



OPCRA

DRAFT

**OAKLAND PARK
COMMUNITY REDEVELOPMENT
AGENCY**

**BUSINESS INCENTIVE
PROGRAM**

BUSINESS INCENTIVE PROGRAM

I. CRA Program Goals:

The City of Oakland Park CRA established a Small Business Incentive Program (BIP) to promote greater business, attraction, expansion and retention in the CRA. The guiding principle behind this program is to provide incentive funding for local businesses in order to increase private investment and spur the redevelopment of commercial properties throughout the CRA. Funds available under the BIP program are provided to eligible business owners in the form of a grant and is released to the business on a reimbursement basis for qualified capital expenses.

Projects funded under this program should align with the following goals:

- **Improves the economic condition in the surrounding community**
- **Provides a significant and recognizable aesthetic improvement that meets or exceeds Design Guidelines**
- **Expands the operations of an existing business within the CRA**
- **Supports the relocation of an existing business within the CRA**
- **Supports the opening of a new business in the CRA**
- **Creates jobs**

II. Eligibility Criteria

The City of Oakland Park CRA Business Incentive Program is designed to support property owners who seek to complete **significant aesthetic improvements** to the appearance of their properties. For the purposes of this program significant aesthetic improvements are defined as projects that improve the design, function, and quality of a property's exterior and/or interior using architectural treatments, landscaping, lighting, and permanent construction. Aesthetic Improvements should work to improve to look of both the subject property and the surrounding area.

- Any *new* or *existing* business incentive program project located within CRA Boundaries.
- Must be a commercial, for-profit business (does not include multi-family residential buildings)
- Applying business must provide a 1 to 1 match of total grant amount. Maximum grant amounts are as follows:
 - CRA District: (Non-Culinary Arts Uses)
 - Up to \$20,000 for commercial use (does not include multi-family residential buildings)

- CRA Wide (Culinary Arts Uses)
 - Up to \$35,000 (does not include multi-family residential buildings)
- Grant funds may be used for exterior improvements or interior buildout.
- Interior improvements are limited to fixtures permanently attached to the physical space.
- Funds must be used for renovation, new construction, addition, or improvement of a building or structure.
- No more than one grant shall be awarded to the same business entity, address, and/or folio number within a three-year period.
- Exceptions may be considered for multi-tenant shopping plazas, warehouses, and or similar multi-folio properties.
- The CRA reserves the right to deny applications for uses that do not align with the CRA's program goals.
- CRA reserves the right to award less funding than requested by the applicant.

III. Required Documentation

Every application package must include the following items before it will be processed and considered. OPCRA reserves the right to deny any applicant who does not provide the required documentation.

- Signed and completed application form to include:
 - The last 3 years of financials.
 - P & L statement, or
 - Tax returns and bank statements
 (For new businesses, minimum 3-year projected financials, credit report and resumes of principals can be substituted.)
 - Current Oakland Park Business License (for existing businesses)
 - Executive Summary, including a narrative describing the business, its operations, and its business principles.
 - Confirmation that property is free of all county and municipal liens and judgments.
 - Confirmation that all ad-valorem taxes and municipal utility payments are current.
 - Narrative description of entire project being undertaken, including sources of financing and proof of funds.

- Detailed sketch or rendering of proposed improvements
- Detailed Floor plan showing proposed improvements (if applicable)
- Photograph of existing property condition.
- Detailed budget for entire project with a detailed breakdown of interior and/or exterior improvements for which reimbursement is being requested from Program.
- A completed contract with a licensed contractor showing the full scope and cost of the project and quote from a secondary licensed contractor.
- Warranty Deed showing Applicant as the owner of the property (Warranty Deed) or;
- Copy of lease agreement if applicable, with at least two years remaining on lease and a notarized letter from the property owner providing permission to make the improvements noted in the application.

