

Job Creation Incentive Grant Application

The following is an application to the City of Beachwood, Ohio located in the County of Cuyahoga by _____, hereinafter referred to as the Enterprise.
(Enterprise name)

I. General Information

Applicant: Enterprise Name _____

Home Office Street Address _____

City _____ State _____ Zip code _____

Local Site Street Address _____

City _____ State _____ Zip code _____

Contact Person Name _____

Telephone _____ Fax _____

Email _____

Primary business activity of the enterprise

NAICS Code that apply to the products produced by the enterprise.

NAICS Code # _____ NAICS Code # _____

NAICS Code # _____ NAICS Code # _____

Form of business of Enterprise (corporation, partnership, proprietorship, or other).

Name of principal owner(s) or officers of the enterprise (attach list, if necessary).

Does the Enterprise owe:

A. Any delinquent taxes to the State of Ohio or any County, City or Township within the State of Ohio?

Yes _____ No _____

B. Any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State?

Yes _____ No _____

C. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

Yes _____ No _____

D. If yes to any of the above, please provide details of each instance including, but not limited to, the location, the amounts and/or case identification numbers (attach additional sheets if needed).

II. Financial Information

Federal Identification Number (FEIN) _____

III. Employment & Payroll Information

A. State the enterprise's current employment level at the site:

Current Full-time Permanent Employment at **proposed project site:** _____

Current Full-time Temporary Employment at **proposed project site:** _____

Current Part-time Permanent Employment at **proposed project site:** _____

Current Part-time Temporary Employment at **proposed project site:** _____

B. Enterprise's current employment level in Beachwood:

Current total Full-time Permanent Employment: _____

Current total Full-time Temporary Employment: _____

Current total Part-time Permanent Employment: _____

Current total Part-time Temporary Employment: _____

C. List schedule for hiring new full-time positions:

Year 1

Year 2

Year 3

D. Estimate the amount of annual payroll new employees will add.

New Full-time Permanent Year 1: \$ _____

Year 2: \$ _____

Year 3: \$ _____

E. Application Fee

A non-refundable application fee of \$750.00 in the form of a check made payable to the City of Beachwood shall be submitted with the application.

IV. Certifications of Information

Submission of this application expressly authorizes the City of Beachwood to contact any agency to confirm the statements contained herein. The Applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of the ORC Sections 9.66(C)(1) and 2921.13(D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.

Signature

Date

Title

Printed Name

A copy of this application will be attached to the final Job Creation Incentive Grant Program Agreement as Exhibit A.

**JOB CREATION INCENTIVE GRANT PROGRAM
BEACHWOOD OHIO**

The City of Beachwood has established a Job Creation Incentive Grant (JCIG) program that offers incentives to eligible businesses that are creating new, full time or full time equivalent jobs. The City will offer an eligible company an annual grant payment based on a percentage of the annual payroll withholding taxes generated by jobs that are new to the City of Beachwood.

- The program will be structured as a grant (refund) based upon the creation of new full time or full time equivalent jobs.
- Beachwood’s payroll withholding tax is 2%. Grants are based upon a percentage of the payroll tax withheld for new jobs created as a result of an approved project (see **Grant Guidelines** below).
- Each grant must be approved by City Council and the Mayor prior to the applicant company undertaking the project.
- The program will be available to businesses considering a relocation/expansion into Beachwood or existing Beachwood businesses considering an increase of full time jobs in the city.
- In order to be eligible, a company locating a new business in Beachwood must create within a 3 year period a minimum of 30 full time or full time equivalent jobs new to the City of Beachwood *or* a minimum annual payroll of \$1,000,000 new to the City of Beachwood.
- A company already located in Beachwood and expanding at its current facility, or expanding at a new facility within the city, must create within a 3 year period a minimum of 30 new full time or full time equivalent jobs *or* a minimum annual payroll of \$1,000,000 new to the City of Beachwood, while maintaining its current employment workforce and payroll.
- Independent contractor positions are not eligible.
- Retail and food service businesses are not eligible.

Grant Guidelines:

The maximum grant will be for 5 years and 50%. All grants will be based on new payroll projections according to the following schedule:

<u>New Payroll by end of Year 3</u>	<u>Length of grant</u>	<u>Suggested Award Rate</u>
\$1 million to \$3 million	3 years	30%
\$3 million to \$6 million	4 years	35%
\$6 million to \$8 million	4 years	40%
\$8 million and above	5 years	50%

- For companies already located in Beachwood, only new payroll shall be used to determine the number of years and the award percentage of the grant. The company will be required to maintain the workforce levels and payroll that are current when the grant application is filed.
- If the company is leasing space, the number of years of the grant may be limited so as not to exceed the current lease term.

- The grant agreement will be for a specific location. However, if a company has multiple locations in the City and total employment and payroll projections are met at any combination of locations in the City, the company will qualify for the grant payments.
- The date by which Year 1 job projections must be met will be specified in the agreement. If a project start or occupancy of a project facility is delayed, the company may send a written request for a one year extension to the Development Department. City Council must approve the extension.
- If a project or occupancy of a project facility begins in the 3rd or 4th quarter of the year and the company is not able to meet its Year 1 projections by December 31st of that year, Year 1 shall be considered the first full year of occupancy.

Project Performance -grants will be awarded annually according to the schedule below:

% of Payroll Projections Met	% of Grant Awarded
90-100%	full grant/credit
85-89%	reduce grant by 5% (e.g.: 40% grant reduced to 35%)
80-84%	reduce grant by 10%
75-79%	reduce grant by 15%
Less than 75%	no grant for that year

The amount of the grant will be calculated annually based on the company's performance in meeting its payroll and employment projections for the previous year. The company must achieve at least 75% of the job creation projection for the previous year in order to receive any benefits.

For purposes of calculating the amount of the grant each year, exercised stock options will not be included in annual payroll.

Application Procedures:

Application forms will be available from the Development Department. A non-refundable application fee of \$750 in the form of a check made payable to the City of Beachwood shall be submitted with the application.

Annual Reporting:

- Upon the City's request and on forms provided by the City, companies must submit an annual Job Creation Grant report documenting new employment and payroll. This report will be required annually during each year that a grant is being awarded.
- The annual performance reports will be reviewed by the Director of Development and the Finance Director. An annual report will be prepared by the Director of Development and presented to the Mayor and City Council.

Claw back provision:

Each agreement will include a binding claw back provision requiring repayment of grant moneys if the company leaves the City during the term of the agreement.

Terminating Agreement:

1. If the project does not proceed as specified in the agreement or within the one year extension period, Council may rescind the agreement upon recommendation of the Director of Development.
2. If a company fails to meet 75% of its payroll or employment projections in three consecutive years at any time during the term of the agreement, City Council shall rescind the agreement.