

# ATTACHMENT 1

## **LEGACY BUSINESS PROGRAM**

### **Definition**

To be declared a Legacy Business in the City of Miami Beach the following criteria are recommended:

- 1) The business must have been located in the City for at least 30 years with no breaks in residency or existence, however, the business may have operated in more than one location within the City during this period.
- 2) The business must operate from an office, storefront or building that is open to the public with a BTR that is registered to the space from which the business operates.
- 3) The business must have contributed to the history of the City. This may include a business that is/was:
  - a. Immediately recognized and identified with the City of Miami Beach;
  - b. A central gathering place with a history of being the location for locals to share their community experiences;
  - c. A pioneering business that changed the City or a neighborhood for the better;
  - d. The location of a specific event or incident that helped to shape the City;
  - e. Has a history of supporting City residents, important City causes, and non-profit organizations that directly serve the residents and City of Miami Beach and/or the City has a whole.
- 4) The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.
- 5) The business must be in good standing with the City having no outstanding violations or fines from the City nor any outstanding amounts owed to the City for any reason.

### **Nominating Process**

Businesses must be nominated by the Mayor or a City Commissioner for inclusion on the registry. Except for the first year of the program, during which an unlimited number of nominations can be made to establish the program, nominations for inclusion on the registry will be limited to the first 20 nominations. Nomination does not guarantee inclusion on the Legacy Business Registry.

Businesses nominated will be reviewed based on the aforementioned criteria for their impact on and contributions to the City at a hearing held by the Legacy Business Advisory Board (LBAB) (this could be a new board or be an additional responsibility to the Historic Preservation Board or other existing board or committee of the City).

Except for the first year, when nominations will be considered throughout the year to establish the program, nominations shall be made by January 31<sup>st</sup> of each year for consideration and inclusion on the Business Registry. The LBAB shall meet as necessary to consider nominations and shall make its final recommendations as to which businesses should be included in the City of Miami Beach Legacy Business Registry to the City Commission no later than April 30<sup>th</sup> of each year. The City Commission shall be the final determiner as to inclusion on the Registry.

Businesses included on the City of Miami Beach's Legacy Business Registry shall receive notification of such and be granted the right to use their inclusion on the Registry in any and all advertisement and to post such at their place of business. The City Commission may choose to recognize each included business with a plaque, certification and/or proclamation.

## **RETENTION INCENTIVE PROGRAM**

In the City's current economic climate, many otherwise successful, long-operating businesses are at risk of displacement, despite continued value to the community and a record of success. Additionally, the City has recently witnessed the loss of long-operating and well-respected businesses because of increased rents or lease termination. A major factor in these losses is that property owners have little incentive to retain longstanding tenants, a long-operating business that does not own its commercial space or have a long-term lease is particularly vulnerable to displacement.

An incentive program to assist Legacy businesses who do not own the commercial space they occupy and which might otherwise be in jeopardy of losing their location can be assisted through a Legacy Business Retention Incentive program.

The Legacy Business Retention Program would grant funds directly to the landlord of a Legacy Business to reduce the burden on the business, include the property owner in the importance of the business to the community, and insure there will be no significant changes in the way the Legacy Business physically interacts with the Community.

The Legacy Business and owner of the property/building where the business is located will be eligible to jointly apply for a grant up to an amount equal to \$4.50 per square foot of space occupied by the Legacy Business, but no more than \$5,000 per year per Legacy Business. This grant will continue each year until the business no longer qualifies as a Legacy Business or the City no longer funds the program. Payment under the grant shall be made directly to the property owner or the owner's designated property manager.

In order to receive the grant the Property Owner and Legacy Business must agree to a long term lease of at least 10 years and both parties need to agree that no changes will be made to the Legacy Business operation including a reduction in the leased square footage or reduction in the space in the business open to the public (i.e. no reduction in dining room space or sales floor area) without the express written permission of the City.

There will be two separate funds for incentives:

- 1) New Incentive Funds– this will be a dedicated amount to fund new grants in the fiscal year they are awarded for the first time. Once the fund was exhausted, no new grants would be awarded.
- 2) Continuing Incentive Fund – businesses that have already received funds from the program and are continuing to receive funding in a new fiscal year will be covered from this fund. In the event the amount awarded to all continuing businesses exceeds the amount budgeted in the fiscal year, all grants will be proportionally reduced to meet the amount available.

An application form will be created by the City requesting relevant information related to the incentive. The City Manager or his/her designee shall review the application for its accuracy

and report such to the LBAB. The LBAB shall certify the application prior to final award of the grant by the Mayor and Commission.

For continuing grants, the Legacy Business must reapply each year for the incentive by June 1<sup>st</sup> on an application provided by the City. Such application shall require information necessary to determine the continued eligibility of the business for inclusion on the Registry. The City Manager or his/her designee shall review the application for its accuracy and will inspect the business location for adherence to any conditions of the grant and for Legacy Business eligibility and report these findings to the LBAB for re-certification and approval by the City Commission.

## **COST**

Funds would be required to implement the Incentive program. It is unlikely a significant number of businesses would be designated in the initial year or two of the program; as incentives are limited to \$5,000 per business, it would be anticipated that \$50,000 would cover grant obligations for the first year and \$100,000 would be appropriate in year two.