IV. Eligible Expenses

Expenses concerning exterior improvements to business structures and interior improvements for items that are considered permanent fixtures to the interior of the structure will be considered for funding. These expenses include, but are not limited to:

- Brick or textured pavement
- Demolition and construction for new entrances or exits
- Awnings (including the removal of old awnings)
- New doors or replacements
- Removal of deteriorated building materials such as plywood, metal or stucco
- Landscaping expenses – installation, material purchases, irrigation
- Exterior repair, stucco and painting
- Exterior window upgrades
- Costs associated with installation and improvement of parking, driveways, sidewalks
- Exterior lighting and related electrical work
- Exterior signage
- Interior framing and drywall
- Interior fixed improvements

V. Ineligible Expenses

The following items are examples of what will not be considered for funding by the Program:

- Work performed that is not consistent with the Design Guidelines for the CRA pursuant to the Community Redevelopment Plan and the City's Land Use and Development Regulations
- Sweat equity (i.e.: reimbursement for applicants own labor in performance of renovation work or new construction)
- Improvements as required under a code violation from City or County
- General maintenance
- Business payroll
- Purchases of equipment, inventory, furnishings, decorations or supplies (non-fixed improvements)
- Fees, site design, interior design, architecture, engineering, permitting
- Purchase of real property
- Rent, lease or mortgage payments
- HVAC repair and/or replacement
- Security system repair and/or replacement
- Roof repair, replacement or other roof modifications
- Cost of public amenities associated with Downtown bonus provisions

VI. Grant Award Criteria

The following are items that CRA Staff will review to make a determination of grant recommendation. The CRA reserves the right to request additional or clarifying information based upon review of initial application package.

✓ *Sound Financial Standing*

- Applicant's P & L statements should show:
 - A steady increase in revenue;
 - Expenses that remain flat, or in-line with revenue growth;
 - A low debt to asset ratio
 - Positive long term growth year over year

✓ *Compliance with Local Government Requirements*

- Business (and property) must be *current on their taxes and Business Tax Receipt* (and Certificate of Use)
- Business (and property) *must not have open Code Violation cases or outstanding Code liens, or outstanding City of Oakland Park Utility bills*

✓ *Job creation or retention*

- Applicant must state the number of new jobs being created or retained as a result of the improvements being undertaken with grant funds

✓ *Compatibility with development plan(s) and guidelines*

- *The project is compliant with OP3D Design Guidelines*
- *The project provides a **significant and recognizable aesthetic improvement***

- ✓ *The visual impact of the project on the area.*
- ✓ *The value of private resources invested in the project.*
- ✓ *The beneficial impact the completion of the proposed project will have on the surrounding area. Does the project:*
 - Improve culinary and/or merchandise mix
 - Increases square footage of leasable space
 - Results in the reduction of vacant land
 - Have the potential to spur additional development and private investment
 - Create Jobs
 - Support the expansion or relocation of an existing Oakland Park business into the CRA
 - Provides a significant and recognizable aesthetic improvement
 - Support the opening of a new business in the CRA

VII. Funding & Application Process

- ⇒ The Business(es) will complete an application package containing all required documentation.
- ⇒ CRA Staff will review application for completeness; only complete applications will be accepted and processed (incomplete applications will be returned to the applicant noting missing items), staff will make three attempts to obtain missing information from applicants. After three attempts the applicant will be notified that their application has been denied for lack of information and they will have to reapply for the program. The applicant will not be able to reapply for a period of six months.
- ⇒ Business Incentive Program Application review will be done by the CRA staff or third-party consultant. Applications deemed viable for approval will be advanced to CRA Board of Directors, supported by Staff recommendation. Prior to the application being formally placed on the CRA Board of Directors Meeting Agenda, the applicant will be required to review the Grant Agreement, along with related documents (these include a Certification of Use of Funds; this Certification-to be signed by business owner-will be the owner attesting to the fact that grant funds were used for approved purposed outlined in their BIP application) **the applicant will be required to fully execute all CRA grant agreements before the item is placed on the Board agenda.**
- ⇒ Once the Grant Agreement is executed by the CRA, Grant funds will be disbursed to business on a reimbursement basis. Grant funds will not be disbursed for work done prior to CRA Board approval. The business may seek reimbursement when work is 100% completed.
- ⇒ **CRA Wide: (Non-Culinary Arts Uses)***

Up to \$20,000 (with a required applicant match of 1 to 1)

Ex. Business applies for a grant of \$20,000 to complete a project. With matching requirement of 1 to 1, total investment must be \$40,000+. Approved funding will be dependent on the Grant Award Criteria.

