



CITY OF KEY WEST
Bahama Village Community
Redevelopment Subarea

BAHAMA VILLAGE COMMERCIAL GRANT PROGRAM

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Commercial Grant Program & Application Form

Approved by the BVRAC on Month xx, 2026.

SECTION 1 – PROGRAM

The Bahama Village Commercial Grant Program (“Program”) provides varying levels of financial assistance to address both short- and long-term challenges experienced by commercial stakeholders within the City of Key West Bahama Village Community Redevelopment Area (CRA).

The Program is designed to:

- Reduce blight and underutilization
- Activate commercial spaces
- Promote walkable pedestrian thoroughfares
- Increase overall economic activity; and
- Assist businesses and property owners in closing financial gaps necessary to meet the goals of the adopted Community Redevelopment Area Plan (“CRA Plan”).

The overarching goal of this Program is to support a thriving, economically resilient commercial district within Bahama Village and the City of Key West.

SECTION 2 – PURPOSE AND INTENT

The purpose of the Program is to support implementation of the adopted Community Redevelopment Area Plan for the Key West Bahama Village Community Redevelopment Subarea, in accordance with the Florida Community Redevelopment Act of 1969 (Sections 163.330 et seq., Florida Statutes).

The Program advances the following CRA Plan goals and objectives:

Community Vision

Bahama Village shall be a place that attracts residents, visitors, businesses, and employees while fostering community development. The city should encourage a vibrant and active public realm, recreation and entertainment opportunities, and strong neighborhood support.

Key Objectives

Objective 1- Recognition of Unique Community Characteristics

Maintain, support and improve the unique and dynamic character of the Bahama Village subarea by recognizing the historical, architectural and cultural character of community fabric, the family-oriented neighborhoods and business which comprise the subarea,

and the pedestrian-oriented connections which link the subarea to the larger environment of the city.

- 1.1 Continue to focus commercial, mixed-use commercial, and residential development, in existing mixed use designated land use areas, including Petronia Street and portions of Emma Street, and portions of Whitehead Street.
- 1.2 Commercial uses should be encouraged to be small scale, neighborhood serving, and should avoid negatively impacting or displacing residents of the subarea.
- 1.3 Discourage large scale development and redevelopment projects unless they are demonstratively reflective of or otherwise advance the existing small-scale fabric of the subarea. Require mitigation for large scale redevelopment to counter the negative impacts to the existing small fabric of the Bahama Village subarea.

Objective 5- Advance the Bahama Village Subarea

Embrace and support the unique historic social fabric of the residents of the Bahama Village subarea; and encourage economic opportunities for the residents and business of the Bahama Village subarea by developing small scale grant programs to refurbish and maintain properties.

Objective 6- Stimulate Public and Private Participation

Stimulate real and substantial Public/ Private interest and participation in the redevelopment of the Community Redevelopment Area as a vibrant community.

Core Program Themes

Consistent with the CRA Plan, the Program promotes:

- A business-, consumer-, resident-, and family-friendly atmosphere
- Expanded dining, retail, and entertainment opportunities
- Job creation
- Infill development and adaptive reuse
- Increased private investment in commercial properties
- Reduction of commercial vacancies and
- Improved functionality and economic viability of existing buildings.

Targeted Business Types

The Program seeks to attract or improve (not limited to):

- Retail establishments
- Restaurants and food service businesses (including full-service restaurants, cafés, bakeries, coffeehouses with food components, grocery stores, etc.)
- Micro-breweries
- Personal services (barbers, salons, childcare, tailors, etc.)
- Art studios and galleries

- Co-working spaces; and
- Professional offices (financial services, IT/software, medical, etc.).

This Program supports Bahama Village as the urban core and heart of the area, serving as a center of business, government, and community life.

Limitations of Intent

It is not the intent of the CRA to:

- Displace residents or businesses
- Require property vacancy as a condition of assistance; or
- Provide funding for new construction on vacant land.

The Program is intended to rehabilitate and enhance existing commercial structures exhibiting deterioration or decline and to incentivize improvements that exceed minimum code requirements to enhance design quality, functionality, and long-term economic vitality.

SECTION 3 – AVAILABLE ASSISTANCE

Option 1- Grants are awarded on a first-qualified, first-awarded basis, subject to availability of fiscal year funding.

Option 2- Grants are awarded during a grant cycle and approved by a ranking committee. All remaining funds are to be reviewed on a first- qualified, first-award basis until funds are distributed.

The Program provides matching reimbursement grants to eligible applicants for approved commercial property improvements within the Bahama Village CRA.

Grants may be awarded to property owners or commercial tenants.

Unless otherwise approved by CRA staff, grants are reimbursed after completion of approved work. CRA staff may authorize partial disbursements (up to 50% of the grant amount) directly to an approved licensed contractor/vendor for deposits or necessary draws.

