2024



Sky Building Job Creation Incentive Pilot Program

OPCRA

BIP

SKY BUILDING JOB CREATION INCENTIVE PILOT PROGRAM

I. CRA Program Goals:

The City of Oakland Park and NR Investments entered into a development agreement for the Construction of the Sky Building. As a part of that Agreement the Oakland Park Community Redevelopment Agency (OPCRA) agreed to allocate funding to incentivize the creation of jobs and private investment in the Sky Building commercial spaces. Based on the viability of the program, the OPCRA in its own sole discretion may allocate additional funding to the program to ensure funding is available for the full activation of all spaces.

Funds available under the Sky Building Job Creation Incentive Pilot Program are meant to stimulate local economic growth by encouraging small businesses within the Sky Building to create new jobs through financial incentives. Funds are provided to eligible business owners in the form of a grant that is released to the business on a quarterly basis based on incurred payroll expenses to help businesses during the critical first two years of operation and promote their long-term success and stability.

Businesses may start submitting applications as of October 1st, 2024. This pilot program sunsets December 31, 2029, unless extended by the CRA Board.

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

- **Creates jobs.**
- **Improves the economic condition in the surrounding community.**
- **Boost the local economy by supporting small businesses and increasing consumer spending.**
- **Encourage local hiring and support job creation in retail and culinary sectors.**
- **Promote stronger connections between businesses and the local community.**
- **Improves downtown activation by providing commercial uses that create a vibrant daytime and/ or nighttime customer base that will also support other downtown businesses.**
- **Supports the opening of a new business in the CRA.**
- **Expands the operations of an existing business within the CRA.**
- **Supports the relocation of an existing business within the CRA.**

II: Eligibility Criteria

The **Sky Building Job Creation Incentive Pilot Program** is designed to strategically attract businesses and expand existing businesses within the Oakland Park CRA, as well as activate the Downtown area, while increasing the number of jobs in the community. This objective is achieved by encouraging businesses within the Sky Building to create new jobs through financial incentives and support. Applicants will be subject to the following criteria:

- Must be a commercial, for-profit business. Live-work units are not eligible for the program.

- The CRA Board may review and approve applications from new businesses under the condition that, within 365 days of Board approval, the applicant will obtain their Certificate of Occupancy and submit their Business Tax Receipt to the CRA Office.

- An expanding business must have a valid City of Oakland Park business tax receipt (BTR) and may not have any pending City fees or fines or be involved in any litigation with the City of Oakland Park.

- The business must create at least one (1) new full time equivalent position (other than the owner, principal or its equivalent) within 30 days of receiving their Business Tax Receipt.

- Businesses seeking funding must submit a quarterly payroll report and other requested documentation to demonstrate that their payroll expenses for the quarter meet or exceed the scheduled grant amount, as outlined in Tables 1 and 2. The grant will be paid out in eight consecutive quarterly installments based on actual quarterly costs, not exceeding the amounts shown in the tables, and subject to funding availability.

- The funds will be disbursed at the end of each quarter. Maximum grant amounts are as follows:

    - **Non-Culinary Arts Uses** may be awarded up to $32,000, payable over two years. The CRA will award additional funding to incentivize eligible businesses if the owner enters a lease for multiple retail spaces as defined in Exhibit A, with a maximum award not to exceed $80,000. See Table 1 for breakdown.
    - **Culinary Art Uses** may be awarded up to $40,000, payable over two years. The CRA will award additional funding to incentivize eligible culinary uses if the owner enters a lease for multiple retail spaces as defined in Exhibit A, with a maximum award not to exceed $96,000. See Table 2 for breakdown.

Table 1: Non-Culinary Arts Uses Funding Thresholds

Non-Culinary Use Max Grant Award for one retail space (per exhibit A)	**$32,000**
Year 1, Quarter 1	$4,000
Year 1, Quarter 2	$4,000
Year 1, Quarter 3	$4,000
Year 1, Quarter 4	$4,000
Year 2, Quarter 1	$4,000
Year 2, Quarter 2	$4,000
Year 2, Quarter 3	$4,000
Year 3, Quarter 4	$4,000
Non-Culinary Use Max Grant Award for two retail spaces (per exhibit A)	**$56,000**
	$7,000
Year 1, Quarter 1	$7,000
Year 1, Quarter 2	$7,000
Year 1, Quarter 3	$7,000
Year 1, Quarter 4	$7,000
Year 2, Quarter 1	$7,000

Year 2, Quarter 2	$7,000
Year 2, Quarter 3	$7,000
Year 3, Quarter 4	$7,000
Non-Culinary Use Max Grant Award for three or more retail spaces (per exhibit A)	**$80,000**
Year 1, Quarter 1	$10,000
Year 1, Quarter 2	$10,000
Year 1, Quarter 3	$10,000
Year 1, Quarter 4	$10,000
Year 2, Quarter 1	$10,000
Year 2, Quarter 2	$10,000
Year 2, Quarter 3	$10,000
Year 3, Quarter 4	$10,000
*** Applications submitted and approved in the middle of a quarter will be prorated*	

