

OFFICE TENANT INCENTIVE PROGRAM



Handbook Includes:

- Program Details
- Process Checklist
- Application & Attachments



Office Tenant Incentive Program Details

OFFICE TENANT INCENTIVE PROGRAM (OTIP):

- Helps reduce office vacancy in the Las Vegas downtown and redevelopment areas
- Aids in attracting quality office tenants to Las Vegas redevelopment areas
- Helps landlords and developers in the Las Vegas redevelopment areas who are competing for quality tenants
- Assists with upgrading older facilities to make them more competitive
- Provides a high return on investment to the city in the form of quality jobs and capital investment
- Rebates 10 percent of the total tenant improvement value, up to a maximum not to exceed \$50,000, on qualified expenditures meeting minimum requirements
- Landlords can apply for multiple grants within the same building if each transaction meets the minimum program requirements
- Tenants can apply for OTIP grant funds subject to landlord consent
- Funding is available annually on a first-come, first served basis. Once all fiscal-year funds have been expended, no further applications for that year will be accepted.

TIME FRAME:

- Application process takes approximately 60 calendar days **once all necessary documents and materials are received from the applicant. These must include all documentation of compliance with the city of Las Vegas Redevelopment Agency's Employment Plan Policies.**
- All projects receiving OTIP funds must be completed within 180 calendar days of the date application is approved by Las Vegas City Council (acting as the Redevelopment Agency Board of Directors). Projects not completed within the specified 180 days forfeit all approved and allocated OTIP funds.
- Reimbursement of funds takes approximately 30-45 calendar days once copies of all invoices and cancelled checks, as well as photos of completed project, are received. *(Redevelopment Agency reserves the right to pay applicant in one lump sum or installments.)*

PROPERTY/BUSINESS REQUIREMENTS:

- Located within one of the City's Redevelopment Areas in tax district 203, 204, 207, 212, 213 or 214
- Eligible zoning designations: C-1, C-2, C-M, C-PB, C-V, M, O, P-R
- Has a lease term of at least five years remaining subsequent to completion of OTIP-related renovation work
- Funds may not be used for working capital, purchasing property, equipment or inventory acquisition, and/or refinancing of existing debt or private funding.
- Must comply with **at least two** of the following:
 - Consist of at least 7,000 square feet of leasable **interior** office space (exterior spaces and facilities are excluded)
 - Entail at least \$20 per square foot of improvements for qualified expenditures
 - Provide at least 20 verifiable full-time jobs within the space

Ineligible Properties:

- Residential properties
- Industrial properties
- Properties or projects not meeting eligibility requirements
- Businesses specifically excluded are medical marijuana operations or those requiring a privileged license*

* **Examples of businesses requiring a Privileged License:** adult nightclubs, auctions and auctioneers, bail bonds, burglar alarms, check cashing, chapels, churches, convenience stores, erotic dance, escort bureaus, gaming, ice cream trucks, locksmiths, martial arts, massage establishments or therapists, outcall entertainment, pistol permits, pawnbrokers, psychic arts, reflexology, sexually oriented businesses, slot route operators, smoke shops, tattoo operations, temporary privilege licensees, teenage dances

QUALIFIED EXPENDITURES FOR INTERIOR IMPROVEMENTS:

- Access doors & frames
- All-glass entrances
- Architectural wood casework
- Bifolding wood doors
- Blanket insulation
- Blown insulation
- Communications: master antenna, satellite, television service and premises wiring for cable television or community antenna television (CATV)

QUALIFIED EXPENDITURES (continued)

- Composite fabrication
- Concrete finishing
- Decorative metal
- Drapery track & hardware
- Electrical
- Electronic safety and security: hangers, conduits, cable trays, access control, intrusion detection, video surveillance, fire detection & alarms
- Expansion control: interior floor, wall and ceiling expansion or control joint cover assemblies
- Finish carpentry
- Finishes – furring, lath, plastering, tiling, acoustical panel ceilings, integrated ceiling assemblies
- Fire protection specialties & fire suppression
- Flooring: brick, stone, tile, wood, vinyl, terrazzo, carpeting
- Flush-wood doors
- Flush-wood paneling
- Foamed-in-place insulation
- Folding doors
- Glass unit masonry
- HVAC distribution
- Integrated automation: electric control switches, pushbuttons, relays, time-delay relays, timers, counters, control power transformers & control panels
- Integrated metal door opening assemblies
- Interior demolition
- Interior doors
- Manufactured casework
- Masonry veneer
- Masonry-supported stone cladding (interior walls)
- Mass notification systems
- Plumbing (interior only)
- Projection screens
- Rough carpentry
- Simulated stone fabrication

