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Title: APPROVING A BUSINESS INCENTIVE GRANT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$25,000 WITH THE VO AN VIETNAMESE RESTAURANT.

Sponsors:

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Date	Ver.	Action By	Action	Result
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TO: Chair and Members of the Board

FROM: Samuel A. May, Executive Director

DATE: March 13, 2019

APPROVING A BUSINESS INCENTIVE GRANT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$25,000 WITH THE VO AN VIETNAMESE RESTAURANT.

BACKGROUND:

Mr. Phong Truong, on behalf of Vo An Vietnamese Restaurant submitted an application for the Business Incentive Grant Program to the MCRA Office requesting \$25,000 for interior construction of the commercial operating space for his new and upcoming restaurant.

On July 31, 2018, Mr. Truong under Truong Property Management, LLC purchased the subject commercial property, which consist of a 2,894 SF commercial building where the Vo An Vietnamese Restaurant will operate. This location was formerly occupied by the IHOP Restaurant.

Property taxes and City utilities on this property are current. Also, the property does not have any open Code violations or pending fees.

The applicant is Vo An Vietnamese Restaurant, which is owned and will be managed by Mr. Phong Truong. Mr. Truong will be the main chef of the restaurant. The applicant is requesting a Business Incentive Grant of a maximum of \$25,000 for interior construction of the restaurant. After completion of the construction work of the operating space, the Vo An Vietnamese Restaurant will employ initially one chef, five wait staff and 3 kitchen help staff for a total of nine employees during the first year. Mr. Truong expects to employ a total of 12 individuals during the second year of operations, and a total of 13 individuals during the third year of operations.

The restaurant will be a full service Vietnamese restaurant, which will seat up to 140 guests and will offer a vibrant menu of authentic Vietnamese cuisine.

The purpose of the project is to adapt and renovate the commercial space to the needs of the new Vietnamese Restaurant. The project includes a new ADA compliant bathroom, new bar area, kitchen equipment (hood and vent), new HVAC and duct work, painting, plumbing, a new electrical panel and new flooring throughout the operating space.

Below are the eligible costs under the MCRA Business Incentive Grant Program and proposed costs by Steven L. Cohen from Steven L. Cohen + Associates P.A., AIA:

- Paint: \$6,600
- Flooring: 12,540
- Kitchen Equipment (permanently attached to the building): \$13,500
- Bathroom renovation and plumbing for bar area and kitchen: \$14,575
- Kitchen hood system, including ventilation and exhaust: \$31,000
- HVAC and Duct Work: \$31,800
- Electrical System: \$25,870

Estimated Total: \$135,885

If the MCRA Business Incentive Grant is approved, Mr. Truong will pay for the totality of the project and then request reimbursement for a maximum of \$25,000. Evidence of financial ability has been provided as part of the grant application.

All work agreed to in Grant Agreement must be commenced within 45 calendar days of the date of the agreement and competed with 180 calendar days of the date of the agreement. After 180 calendar days, the Grant will be closed out and funds will be recaptured, unless an extension has been granted by the MCRA Board.

Local Business Tax Receipt (LBTR) for Vo An Vietnamese Restaurant will be provided to the MCRA Office before requesting reimbursement. It is a requirement of the City of Margate to pass inspections from Building Department after buildup is completed in order to apply for a LBTR.

RECOMMENDATION: To Approve

FISCAL IMPACT: Up to \$25,000

CONTACT PERSON: Samuel A. May, Executive Director