

COMPANY RELOCATION INCENTIVE PROGRAM POLICY
Adopted August 15th 2016

1. PURPOSE

Relocation expenses are often cited as a barrier for companies that desire to relocate into one of the Gainesville Redevelopment Areas, especially companies that have specialized technical equipment. The program will offer eligible companies a 50% match on eligible business relocation costs, up to a maximum award of \$125,000. The program will reduce costs associated with physically relocating an eligible company into a Redevelopment Area.

2. OBJECTIVES

The objective of the Company Relocation Incentive is to alleviate blight and economic distress. The relocation of companies and their employees into the Redevelopment Areas will help to lower vacancy rates, increase employment levels, raise the tax base, diversify economic opportunities and promote redevelopment goals. The encouragement of private enterprise will help the Redevelopment Areas become self-sustaining in the long term and serves to implement the Redevelopment Plan for each Redevelopment Area.

The program is consistent with meeting redevelopment objectives, identified in the Redevelopment Plan for each Redevelopment Area; specifically:

College Park/University Heights:

3.1.5 Objective 5 - Private Investment

3.1.7 Objective 7 - Creation of Mixed-Use Technology Hubs

3.1.10 Objective 10 - Funding, Financing, Management, and Promotion

Downtown:

Objectives for Economic Development, Commercial and Business Activity

Eastside:

Objective 1 - Economic Development and Innovation

Objective 2 - Commercial Activity

Objective 8 - Funding, Financing, Management, and Promotion

Fifth Avenue/Pleasant Street:

3.1.2 Objective 2 - Redevelopment Opportunity Sites

3.1.8 Objective 8 - Funding, Financing, Management and Promotion

3. ELIGIBILITY

The company must operate in one of the following targeted industries:

- Commercial applications in the physical, engineering, computer or life sciences
- Light assembly, packaging, and fabrication associated with the physical, engineering, computer or life sciences.
- Software, computing and technology
- Light Manufacturing
- General Office

These industries are targeted for this incentive because companies in this industry are high-growth, have a high multiplier in terms of ancillary impacts to the local economy and have high relocation costs.

The company must currently be located either: 1) outside of the Redevelopment Area with plans to relocate into a Redevelopment Area, or 2) in a local business incubator within a Redevelopment Area, with plans to graduate from the incubator into a location within a Redevelopment Area. The incentive is not available to companies relocating into a business incubator within a Redevelopment Area.

The company must either own the property they are relocating into or have entered into a lease with a minimum term of 3 years. The property (both land and building) must be taxable on the property tax roll (i.e., not exempt from property tax).

If the company moves out of the Redevelopment Areas within 3 years of the award, the company will be required to pay back the full amount of any award received.

A company may only apply for this program one time. Subsequent moves by a company are not eligible for funding under this program.

4. INCENTIVE CALCULATION

The incentive is in the form of a grant to reimburse up to 50% of eligible relocation costs. The incentive is paid out as a lump sum after the relocation has taken place. The maximum incentive is determined by the number of employees that the company is relocating within a Redevelopment Area:

- Relocating 1-5 employee(s): up to \$10,000 maximum incentive
- Relocating 6-30 employees: up to \$40,000 maximum incentive
- Relocating 31+ employees : up to \$80,000 maximum incentive
- Relocating 65+ employees : up to \$125,000 maximum incentive

For the purposes of this program, employees shall mean permanent employees that work a minimum of 30 hours per week.

5. ELIGIBLE RELOCATION COSTS:

Expenses that are eligible for reimbursement under the program are:

- Licensed moving company to move equipment and other business-related items into new location
- Setting up and/or recalibrating business equipment, including, but not limited to specialized lab, manufacturing and computing equipment

Costs related to personal moving expenses for employees are not eligible for reimbursement. Only those costs actually paid by the company to a third-party are eligible. Work performed in-house by company employees is not eligible.

6. INCENTIVE PROCESS:

- A. Company completes and submits an application to the CRA. Applications must contain the following information:

- Summary of the company, including an overview of the business, number of employees and growth projections
 - Details on the proposed relocation, including street address of current and new location and timeline of the move
 - A description of eligible relocation costs for which the company is seeking reimbursement, and estimates from two appropriately licensed vendors for each of these costs
 - Dollar amount of incentive requested and justification for the request. The CRA will only reimburse for real, documented costs which qualify as eligible relocations costs under this program
- B. Applications will be time and date stamped and will be evaluated and awarded on a first come, first serve basis. Award is subject to availability of funding within the budget of each of the Redevelopment Areas.
- C. Application is evaluated by CRA staff and the company is notified of award decision. Award decisions will be presented to the CRA Board and appropriate Advisory Board for informational purposes only.
- D. Upon approval, the application executed by both the CRA Director and the company shall serve as the Incentive Agreement. The date the CRA Director signs the application indicating approval shall be the date of grant approval. The Incentive Agreement shall remain effective for a period of three years from the date of grant approval to ensure compliance with the requirement for repayment if the company moves outside of a Redevelopment Area.
- E. Within 12-months of the date of grant approval, the company shall submit the following incentive closeout documents to the CRA staff:
- Copy of executed lease or deed
 - Copy of most recent filed IRS Form 941 or other documentation to verify number of employees at the time of relocation
 - Notarized statement listing the employees that have been relocated to the CRA
 - Invoices for eligible relocation costs and receipts showing payment to third party vendors
 - Completed City of Gainesville Vendor Application
 - Cover letter requesting payment of the incentive
- F. CRA Staff will review and verify documentation and issue a lump sum payment via electronic funds transfer within 30 days of completion of verification. The CRA may request a site-visit prior to payment.
- G. Companies that fail to submit the required documentation within 12-months of the date of grant award will forgo any incentive under this program and will result in termination of the Incentive Agreement.

7. NONDISCRIMINATION

The Gainesville CRA does not discriminate on the basis of sexual orientation, race, color, gender, age, religion, national origin, marital status, disability or gender identity and will not tolerate any such discrimination by or against its employees or citizens utilizing CRA services, programs, and activities.