QUALIFIED EXPENDITURES (continued)

- Solid surfacing fabrication
- Specialties: visual display units, signage, cubicle curtains and tracks, wire mesh partitions, demountable partitions, movable panel systems (floor-to-ceiling acoustic type), accordion folding partitions
- Sprayed insulation
- Sustainable design requirements
- Unit masonry
- Unit masonry panels
- Wall coverings, painting & coating, stretched-fabric wall systems
- Window sash, glass & glazing, operating hardware (required by tenant)
- Wood, plastics & composites

APPLICANT REQUIREMENTS:

- Complete all required OTIP forms in their entirety
- Include three project bids for all work or justify why a single bid is being submitted.
- No corporate or personal bankruptcy proceedings within the past five years
- No past-due federal, state, county or city of Las Vegas tax bills
- No past-due bills or debts to the city of Las Vegas or the Redevelopment Agency
- Have no other reasonable means of financing tenant improvements without benefit of an OTIP, defined by one or both of the following:
 - New business locating, or existing business expanding, in redevelopment area because of grant assistance. (Requires letter/statement from business owner.)
 - City ordinance is currently too costly for business to comply.
- Show proof of a current required **city of Las Vegas** business license
- Supply copy of property owner's deed
- Provide current tenant list and/or leasing plan, if landlord
- Supply executed lease or letter of Intent to Lease with at least a five-year term remaining subsequent to completion of OTIP-related renovation work.
- Provide signed and notarized copy of "OTIP Real Property Owner Consent" form if tenant
- Make brief presentation at the Redevelopment Agency Board/City Council meeting. It is preferable that the owner attends, but a knowledgeable owner's representative may also make the presentation, as well as accompany an owner.

APPLICANT REQUIREMENTS (continued)

- **Receive Las Vegas Redevelopment Agency Board and City Council approval before beginning work.** Any work started prior to this approval will be the applicant's responsibility.
- Comply with Developer/Contractor Award Phase and "Construction Phase" of the city of Las Vegas Redevelopment Agency Employment Plan Policy, revised June 18, 2014. (The Las Vegas Redevelopment Agency Employment Plan Policy and templates are located at www.lvrda.org.)
- If the value of the incentive received by the applicant from the Redevelopment Agency exceeds \$100,000 per NRS 279.500(c) the project will be registered with the State of Nevada Office of the Labor Commissioner as a Public Works project, http://labor.nv.gov/PrevailingWage/2016-2017_Prevailing_Wages and the applicant will be required to pay Prevailing Wage to all construction workers and submit certified payroll records to both the Redevelopment Agency and the Commissioner on a biweekly basis.
- Complete all improvements within 180 days of City Council approval. Submit all paid invoices/cancelled checks, Certificate of Occupancy, as well as photos of completed project, prior to receiving grant funds. *(The Redevelopment Agency reserves the right to refuse payment for any change orders not authorized prior to construction commencement.)*
- Maintain and sustain improvements

APPROVAL POLICIES:

- Applications will be reviewed and considered in the order they are received
- Approval will be based on the following:
 - Condition of the existing office space
 - Value of the completed improvements considered qualified expenditures
 - Amount of private investment contributed by participant
 - Compliance with city of Las Vegas development and construction requirements
 - Potential to stabilize or increase economic activity within the surrounding neighborhood
 - Quality of proposed design
 - Complies with **at least two** of the following:
 - ◆ Offers a minimum of 7,000 square feet of leasable space
 - ◆ Provides tenant improvements valued at a minimum of \$20 per square foot
 - ◆ Employs a minimum of 20 full-time workers
 - Lease term minimum of five years subsequent to completion of OTIP-related renovation work
 - Grant not to exceed \$50,000
 - Available funding