Table 2: Culinary Arts Uses Funding Thresholds

Culinary Use Max Grant Award for one retail space (per exhibit A)	**$40,000**
Year 1, Quarter 1	$5,000
Year 1, Quarter 2	$5,000
Year 1, Quarter 3	$5,000
Year 1, Quarter 4	$5,000
Year 2, Quarter 1	$5,000
Year 2, Quarter 2	$5,000
Year 2, Quarter 3	$5,000
Year 3, Quarter 4	$5,000
Culinary Use Max Grant Award for two retail spaces (per exhibit A)	**$72,000**
Year 1, Quarter 1	$9,000
Year 1, Quarter 2	$9,000
Year 1, Quarter 3	$9,000
Year 1, Quarter 4	$9,000
Year 2, Quarter 1	$9,000
Year 2, Quarter 2	$9,000
Year 2, Quarter 3	$9,000
Year 3, Quarter 4	$9,000
Culinary Use Max Grant Award for three or more retail spaces (per exhibit A)	**$96,000**
Year 1, Quarter 1	$12,000
Year 1, Quarter 2	$12,000
Year 1, Quarter 3	$12,000
Year 1, Quarter 4	$12,000
Year 2, Quarter 1	$12,000
Year 2, Quarter 2	$12,000

Year 2, Quarter 3 Year 3, Quarter 4	$12,000 $12,000
*** Applications submitted and approved in the middle of a quarter will be prorated*	

Ex 1: A Non-Culinary business applies for a grant of $32,000. With $4,500 in verified and eligible payroll expenses during the first quarter of the year, the CRA will disburse $4,000 in grant funding.

Ex 2: A Culinary Arts Business with two retail spaces applies for a grant of $72,000. With $7,000 in verified and eligible payroll expenses during the first quarter of the year, the CRA will disburse $7,000 in grant funding.

- No more than one grant shall be awarded to the same business entity within a three-year period.
- 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 online 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.

- The last 3 years of financials.
  - P & L statement, or
  - Tax returns for past two years
  - (For new businesses, minimum 3-year projected financials, credit report and resumes of principals can be substituted.)
- Completed IRS W-9 Form (Form W-9). Form must be signed and dated. Electronic Signatures will NOT be accepted. The name of the business on the W-9 must match the business name in Sunbiz, on this application, and on the current Oakland Park tax receipt
- Active State of Florida Business registration (Sunbiz documents)
- Owner/Authorized Applicant Photo ID such as Driver's License, State ID or passport. Name on ID must match owner(s) on the W-9 and Sunbiz;
- Current Oakland Park Business License (for existing businesses).
- Executive Summary, including a narrative describing the business, ownership structure and/or organizational chart, its operations, amount of investment in the new location, and business principles.

- Detailed plan outlining expected job creation numbers, types of jobs, and business growth projections.

- Copy of proposed or executed multi-year lease with a minimum of three years remaining on the lease at the time of CRA Board approval.

- The CRA reserves the right to request additional supporting documentation as needed.

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 the initial application package.

✓ *Sound Financial Standing*

- Applicant's P & L statements should show (if applicable):
  - 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 (as applicable)*

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

✓ *Job creation or retention*

- Applicants must state the number of new jobs being created or retained with the support of the grant that will be at the Sky Building location.

✓ *The value of private resources invested.*

✓ *The beneficial impact the business will have on the surrounding area.*
Does the project:

- Improve culinary and/or merchandise mix.
- Activate the Downtown.
- 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.
- Support the opening of a new business in the CRA.

VII: Funding and Application Process

Application Process:

1) The Business(es) will be required to complete an online grant application with all required documentation uploaded to the City's portal. Include financial statements, tax returns for the past two years, and proof of good standing.

2) 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. Applicants will be required to fully execute all CRA grant agreements before the item is placed on the Board agenda.

3) Once the Grant Agreement is executed by the CRA, Grant funds will be disbursed to business on a reimbursement basis. The business may seek reimbursement at the end of each quarter for the portion of funding due per quarter.

VIII: Reporting

Reports and supporting documentation must be in the form and format specified by the CRA.

1) **Payroll Reports:**
   - **a)** Proof of employee count: Must provide a quarterly Form 941 (Taxpayer ID on these documents must match both W-9 and Sunbiz).
   - **b)** Progress reports detailing job creation status, employee retention, and financial expenditures.
   - **c)** Payroll journals for each quarter and supporting documentation to verify payroll is for Sky Building location only.

2) Proof of No Outstanding Claims: Provide an estoppel letter signed by the landlord certifying that tenant is in compliance with all terms of lease agreement.

3) Site Visits: Periodic site visits by program administrators to provide additional support if needed.

4) Final Report: A comprehensive report at the end of the 24-month period summarizing the impact of the incentive on job creation and business growth.

The CRA reserves the right to request additional supporting documentation as needed prior to the disbursement of any funds.

IX: Program Selection Criteria

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 - one of the points must be job creation- 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.
_____Project is expected to create 1- 5 jobs.
_____ Project is expected to create 5+ jobs (***worth two points***)

_____Project activates the Downtown by providing commercial uses that create a vibrant daytime and/ or nighttime customer base that will also support other downtown businesses

_____Results in the reduction of store vacancies
_____Possesses sound financial standing

The Sky Building Job Creation Incentive Pilot Program benefits are contingent upon funding availability and CRA Board approval and are not to be construed as an entitlement or right of a business owner or applicant.

PLEASE READ THE FOLLOWING PRIOR TO APPLICATION SUBMITTAL

- Lease holders who close or relocate their businesses within twenty-four months of receiving grant funding **must repay the full amount**.

- Prior to consideration by the CRA Board, CRA will provide the applicant with a Grant Agreement for signature. Payroll expenses paid 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, business employment documentation, lease agreements, and any other documents provided by the applicant.

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

_____

Applicant Signature

_____

Property Owner

Exhibit A

Sky Building – North



Sky Building- South



OPCRA