

MEMORANDUM

DATE: April 23, 2025
TO: East Ocala CRA Advisory Committee
FROM: Roberto Ellis, Economic Development Manager
RE: East Ocala CRA Commercial Building Improvement Grant – Revisions

Proposed revisions to the Commercial Building Improvement Grant

One of the statutory functions of a Community Redevelopment Agency (CRA) is to undertake activities that facilitate the redevelopment and improvement of properties. The intent of CRA commercial grant program is to encourage business owners to make improvements that add value to the CRA, increase business activity, and reverse deteriorating trends along key corridors and target areas. On January 15, 2025, the East Ocala Advisory Committee (Advisory Committee) discussed changes that were proposed to improve the effectiveness of the commercial grant program and instructed staff to prepare a revised framework.

Staff propose the following changes:

1. Increasing the maximum grant from \$20,000 to \$50,000.
2. Adding murals as a work item, eligible to be covered by the grant.

The revised framework (attached) reflects the increased scope of work and maximum grant that will be available, pending approval. These changes will allow the CRA to use its funding to leverage greater investment from property owners or applicants on individual projects.

Findings

- This commercial grant was created in October 2018 to encourage business owners to make improvements to building facades and sites. In February 2023, the CRA Board increased the maximum grant amount from \$10,000 to \$20,000 and the City grant match from 50% to 60%.
- Since the creation of the CRA subarea in 2016, tax increment revenues have steadily increased year over year. Tax increment revenues for the East Ocala CRA subarea increased from \$1,096,346 in Fiscal Year 2023-24 to \$1,353,705 in Fiscal Year 2024-25. Fund reserves currently sit at \$880,280.
- Since the program's inception in 2018, the CRA has awarded approximately \$122,680 in commercial property improvement grants, attracting approximately \$756,662 in private capital investment. A total of 20 projects have been completed since 2018.

- On April 2, 2025, staff presented the proposed mural guidelines to the Ocala Municipal Art Commission (OMAC). The guidelines also outline the role of OMAC in the application review process. OMAC recommended were in support of proceeding with the program.

Recommendation

Approve proposed changes to the grant farmwork. If approved, the revised framework will be presented to the CRA Board on May 20, 2025.

OCALA CRA – EAST OCALA SUBAREA

COMMERICAL ~~FAÇADE~~ PROPERTY IMPROVEMENT GRANT PROGRAM

Framework

~~February 2023~~ Revised April 2025

General	Following are eligibility requirements and priorities. Filing an application and meeting eligibility requirements does not guarantee grant funding.
Eligible Area	Designated Gateway Corridors (Major Roadways) in East Ocala Redevelopment Area as shown on attached map. The potentially eligible properties are color coded on the attached map.
Eligible Applicant	Property Owner, or business owner with property owner's approval
Eligible Properties	<ol style="list-style-type: none">1. Taxable ad valorem properties – property taxes must be paid up to date2. Property must be used for a business, i.e., retail, office, manufacturing3. If property is occupied, the business must have active current Business Tax Receipt4. Property must be in one of the following zoning districts - B–Business; O–Office; RO – Residential Office, FBC – Form Based Code, SC–Shopping Center, M–Manufacturing.5. Existing commercial buildings only; not for new construction
Ineligible Properties	<p>Tax delinquent property; property in litigation; property in condemnation or receivership; property or tenants with outstanding financial obligations to City require City Council approval.</p> <p>Ineligible Businesses – See list on page 2.</p>
Priority Building Status	Vacant buildings or spaces being converted to active use are priority over occupied buildings or spaces.
Eligible & Priority work	<p>Only work begun <u>after</u> approval by the CRA Agency Board will be eligible for a grant. Work in progress or performed before approval will not be eligible.</p> <p><u>Work elements in order of priority are:</u></p> <ol style="list-style-type: none">1. Replacement of pole signs with monument signs following Sign Design Guidelines. (See pages 3-5)2. Windows, doors, awnings and façade enhancements.3. Exterior security & safety lighting4. Exterior painting – colors must be approved by Committee5. New wall sign (must meet sign code)6. New landscaping areas – reimbursement to be made 90 days after installation. Irrigation must be available.<u>7.</u> Parking lot pavement resurfacing or resealing and restriping

	7.8. <u>Creative incorporation of public murals on one street frontage.</u>
Ineligible work	Grant cannot be used to correct outstanding code violations in an active code enforcement case. Reroofing.
Maximum Grant	\$20,000 <u>\$50,000</u>
Required Match	City (60%) – Applicant (40%); Priority will be given to projects that provide higher level of private investment in relation to CRA investment

Ineligible Businesses

The following business do not fit the vision for the Ocala CRA subareas and as such are **not eligible** for the grant.

