



## Legislation Text

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**TO:** Chair and Members of the Board

**FROM:** Samuel A. May, Executive Director

**DATE:** July 10, 2018

### RESOLUTION: APPROVAL OF THE PROPOSED BUSINESS INCENTIVE GRANT PROGRAM

#### BACKGROUND:

During the CRA Board meeting of May 9, 2018, staff made a presentation on the proposed Business Incentive Program. This program is designed to help facilitate the establishment of new businesses and aid in the expansion or renovation of existing businesses within the Margate Community Redevelopment area. The program provides financial assistance in the form of a grant to new and existing businesses to reduce the initial cost associated with the interior construction or renovation of the commercial operating space or other improvements in accordance with the Implementation Plan.

During the presentation, Board Members provided feedback on the proposed guidelines. Staff has addressed the Board's comments by modifying the guidelines as follows:

- Cost of Building permits will be the responsibility of the business owner and will not be covered by the MCRA under the program.
- Tenants must provide a proposed or executed multi-year lease with a minimum of five years remaining on the lease. Proposed leases must be executed within 30 days of the MCRA Board application approval or the Business Incentive Grant award is terminated.
- The MCRA financial incentive cannot exceed 50% of the total eligible cost of the project for an amount not to exceed \$25,000.
- Program is available to all eligible new and existing business.
- Tenants (existing businesses) must provide a notarized letter from property owner or property manager stating that rent payments are current and have been paid on time for the last 12 months.

Program is being presented as a grant since MCRA funding is limited to \$25,000 as a reimbursement after project completion and all improvements must be permanently attached to the building.

Sample agreement between the MCRA and Business Owner(s) is provided as background information.

**RECOMMENDATION:** To approve the proposed guidelines for the Business Incentive Grant Program.

**FISCAL IMPACT:** Staff anticipates allocating \$100,000 for this program for FY 2018-2019.

**CONTACT PERSON:** Samuel A. May, Executive Director