

Community Redevelopment Agency (CRA)
COVID-19 Recovery Initiative
Small Business Rental Assistance Program (SBRAP)

Purpose

The Downtown Orlando Community Redevelopment Area Plan (DTOutlook) calls on the Community Redevelopment Agency (CRA) to stimulate economic growth in the Downtown Orlando Community Redevelopment Area (Area) by encouraging the retention and continued operation of existing businesses. Many small businesses in the Area have suffered economic injury because of COVID-19. The purpose of the Small Business Rental Assistance Program (SBRAP) is to provide relief for these businesses in order to retain such businesses within the Area and prevent blight conditions from occurring within the Area as a potential significant increase in vacancy rates. The SBRAP allows eligible small businesses in the Area to apply, within a 30-day window once the application period opens, for a rent subsidy for up to \$5,000 per month for a maximum of \$30,000 per business.

Funding – Rent Subsidy

Each eligible applicant may receive a rent subsidy of up to \$5,000 per month for a period up to six (6) months, not to exceed total funding of \$30,000 per applicant. The monthly rent subsidy is determined based on a “1:1 match equal to the amount of the abatement, reduction, or deferral of base rent provided by applicant’s landlord.” As an example, an applicant whose regular monthly rent expenses are equal to \$15,000 but are receiving a deduction of \$5,000 per month from a landlord would be eligible for funding of up to \$5,000 per month for six months, for a total of \$30,000, under this program. For purposes of this program, rent expenses only include the base rent as specified in an existing lease agreement. Funds will be provided on a first-come, first-served basis based on approved applicants, and application to the program does not guarantee funding. All Grant funds shall be issued to the grantee on a reimbursement basis only.

If the grantee received funding under the MEBA Rent Abatement Policy Update, that grantee may apply for the SBRAP. However, the funding for which such grantee will be eligible to receive under the SBRAP will be reduced by the amount that was awarded under the MEBA Program Rent Abatement Policy Update.

Eligibility Requirements

To qualify for the rent subsidy, a small business located within the Area must meet the following criteria:

- Be a retail or consumer service business. For purposes of eligibility retail shall mean those retail and consumer service businesses listed at the end of this document.

- Businesses must have been in operation for at least one year as of March 17, 2020, in a physical commercial location with sales of goods or services within the Area (online-only and home-based businesses are not eligible).
- Businesses must have a current City of Orlando Business Tax Receipt.
- Businesses must be current on all rent payments made through the date which is 45 days prior to the date of application.
- Businesses must be a for profit business.
- Businesses must be operating with all required permits and licenses and in accordance with all applicable laws.
- Businesses must be a small business defined as having 1-50 FTE employees or workers as of March 17, 2020.
- Businesses must have applied for the Economic Injury Disaster Loan Program, or Paycheck Protection Program, or Orange County's Small Business Assistance Program, or another federal/state/local program that is available.
- A business defined as an owner-user, i.e. the business is operated in a building owned by the business owner, may receive a subsidy if it receives an abatement, reduction, or deferral of mortgage payment from its lender.

Application Checklist

The following items are required for an application to be considered. Incomplete applications will not be reviewed.

- Application (including General Information and Application Signature)
- City of Orlando Business Tax Receipt
- Required permits and licenses
- Form W-9 (Rev. October 2018) from Internal Revenue Service
- Executed Lease Agreement, with a remaining term of at least one year at the time of application (or Mortgage Loan Documents)
- Letter or lease (or mortgage) amendment reflecting an abatement or reduction in rent (or mortgage) for a minimum of six (6) months
- Evidence of rent payments made through the date which is 45 days prior to the date of application
- Evidence of applications for the Economic Injury Disaster Loan Program, or Paycheck Protection Program, or Orange County's Small Business Assistance Program or any other available federal/state programs
- Financial Statements – Including: Income Statement, Balance Sheet, and Cash Flow Statement for a period of one (1) year or three (3) consecutive quarters

Approval

Applications received under this program will be reviewed and evaluated for compliance with eligibility requirements by staff members of the Orlando Economic Partnership (OEP). Only applicants that submit complete applications and meet all the eligibility requirements will be considered for funding. The Orlando Economic Partnership (OEP) will submit a list of approved applications to CRA staff for review and final approval by the CRA.

Applicants receiving final approval for funding will be notified following such approval and will be required to sign a funding agreement with the CRA. Funding will be treated as a one-year deferred loan. Funding will be disbursed only on a reimbursement basis and following the CRA's receipt of acceptable documentation of payment of rent expenses for such month. The loan will be forgiven in its entirety at the end of the one-year period provided that the grantee complies with the terms and conditions of the agreement.

Term

This SBRAP will be accepting applications from eligible businesses for 30 days once the application period opens. The program application period shall terminate after 30 days following commencement, or when funding is no longer available, whichever is sooner.

Default

If a default or breach occurs as defined by the SBRAP Agreement, the CRA Executive Director shall direct staff to cease further payments to the business and inform the City Attorney's Office to take appropriate steps. The City of Attorney's Office will notify the business of the default and demand reimbursement to the CRA a pro rata share (using a monthly amortization schedule) within a period of thirty (30) days. If the business fails to reimburse the CRA, the Program Manager shall coordinate a meeting of the Default Committee to make recommendations to the CRA Executive Director on the appropriate action to take regarding seeking reimbursement of funds already paid to the business. Any action taken by the CRA Executive Director will be considered final action by the CRA. The Default Committee shall be comprised of the Assistant Director of the CRA or his designee, the Nighttime Economy Project Manager, and the Business Development Division Manager or her designee.