APPROVAL POLICIES (continued)

- Applicant participation in this program and approval of any grant monies is at the sole discretion of the Redevelopment Agency Board.
- Agency shall have the ultimate authority to accept or reject each application, and have complete authority to decide whether requested work is eligible for this program.
- Agency shall be obligated to commit funds only after an OTIP agreement with the applicant is approved by the Las Vegas City Council acting as the Board of Directors for the city of Las Vegas Redevelopment Agency.
- Any action taken by the city of Las Vegas Redevelopment Agency Board of Directors is final. There is no appeal process for applications that are not approved by the city of Las Vegas Redevelopment Agency Board of Directors.
- A “Certificate of Completion of Construction” will be recorded against the title of the subject property to verify the completion of the interior improvements and the payment of the grant.

QUALIFIER:

- Final selection of a contractor(s) is the sole responsibility of the participating applicant. The Agency shall offer no warranty on work performed. The applicant should obtain any desired warranty information from the contractor(s) in writing.

APPLICATION CHECKLIST:

All information included in this checklist must be submitted to the Redevelopment Agency before we can begin the process:

- All documents signed by person certified as one of company's principals on the following pages: 4, 7, 9 and 11
- List of property owners' names, landlord's representative name, & contact information (page 1)
- List of proposed improvements with estimated project costs (pages 2-4)
- Notarized & signed **Disclosure of Ownership/Principals - Real Property** (pages 6 &7)
AND Notarized & signed **Disclosure of Ownership/Principals - Business** (pages 8 &9)
- Notarized & signed **Participant Affidavit and Employment Plan** (pages 10 & 11)
- Copy of current **city of Las Vegas** business license
- Copy of property owner's deed
- Complete list of employees' names and start dates
- Lease with at least five years occupancy remaining. Information pertaining to price can be redacted.
- Landlord's current tenant list or leasing plan, if applicable
- Completed Employment Plan forms/templates
- High-quality "before" images of property from all sides/angles*
- High-quality images of renderings of proposed project*
- High-quality images of tenant's space plan*
- Three contractor bids for work being done or justification for why only one bid submitted.

* Please send separate jpegs of a few of your "before" photos and your "after" renderings. These are needed for the PowerPoint presentation we will put together for you when you make your presentation to the RDA Board/City Council.

OTIP APPLICATION

Applicant Information:

Applicant's Name (company name as listed on city of Las Vegas business license):

Applicant's Corporate Name: -----

Applicant's Corporate Business Address: -----

Name of Business at Project Address: -----

Applicant's City of Las Vegas Business License Number: -----

Applicant's Phone #: ----- Business #: ----- Cell #: -----

Applicant's E-mail Address: -----

Is the applicant the property owner or the tenant? ----- Owner ----- Tenant

Property Information:

Property Owner's Name: -----

Property Owner's Mailing Address: -----

Property/Project Address: -----

Size of Building/Project (square footage, # of levels, # of seats) -----

Assessor Parcel Number(s): -----

Name of Tenant(s): -----

Lease Expiration Date: ----- Option to Extend: Yes No How Long: ----- years

Property Manager: ----- Phone: ----- Fax: -----

1. Is the proposed project located in a Redevelopment Area? ----- Yes ----- No

2. Current Number of Employees: ----- Full-Time ----- Part-Time ----- Contract

3. Number of Employees (Post Project Completion) ----- Full-Time ----- Part-Time ----- Contract

4. Number of Construction Workers for Project: -----

5. Current and/or Projected Wages for Employees: (please attach additional sheet if necessary)

Job Title ----- Salary Range \$ ----- (annual/hourly)

Job Title ----- Salary Range \$ ----- (annual/hourly)

Job Title ----- Salary Range \$ ----- (annual/hourly)

OTIP APPLICATION

Estimated Budget for Interior Improvements

Use of Funds (Activity)	Source of Funds	Estimated Cost
Total Interior Budget		\$

Interior Costs: \$ _____ Exterior Costs: \$ _____ Project Total: \$ _____

Project Funded with: _____ Owner Equity _____ Bank Financing _____ Investors _____

Other (_____)

Execution of Application

The applicant acknowledges that the Redevelopment Agency will not offer grant funds for work begun prior to approval of the OTIP grant application and corresponding OTIP Agreement by the Las Vegas City Council, acting as the Redevelopment Agency Board. Any work started prior to this approval will be the applicant's responsibility.

