA Flood Zone VE, 10 points for Zone AE, and 0 points if the property is outside a designated flood zone. Wind mitigation projects receive 10 points irrespective of flood zone.
Improves Code Compliance	0 – 15	Evaluate whether the project brings the building into full or partial compliance with current building codes or FEMA requirements. Give credit for voluntary improvements, especially in historic districts where full compliance may not be required but is pursued.
Supports an Essential Business	0 – 15	Award points if the project benefits a business deemed essential as defined in the program guidelines. Essential businesses should be clearly identified in the program documentation.
Preserves or Enhances Local Character	0 – 10	Higher scores for projects that protect or enhance the architectural, cultural, or environmental character of the community. This includes compatibility with historic or coastal town aesthetics.
Feasibility and Readiness	0 – 10	Consider how ready the project is for implementation. Strong proposals will demonstrate clear plans, necessary permits, secured funding (if applicable), and readiness to proceed within a reasonable timeframe.