Funding Levels

Level 1 – Up to \$25,000

Match Requirement: 25%

- Administrative approval
 - Award letter and Grant Agreement required
-

Level 2 – \$25,001 to \$150,000

Match Requirement: 35%

- Administrative approval of up to \$100,000
 - BVRAC and City Commission approval required for grants exceeding \$100,000
 - Proof of lease (minimum three-year term) required for tenant applicants
 - Award letter and Grant Agreement required
-

Level 3 – \$150,001 to \$350,000

Match Requirement: 50%

- Staff recommendation required
 - BVRAC and City Commission approval required
 - Proof of lease (minimum five-year term) required for tenant applicants
 - Award letter and Grant Agreement required
-

Level 4 – Above \$350,001 (Special Projects)

- Considered on a case-by-case basis
 - May require additional submittal requirements
 - Staff recommendation required
 - BVRAC and City Commission approval required
 - Proof of lease(s) with minimum five-year term required
 - Award letter, Grant Agreement, and mandatory reporting required
 - Subject to special terms and conditions
-

SECTION 4 – ELIGIBLE PROPERTY AND APPLICANTS

To be eligible, applicants must:

- Be the property owner or authorized commercial tenant
- Operate a permitted use under the City's Land Development Regulations
- Be current on property taxes and City fees

- Be in good standing with the city (no outstanding code or building violations).
 - This requirement may be waived if the proposed project resolves all violations.
- Have no outstanding code enforcement or city lien(s)
- Be an independently owned and operated local business.

If the business is a franchise:

- All associated franchise locations must be located within City limits; and
- The business must maintain independent control over branding, signage, purchasing, hiring, and financial operations without corporate financial support outside City limits.

Owner Definition and Grant Caps

“Owner” includes any individual or entity holding legal or equitable interest in the property, including but not limited to corporations, LLCs, partnerships, trustees, or controlling parties.

For purposes of calculating total grant value received within the preceding 12-month period, the total shall include:

1. Grants received by the applicant
2. Grants received by any legal title holder of the subject property; and
3. If title is held by a business entity, grants received by owners, partners, shareholders, members, or individuals with managerial control.

SECTION 5 – ELIGIBLE IMPROVEMENTS

Eligible improvements must be permanent in nature and consistent with Program intent.

Interior Improvements

Eligible items include:

- Fixed interior leasehold improvements
- Electrical and plumbing upgrades
- Grease traps/interceptors
- HVAC and mechanical systems
- Fire suppression and life safety systems
- ADA compliance improvements
- Structural stabilization
- Interior walls, ceilings, floors, doors, molding
- Interior paint

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- Insulation
- Permanent bathroom/kitchen fixtures
- Essential restaurant/entertainment equipment (up to \$5,000)
- Historic restoration
- Other permanent improvements approved by CRA staff.

Exterior Improvements

Eligible items include:

- Exterior façade improvements
- Roof repair or replacement
- Exterior painting and murals
- Windows and doors
- Signage
- Awnings and canopies
- Porches, patios, plazas
- Sidewalks and pathways (excluding City right-of-way)
- Decorative/security lighting
- Parking and driveway improvements
- Stormwater improvements (for documented flooding)
- Bicycle racks, benches, shade structures
- CPTED improvements approved by Police Department
- ADA accessibility improvements
- Removal of deteriorated alterations
- Outdoor café furniture (up to \$7,500; Bahama Village Core only)
- Landscaping/irrigation (not to exceed 20% of total grant)
- Other approved permanent improvements.

Other Eligible Costs

- Improvements completed within three months prior to application approval, if included in the approved itemized budget.

INELIGIBLE IMPROVEMENTS

The following are not eligible:

- Predevelopment costs (architecture/engineering)
- Improvements completed more than six months prior to application approval
- Improvements not included in the approved itemized budget
- Properties without an eligible business tenant
- Upper-floor renovations not directly tied to a ground-floor business
- Businesses located in residential homes

- Repairs covered by insurance
- Non-permanent improvements (unless expressly allowed)
- Window/door security bars
- Refinancing debt, payroll, or operating expenses
- Mobile vendors
- Not-for-profit or tax-exempt entities.

SECTION 6 – APPLICATION REQUIREMENTS, REVIEW & APPROVAL PROCESS

General Requirements

1. **Accuracy of Application**

All statements, representations, and supporting documentation submitted with the application must be true, accurate, and complete in all material respects at the time of submission.

2. **Pre-Application Meeting**

Applicants are required to schedule and attend a pre-application meeting with Community Redevelopment Agency (CRA) Department staff prior to applying.

The CRA Department is located at:

1300 White Street, Key West, Florida 33040

Phone: 305-809-

Applications are accepted on a rolling basis.