Furthermore, applicant acknowledges that the identified project must be completed within 180 days of the original approval date; if said project is not completed within 180 days, all funds approved and allocated for said project will be forfeited by applicant and the corresponding OTIP agreement terminated. Applicant also acknowledges that it must expend its full matching contribution prior to any reimbursement of OTIP grant funds.

Signature: _____ Date: _____

Print Name: _____

Title: _____

OTIP DISCLOSURE OF OWNERSHIP/PRINCIPALS

Details About Completing “Disclosure of Ownership/Principals” Forms that Follow

DEFINITIONS

- “City” means the city of Las Vegas.
- “City Council” means the governing body of the city of Las Vegas.
- “Contracting Entity” means the individual, partnership or corporation seeking to enter into a contract or agreement with the city of Las Vegas.
- “Principal” means individual or entity holding more than one percent interest;
- **For each type of business organization:**
 - (a) *Sole Proprietorship*: Owner of business
 - (b) *Corporation*: Directors and officers of corporation, but not any branch managers of offices which are a part of the corporation;
 - (c) *Partnership*: General and limited partners
 - (d) *Limited liability company*: Managing member as well as all other members
- **For each type of real property interest:**
 - (a) *Estate in Severalty*: Sole ownership by one individual or entity
 - (b) *Tenancy in Common*: Multiple owners without right of survivorship
 - (c) *Joint Tenancy*: Multiple owners with right of survivorship

POLICY

In accordance with resolutions 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the city of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

INSTRUCTIONS

The disclosure required by the resolutions referenced above shall be made through the completion and execution of the “Disclosure of Owners/Principals” certificate. (See next page.) The Contracting Entity shall complete Block 1, Block 2 and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. An officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

INCORPORATION

This certificate shall be incorporated into the resulting contract or agreement, if any, between the city and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the city in writing of any material changes to the information in this disclosure. This notification shall be made within 15 days of the change. Failure to notify the city of any material change may result, at the option of the city, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

OTIP DISCLOSURE OF OWNERSHIP/PRINCIPALS – REAL PROPERTY

Alternative Disclosure of Ownership/Principal

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this certificate in lieu of providing the information set forth on the previous page. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

Certification of Disclosure of Ownership/Principal - Real Property

I certify, under penalty of perjury, that all the information provided in this certificate is current, complete and accurate.

Signature: _____

Date: _____

State of Nevada
County of Clark

This instrument was acknowledged before me on

_____ (date) by

_____ (name of person)

Notary Public

OTIP DISCLOSURE OF OWNERSHIP/PRINCIPALS – BUSINESS

Alternative Disclosure of Ownership/Principal

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this certificate in lieu of providing the information set forth on the previous page. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____

Number of Pages: _____

Certification of Disclosure of Ownership/Principal - Business

I certify, under penalty of perjury, that all the information provided in this certificate is current, complete and accurate.

Signature: _____

Date: _____

State of Nevada
County of Clark

This instrument was acknowledged before me on

_____ (date) by

_____ (name of person)

Notary Public

OTIP PARTICIPANT AFFIDAVIT & EMPLOYMENT PLAN

STATE OF NEVADA }
 } ss:
COUNTY OF CLARK }

I, _____, being first duly sworn, depose and state under penalty of perjury as follows:

1. I am a corporate officer, managing member, or sole proprietor of the _____, a company duly organized in the State of Nevada as a _____, (Corporation/LLC/Sole Proprietorship). The Participant is seeking the assistance of the city of Las Vegas Redevelopment Agency (“Agency”) for making improvements to the property at _____ (“Site”), as more particularly described by the OTIP agreement (“Agreement”) being contemplated by the city of Las Vegas Redevelopment Agency.
2. I hereby warrant that I either own the property, or have a leasehold interest in the site for a minimum of five years subsequent to the effective date of this agreement.

