



BUSINESS RECRUITMENT GRANT GUIDELINES

INTRODUCTION

The City of Auburn Hills Tax Increment Finance Authority Business Recruitment program is intended to promote economic vitality and community revitalization by providing an incentive to business and property owners and attract business into the Downtown TIF District. The program encourages business and property owners to revitalize downtown buildings and to create a vibrant downtown experience. More specifically, the program provides funding for projects that demonstrate the importance of marketing the community as a destination of choice for investment and promoting the attributes and assets of Downtown Auburn Hills.

Grants are awarded to those projects which, in the judgement of the Tax Increment Finance Authority Board of Directors, comply with the provisions of these program guidelines and meet all requirements of the application.

ELIGIBILITY

Applicants & Businesses

New businesses to the community locating in TIF District A are eligible for the Business Recruitment Grant.

Must be a commercial/retail use. Preference will be given to established businesses opening a second location and restaurants. Extended hours are preferred.

Grants are generally provided to building owners. Proof of ownership shall be required. However, funding may be granted to leaseholders whereby the tenant is in fact responsible for the costs associated with the build-out. Applicant shall show proof of lease.

Properties

The building at which the work is to be performed must be located within the boundaries of a TIFA District A in the City of Auburn Hills. The boundaries are subject to change. No projects outside of this area will be considered. (Map Attached). All property taxes and assessments owed to the City must be current at the time of approval and funding.

Activities

Build-outs specific to new business recruitment will be given consideration. Grant funds may be used for the following activities: Leasehold improvements including build-out preparation items such as electrical, plumbing, mechanical, retrofitting building, drop-ceilings and shell improvements and the like related to readying the site will be considered; Permanent fixtures becoming part of the building including lighting and built-in shelves; and signage including outdoor window, building and awning signage.

Must show proof of lease or building ownership. Highest consideration will be given to those applications



that support the goals and objectives of the TIFA Board.

The improvement must be a defined project, not part of something ongoing. No grant will be awarded for work already completed. In-house labor will not be considered as a cost covered by a Business Recruitment Grant.

PROGRAM FUNDING

The City of Auburn Hills TIFA will allocate funds each fiscal year, commencing January 1, for the Business Recruitment Grant. Grants are awarded on a **dollar-for-dollar matching** basis. The minimum grant application considered of \$10,000 up to a maximum of \$300,000.

- Tier 1: New Business/Start-Up \$10,000 - \$30,000
- Tier 2: Second Location/Expansion \$30,000 - \$300,000

Applications will be accepted throughout the year on an availability basis. Applicants will be notified within 60 days from the date of a complete submission with an approval or denial.

Requests submitted after funding is no longer available for that year will be considered again the following year at the request of the applicant.

APPLICATION AND SELECTION PROCESS

1. Prospective applicant contacts staff and receives application
2. Applicant submits application and all required attachments to TIFA Executive Director. Only a TIFA-provided application will be accepted and must be completed in ink or typewritten. Please see checklist or required materials with the application
3. Staff reviews application and materials. Applications are due fourteen (14) days prior to the date of the TIFA Board meeting for which review is being requested. The staff and Board has up to sixty (60) days to review the application materials and provide a response.
4. The applicant may be required to attend one (1) or more TIFA Board meetings to review project with the Board. The Board meets the second Tuesday of the month, but does not necessarily meet every month, therefore, be sure to plan ahead.
5. TIFA Board takes action on the grant. If awarded, the applicant must enter into a contract with the TIFA that states the terms and amount of the grant as well as a commitment to carry out the project.
6. Grant payout occurs upon occupancy of the business identified in the application and verification that the business is open and operational. Business must be open 120 days after grant approval.

PROJECT REIMBURSEMENT

Awarded amount will only occur after the following conditions have been met:

- Proof that all proposed improvements have been completed and have passed any required state or local inspections
- Final invoicing showing that contractors have been paid
- Business is open and operational.
 - o Business must be open 120 days after grant approval.
- Reimbursement will not be made for any building improvements that have occurred without an executed Grant Agreement
- Grant funds may be withheld for all or a portion of work completed if the applicant has deviated



from the originally approved scope of work

GENERAL REQUIREMENTS

The TIFA reserves the right to accept or reject any application based on a review of the value, need and benefit of the project to the TIF District, and to award an amount anywhere between the minimum and maximum grant limits, regardless of the requested amount. Only one grant will be awarded per applicant.