⇒ **CRA Wide (Culinary Arts Uses):**

Up to \$35,000 (culinary and art uses) with a required applicant match of 1 to 1. **Ex.** A Culinary or Art related business applies for a grant of \$35,000 to complete a project. With matching requirement of 1 to 1, total investment must be \$70,000+. Approved funding will be dependent on the Grant Award Criteria.

**The CRA Board has the discretion to provide/allow for additional funding to specific projects that are outside the scope of the Culinary Arts, but align with the vision and goals of the CRA*

I. Program Selection Criteria

These projects will be processed on a first-come first-serve basis. Each criterion listed below that is met by the project is worth one point except for applicants who create greater than 5 jobs, which will be worth two points. **A minimum of four points** must be met to qualify, Staff will analyze the project and those that qualify and are recommended by staff will be presented to the CRA Board for approval.

Criteria Includes:

- ☐ Increases tax base
- ☐ Improves culinary and or merchandise mix
- ☐ Increases square footage and or marketability of leasable space
- ☐ Results in the reduction of vacant land
- ☐ Project is expected to spur additional development and private investment
- ☐ Project will have a substantial visual impact that meets or exceeds Design Guidelines
- ☐ Project exceeds the required 1 to 1 match
- ☐ Project is expected to create 1- 5 jobs
- ☐ Project is expected to create 5+ jobs (**worth two points**)
- ☐ Results in the reduction of store vacancies
- ☐ Sound financial standing

Should an applicant choose to engage the services of an agent (individual or company) to assist/represent applicant in this aspect of the process, the expenses for the agent's service will be borne by the applicant. Such expenses are not reimbursable under the terms of any of the CRA's incentive programs. CRA funds cannot be applied to services other than the project improvements as presented and approved by the CRA Board of Directors.

The Business Incentive Program benefits are contingent upon funding availability and CRA Board approval and are not to be construed as an entitlement or right of a property owner or applicant. Businesses in the CRA areas are not eligible for CRA funded programs when award of such funding conflicts with the goals expressed in the Community Redevelopment Plan.

PLEASE READ THE FOLLOWING PRIOR TO APPLICATION SUBMITTAL

- Properties listed for sale may not apply. Properties sold or lease holders who close or relocate their businesses within twenty-four months of receiving grant funding **must repay the full amount**.
- Prior to application submittal, a preliminary review of proposed renovations to property must be completed by the CRA and the Planning and Zoning Division via a preapplication meeting coordinated through the CRA.
- Applicant must submit all application documentation within 90 days of the preliminary review of proposed renovations by the CRA and Planning and Zoning Division.
- Prior to consideration by the CRA Board, CRA will provide the applicant with a Grant Agreement for signature. Improvements completed prior to approval by the CRA Board, are not eligible for reimbursement.
- If deemed necessary, the Community Redevelopment Agency (CRA) reserves the right to have the application and its contents evaluated and analyzed by an outside third party including but not limited to; the partnership/ownership information with equity positions, mortgage on the property, lease agreements, letter of Intent from lending institution and any other documents provided by the applicant.
- If your site plan or application request includes landscaping, the landscaping must be a species and variety of native plants that are drought tolerant, require little irrigation and withstand the environmental conditions of Oakland Park, consistent with the City of Oakland Park Landscape and Streetscape Design Standards. Irrigation systems must prevent over spray and water waste and it is recommended a drip irrigation system be installed.
- Property to be improved must be free of all municipal and county liens, judgments or encumbrances of any kind. This provision can be waived by the CRA Board if development plans for said property meets the goals and objectives as set forth by the CRA. Upon grant approval, said property must remain free of all municipal and county liens, judgments or encumbrances of any kind under the term of the agreement.

I have read completely and understand the program, including the application guidelines and grant reimbursement process.

Applicant Signature

Property Owner