- Adult Oriented Businesses
- Tattoo Parlors / Shops
- Bail / Bonds
- Check Cashing Service
- Pawn Shops
- Bars; bars as part of restaurant are permissible but restaurant must be primary business
- Electronic or Vapor Cigarette Store

SCHEDULE – Grant applications are processed on a first-come, first serve basis as long as budget funding is available. The East Ocala CRA Advisory Committee makes recommendations to the CRA Board on grant applications. The process typically takes 6 - 8 weeks.



Community Redevelopment Agency (CRA)

CRA Subarea: East Ocala

Program Summary

Commercial Building Improvement Grant

ELIGIBLE AREA

Designated Gateway Corridors (Major Roadways) in East Ocala Redevelopment Area as shown on attached map. The potentially eligible properties are color coded on the attached map.

ELIGIBLE APPLICANT

Property Owner, or business owner with property owner's approval.

ELIGIBLE PROPERTIES

- Taxable ad valorem properties – property taxes must be paid up to date.
- Property must be used for business, i.e., retail, office, and manufacturing.
- Existing businesses must have an active Business Tax Receipt.
- Eligible zoning districts: **B-Business; O-Office; RO – Residential Office, FBC – Form Based Code, SC-Shopping Center, M-Manufacturing.**
- Existing commercial buildings only; not for new construction.

ELIGIBLE & PRIORITY WORK

Work elements in order of priority are:

- Vacant building being converted to active use.
- New signs following design guidelines; including removal of existing inappropriate signs.
- Creative incorporation of public murals on one street frontage.
- Windows, doors, awnings and façade enhancements.
- Security & Safety lighting (Exterior)
- Repainting (Exterior)
- New landscaping areas.
- Parking lot pavement resurfacing or resealing and restriping.

MAXIMUM GRANT

\$50,000 *(Final project costs must be more than \$83,350 to receive maximum amount.)*

REQUIRED MATCH

CRA **(60%)** – Applicant **(40%)**

GUIDELINES – MURALS

Purpose: These guidelines outline the process and requirements for applicants seeking CRA funding for murals, with a focus on defining the responsibilities of both artists and property owners. The program is available to property owners and limited to non-residential and mixed-use buildings within the CRA subarea.

Design and Location Requirements

- A conceptual design for the mural must be submitted for review.
- Murals must be incorporated on one street frontage. Staff will evaluate the proposed location to ensure it is appropriate.
- Per Section 122-968, City of Ocala Code of Ordinances, a no-fee permit is required for any public art and is subject to review for compliance with the City's public art policy.

Maintenance and Quality Standards

- Murals funded by the program must be maintained by the property owner for at least five (5) years.
- The final product must be sealed with an ultraviolet, fade-resistant clear coat.
- The grant application includes an acknowledgment from the property owner regarding the maintenance requirement.

Prohibited Content

- Murals may not include:
 - Advertisements for goods, services, or merchandise associated with adjacent businesses.
 - Alcohol, tobacco, adult entertainment, or any obscene or offensive materials.
- Letters, numerals, logos, emblems, or figures used to promote businesses are not allowed.

Consequences of Non-Compliance

- If the applicant fails to meet the guidelines and criteria for mural installation, the application will not be funded.
- The applicant will be required to remove the mural or photo at their sole expense.

Submission Requirements

- Due to the specialized nature of mural projects, one quote may be provided for this particular work item. Two quotes must be submitted for all other work items.
- The quote must include an itemized list of expenses, such as artist fees, materials, insurance, wall preparation, sealing, scaffolding, etc.
- In addition to the other submittals detailed in the Program Guide, Applicants must provide:
 - Images of color rendering or proposed mural project.

- Images of the site and building where the mural/photo will be placed.

Artist Participation

- All participating artists must be active members of the Public Art Roster.
- Staff maintains a registry of artists for the roster, updated annually through submissions solicited via the City's website, distributed press releases, and promotion on arts platforms such as Americans for the Arts. Admission to the roster is not an endorsement of the artist.

Application Review Process

- All applications must be reviewed at scheduled meetings of the Ocala Municipal Arts Commission (OMAC) before being presented to the CRA Advisory Committee and the CRA Board.
- OMAC members evaluate the conceptual design for the mural and may consider:
 - Size, shape, location, configuration, and use of the building/site.
 - Formal and stylistic elements, materials, and thematic harmony of the project.
 - Feasibility of the project.

OMAC Recommendation

- Staff will seek a recommendation from OMAC for approval or denial based on the considerations stated above.
- Staff may negotiate changes to submissions due to community feedback, space constraints, time limitations, or other factors.