Amendments/add-ons will not be considered.

Applicants shall be required to comply with City purchasing rules.

Where applicable, contractors shall be appropriately licensed and deemed “in good standing” by the Board of Directors. Verification will be made utilizing the State of Michigan website. It is the responsibility of the applicant to provide the TIFA with three (3) legitimate and verifiable quotes. All quotes shall utilize a similar format so that staff may easily verify that they are comparing equal and/or similar materials and labor for the project.

All contracts are required to be *by and between* the Contractor(s) and the property owner of leaseholder.

All landscape and/or construction plans must be approved/sealed by a registered architect.

Permits as required by local and/or other laws are the responsibility of the applicant.

The TIFA Business Recruitment Grant is in no way tied to approvals required by the Planning Commission, Zoning Board of Appeals or City Council. Applicant must have required approvals for project prior to submitting an application for the grant.

AMENDMENTS

The City of Auburn Hills TIFA has the authority and may, at its discretion, exceed any of the guidelines it has established and disregard any of the restrictions it has imposed in any case where the TIFA Board determines that the program purpose will be best served by doing so. Any such action or change to the guidelines must be approved by vote of the City of Auburn Hills TIFA Board.



BUSINESS RECRUITMENT GRANT APPLICATION

APPLICANT AND PROJECT INFORMATION:

BUSINESS NAME _____

NAME OF OWNER: _____

TYPE OF BUSINESS: _____

STREET ADDRESS: _____

PROJECT ADDRESS: _____

CITY/STATE/ZIP CODE: _____

TELEPHONE: (_____) _____ - _____ FACSIMILE: (_____) _____ - _____

EMAIL ADDRESS: _____

APPLICATION IS FOR: \$ _____

**must be matched dollar for dollar by the applicant*

ANTICIPATED START DATE OF PROJECT: _____

**business must be open 120 days after grant approval*

I, _____ hereby submit this application for Business Recruitment Grant funding to the Auburn Hills Tax Increment Finance Authority, and by affixing my signature below, represent that I am authorized to do so as owner of the building/business. Furthermore, I have read the terms and conditions for funding as stated herein and agree to abide by said terms and conditions with the knowledge that funding may be withheld if I do not comply.

SIGNED: _____

TODAY'S DATE: _____ / _____ / _____



ATTACHMENTS REQUIRED:

**all attachments must be included for your application to be complete and ready for review*

- Business Description
 - History: start date, type of operation, business structure, legal structure, union status, markets and products
 - Current business plan
 - Customers and clients
 - Resumes of principals
 - Projected job creation/retention
 - Articles of incorporation
 - Hours of operation
 - Parking needs and how they are being met
 - Lease commitment or proof of mortgage
- Project Description
 - Narratives:
 - Please give a brief narrative as to how your business fits in with Downtown Auburn Hills
 - Please describe the project's short and long term impact on Downtown Auburn Hills
 - Please add any other information you feel is significant to your project and may differentiate your application for greater consideration over another
 - Attach all information related to what the grant may support including; inventories, spec or cut sheets, drawings, plans, plant lists, etc., Include locations of work to be performed and be as specific as possible.
 - Please use scaled drawings and include a minimum of three (3) competitive quotes for your project. These are mandatory in order to make application for funding to the Tax Increment Finance Authority.
- Financial Information
 - Letters of financial commitment
 - Equity of investment - three years of tax information
**information will be kept confidential*
 - Financial projections
 - Monthly cash flow
 - Debt schedule
 - Statements based on loan assumption
 - Proof of paid taxes

APPLICATIONS SHALL BE MAILED TO:

Auburn Hills Tax Increment Finance Authority

Attn: Site Improvement Grant

1827 North Squirrel Road

Auburn Hills, Michigan 48326

Questions may be directed to: Brandon Skopek – Director of Authorities and Executive Director of the Auburn Hills TIFA
Office: 248.364.6806
E -mail: bskopek@auburnhills.org