3. **Proof of Site Control**

Applicants must submit:

- A fully executed lease agreement (if tenant-occupied); and
- A notarized Owner's Affidavit including legal property description and property address.

If executed by an authorized representative, a valid Power of Attorney must accompany the application.

4. **Plans and Drawings**

Applicants must submit concept plans, design plans, and floor plans clearly identifying the square footage of the proposed improvement area within the commercial structure.

5. **Photographic Documentation**

Digital photographs of the existing structure, including interior and exterior conditions, must be included with the application.

6. **Project Budget**

An itemized and detailed project budget must be submitted using the application budget form or as a separate attachment if additional space is required.

7. Contractor Requirements

All eligible work must be performed by properly licensed contractors. Applicants must provide:

- o A minimum of three (3) written quotes from licensed contractors
- o Copies of contractor licenses; and
- o Detailed descriptions of materials and scope of work.

8. Applicant Funding Requirement

Any portion of project costs not funded by the grant must be funded by the Applicant. Acceptable sources may include:

- o Bank loans
- o Credit Lines
- o Other grants
- o Owner equity or other verified assets

9. Proof of Financial Capacity

Applicants must demonstrate both the source of Applicant Funding and their financial ability to meet all program obligations.

10. Use of Other City Assistance Programs

Proceeds from other City-managed financial assistance programs may be used as Applicant Equity for this Program. However, grant funds awarded under this Program may not be used as equity to satisfy funding requirements of other City programs.

11. Application Review

CRA staff will review applications for completeness, including all required documentation and attachments. A post-submission meeting may be scheduled to address deficiencies or request additional information.

12. Incomplete Applications

Applications will not be deemed submitted until all required documentation has been received. Submission does not guarantee funding approval.

13. Professional Quotes and Estimates

Applicants must obtain and submit written estimates from licensed contractors and/or design professionals for all proposed eligible improvements.

14. Contractual Relationships

All construction and design contracts shall be executed directly between the Applicant and the contractor or design professional. The City and CRA shall not be parties to such contracts.

15. Combined Properties

Adjacent parcels, buildings, or individual storefronts within a single structure may be combined into one consolidated grant request.

SECTION 7 – DISBURSEMENT POLICY AND PROCEDURE

Grant funds shall generally be disbursed on a reimbursement basis following a formal “Finding of Project Completion” issued by the CRA Staff.

At the discretion of the CRA Staff, up to fifty percent (50%) of the approved grant amount may be paid directly to a City/CRA-approved licensed contractor or vendor for project deposits or approved interim draws.

Conditions for Finding Project Completion

A Finding of Project Completion shall be issued when the following conditions are satisfied:

1. Complete Reimbursement Package

Disbursement requests must be submitted as a single, complete package unless prior written approval has been granted for interim payments (not more than one payment within a 30-day period).

Costs not included in the approved grant budget are ineligible for reimbursement.

2. Required Documentation

The reimbursement package must include:

- Copies of cancelled checks, certified checks, money orders, or credit card statements evidencing payment
- Detailed invoices and receipts marked “Paid in Full,” signed and dated
- Contact information for contractors and design professionals
- Before and after project photographs.

3. Permits and Inspections

The Applicant must:

- Obtain all required permits (including zoning and building permits)
- Pass all required inspections; and
- Provide, where applicable, a Certificate of Occupancy or Certificate of Completion confirming lawful occupancy.

Work performed without required permits shall not be eligible for grant reimbursement.

4. Processing Timeframe

CRA will disburse funds within thirty (30) days of receipt of a complete and approved reimbursement request.

SECTION 8 – GRANT EXPIRATION

Applicants must obtain a Certificate of Occupancy or Certificate of Completion within three hundred sixty-five (365) calendar days from the date of the executed grant agreement.

If this requirement is not met within 365 days, the grant shall automatically expire unless a written extension is approved by the CRA Staff for good cause shown.

Requests for extension must be submitted in writing prior to the expiration date. Failure to request an extension before expiration may result in forfeiture of the grant award.

SECTION 9 – ALTERATIONS AND MAINTENANCE

Improvements funded under this Program must be maintained in compliance with all applicable City codes, policies, and regulations for a minimum period of three (3) years following project completion, unless otherwise approved in writing by the CRA Staff.

Failure to properly maintain improvements may result in enforcement actions as permitted under the grant agreement.

SECTION 10 – COMPLIANCE WITH CITY OF KEY WEST ETHICS CODE

Applicants must comply with all applicable City of Key West rules, regulations, and Ethics Codes.

Applicants acknowledge that the City's Ethics Code prohibits City employees from receiving any direct or indirect benefit from contracts, agreements, or obligations entered with the City.

Violation of applicable ethics provisions may result in denial, termination, or repayment of grant funds, in addition to any other remedies permitted by law.