Assistance from the Agency will allow me to make improvements to the property which I could not otherwise do. This will result in substantial benefit to the Redevelopment Plan Area and the neighborhood adjacent to the property because of one or more of the following reasons (check one or more):

- a. Encourage the creation of new business or other appropriate development;
 - b. Create jobs or other business opportunities for nearby residents;
 - c. Increase local revenues from desirable sources;
 - d. Increase levels of human activity in the redevelopment area or the immediate neighborhood in which the redevelopment area is located;
 - e. Possess attributes that are unique, either as to type of use or level of quality and design;
 - f. Require for their construction, installation or operation the use of qualified and trained labor; and
 - g. Demonstrate greater social or financial benefits to the community than would a similar set of buildings, facilities, structures or other improvements not paid for by the agency.
3. No other reasonable means of financing those buildings, facilities, structures or other improvements are available, because of one or more of the following reason(s) as checked by the Participant:
 - a. An inducement for new businesses to locate, or existing businesses to remain within, the redevelopment area in which the business would ordinarily choose to locate outside the redevelopment area if the grant were not provided. Evidenced by a “but for” letter or statement from the business owner; or
 - b. There is a public objective and/or requirement that is more stringent and/or costly to undertake than a business would ordinarily embark upon. Evidenced by state or city ordinance; or
 - c. There has been a lack of rehabilitation in the area and it is deemed unreasonable for the business to invest in improving the area unless the grant is provided. Evidenced by photographs of the immediate surrounding area displaying the slum and blight; or

OTIP PARTICIPANT AFFIDAVIT & EMPLOYMENT PLAN

Participant agrees to submit to the Agency its documentation which evidences that no reasonable means of financing are available to the Participant.

4. Participant hereby warrants the following:

- a. The property on which the project is situated is free of all Mechanic's Liens at the time of application. _____(initial)
- b. The applicant has no current bankruptcy proceedings, or past bankruptcy proceedings, whether corporate or personal, within the past five years. _____(initial)
- c. The applicant has no past-due federal, state, county or city of Las Vegas tax bills at the time of application. _____(initial)
- d. The applicant has no past-due bills or debts payable to the city of Las Vegas or the Redevelopment Agency. _____(initial)

5. Applicant will comply with "Developer/Contractor Award Phase") and "Construction Phase" of the city of Las Vegas Redevelopment Agency Employment Plan Policy, revised June 18, 2014

6. If the value of the incentive received by the applicant from the Redevelopment Agency exceeds \$100,000 per NRS 279.500(c) the project will be registered with the State of Nevada Office of the Labor Commissioner as a Public Works project, http://labor.nv.gov/PrevailingWage/2016-2017_Prevailing_Wages/ and the applicant will be required to pay Prevailing Wage to all construction workers and submit certified payroll records to both the Redevelopment Agency and the Commissioner on a biweekly basis.

DATED this _____ day of _____, _____.

Authorized Signature: _____

SIGNED AND SWORN TO before me

this _____ day of _____, _____, by _____.

NOTARY PUBLIC
My Commission Expires:

INTERNATIONAL ECONOMIC
DEVELOPMENT COUNCIL



Accredited Economic Development Organization

Economic and Urban Development Department
495 S. Main St., Sixth Floor
Las Vegas, NV 89101
Office: 702.229.6551 • TTY: 7-1-1
www.lasvegasnevada.gov/EUD

Las Vegas City Council:

Mayor Carolyn G. Goodman
Mayor Pro Tem Stavros S. Anthony, Ward 4
Councilwoman Michele Fiore, Ward 6
Councilman Cedric Crear, Ward 5
Councilman Brian Knudsen, Ward 1
Councilwoman Victoria Seaman, Ward 2
Councilwoman Olivia Diaz, Ward 3

City Manager: Jorge Cervantes
Chief Operations and Development Officer: Tom Perrigo
Chief Financial Officer: Gary Ameling
Chief Community Services Officer: Lisa Morris-Hibbler
Chief Public Safety Services Officer: Tim Hacker
Executive Director, Public Works, Operations
and Maintenance: Mike Janssen



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