

SUBSTANTIAL AMENDMENT TO THE CITY OF ROCHESTER'S
CONSOLIDATED COMMUNITY DEVELOPMENT PLAN/2021-22 ANNUAL ACTION PLAN
NEIGHBORHOOD COMMERCIAL ASSISTANCE PROGRAM;
BUSINESS DEVELOPMENT FINANCIAL ASSISTANCE PROGRAM

March 7, 2022

The City of Rochester's Department of Neighborhood and Business Development, Business Development Division, assists many small businesses with programs funded by Community Development Block Grant funding. This includes the Small Business Matching Grant Program (part of the Neighborhood Commercial Assistance Program) and the Targeted Commercial Exterior Program (part of the Business Development Financial Assistance Program) which were authorized as part of the City's 2021-22 Annual Action Plan.

Amendment 1:

Change: transfer \$100,000 from Project 1. Business Development Financial Assistance Program (Targeted Commercial Exterior Program) to Project 2. Neighborhood Commercial Assistance Program (Small Business Matching Grant Program).

Rationale: The Small Business Matching Grant program provides funding to small businesses to assist with computers, signage, and security related items and furniture, fixture and equipment. This program assists a large number of businesses each year. The Small Business Matching Grant Program funding has been depleted and requires additional funding to operate for the remainder of the fiscal year. It is expected this will assist as many as 13 businesses.

The Targeted Commercial Exterior program has seen less demand and is expected to be able to serve businesses throughout the remainder of the fiscal year even with the funding reduction proposed herein.

Amendment 2:

Change: rename a component of Project 1. Neighborhood Commercial Assistance Program (Small Business Matching Grant Program) from Small Business Matching Grant to the Small Business Grant, and eliminate the matching requirement for businesses located within LMI areas.

Currently the program has a required private matching component that business owners must spend upfront in order to take advantage of the grant. This has been challenging for business owners found within the city's Low to Moderate Income (LMI) areas. To better assist business owners within LMI areas, it is proposed to remove the matching funding requirement for businesses within these areas.

This plan is the result feedback obtained from working with many small businesses within the community and is anticipated to enable Business Development to assist many more businesses found within LMI areas of the City.

Substantial Amendment Summary Table

Annual Action Plan Project	Funding Amendment	Description
Economic Development		
2. Neighborhood Commercial Assistance Program	+\$100,000 New Annual Total: \$175,000	<ul style="list-style-type: none"> • Small Business Matching Grant component renamed Small Business Grant • Provides grant funding to small businesses to towards the purchase of the following: computers, architectural assistance, advertising, signs, security equipment and furniture, fixture and equipment. • Businesses found within low to moderate income areas of the city of Rochester will not be required to provide a match in grant funds. Businesses not found within LMI areas of the city will be required to have a match in funding, subsequently the grant will be a 50/50 matching grant. • Grant funding will be a reimbursement for eligible expenses paid.
1. Neighborhood Commercial Assistance Program	-\$100,000 New Annual Total: \$375,000	<ul style="list-style-type: none"> • The program provides loans, grants, grant-to-loans/loans-to-grants and interest rate subsidies to city businesses or businesses which are relocating to the City or which are expanding and creating jobs. Funding can be used for purchase and renovation (interior and exterior) of real estate, purchase of machinery and equipment (including security equipment), predevelopment services including environmental testing, feasibility & planning studies and architectural assistance, targeted support to MWBEs, and working capital including payroll, insurance, utilities, lease/mortgage, inventory, supplies, and accounting services. Funds may also be used in environmental remediation associated with projects in development.

