GUIDELINES
DOWNTOWN HAMPTON AND PHOEBUS
RETAIL INCENTIVE GRANT PROGRAM

INTRODUCTION

The City of Hampton has identified revitalization of Downtown Hampton and Phoebus as elements of creating a vibrant community. As a result, the Hampton City Council allocated $1,500,000 to be used for the Downtown Hampton and Phoebus Retail Incentive Grant Program. The intent is to provide financial assistance to retail property owners and retail business owners located within the Downtown Hampton and Phoebus Master Plan areas. The purpose of this program is to increase the retail presence and sales in Downtown Hampton and Phoebus by providing incentives and assistance in attracting and retaining quality retail businesses.

FUNDING

Grant awards are determined on a case-by-case basis and are subject to reimbursement of approved expenditures. Grants are awarded to applicants on a first-come, first-served basis until all funds are committed. Although a minimum applicant financial contribution is not specified, there is an expectation that the contribution should be meaningful.

ELIGIBILITY

Only commercial retail properties and retail businesses located in the Downtown Hampton and Phoebus Master Plans are eligible for the program. Non-conforming land uses, sites and structures are eligible for grant funds if the non-conformities are brought into compliance through the grant award.

Applicants must follow the adopted grant application process, including a mandatory preapplication review with Hampton Department of Economic Development (HDED) staff, in order to be considered for a grant award. Once a complete grant application has been submitted it shall be reviewed by a Retail Grant Committee appointed by the Industrial Development Authority of the City of Hampton (the Authority) which will make a recommendation to the Authority to approve or deny the grant application.

- Grants are available to retailers, retail property owners, or those desiring to develop retail in the designated areas outlined in the Downtown Hampton Master Plan and Phoebus Master Plan.
- The proposed work cannot commence prior to application approval and preinspection by the City Building Inspector.
- Property and/or business taxes must be current.
- Use must be in conformity with the applicable zoning regulations.

EXAMPLES OF ELIGIBLE RETAIL BUSINESSES

Include but are not limited to:

- Art Gallery
- Auction House
- Convenience Store
- Book Store
- Cultural Establishment (theatre, playhouse)
- Dollar or Discount Stores
- Flower Shop
- Home Accessories
- Gift Card/Stationary Store
- Gourmet Foods, Specialty Grocery
- Music Store
- Jewelry Store
- Restaurant (full service)
- Specialty Boutique (apparel and shoe oriented)

Uses not listed *MAY* be considered on a case-by-case basis.

ELIGIBLE GRANT EXPENDITURES

- Costs associated with acquisition, construction, expansion or the rehabilitation of a retail facility.
- Site and building demolitions related to upgrading real estate.
- Permanent exterior improvements (i.e. enhanced entrances or storefronts) or interior improvements.
- Building materials used in the construction or renovation of the retail facility.
- Building signage and exterior lighting.
- Certain soft costs associated with the development of real property such as architectural, engineering, permitting, etc.
- Equipment and fixtures that are classified as items of personal property which, through its attachment to, or association with, real estate, loses its identity as personal property and becomes real property.
- Upgraded parking surface areas (paving) with associated landscape improvements.
- Rental assistance which shall not exceed the first 6 months of the lease.

INELIGIBLE GRANT EXPENDITURES

- Improvements made prior to grant approval
- Routine building or site maintenance projects
- Any work by non-licensed contractors
- Refinancing of existing debts
- Non-fixed improvements
- Inventory/fixtures/equipment
- Sweat equity
- Business payroll

QUALITY OF WORK

All work must be performed in a professional and workmanlike manner. Prior to the work commencing, the grantee must secure all necessary state and/or local permits. Upon completion, all work must pass applicable state and/or local inspections. The Authority reserves the right to withhold grant payment should the final inspection reveal that the work performed was not completed in a professional and workmanlike manner.

APPLICATION REQUIREMENTS

The following items are required to be submitted to HDED when applying for this grant program:

A. Application Form - including a description of the proposed improvements, information about the property, estimated timeline including project start and end dates, and an original signature from the property owner.

B. If tenant, Property Owner's Authorization for Improvements.

C. Based on the proposed project, an architectural plan and/or a structural plan may be required. If required, applicant must submit four (4) copies of either the site plan or architectural plans drawn to scale and showing the proposed improvements. Readable plans on 8 1/2 x 11 or 11 x 17 sheets are acceptable.

APPLICATION PROCEDURES

Applications under the Downtown Hampton and Phoebus Retail Grant Program are accepted on a case-by-case basis. Applications are to be submitted to the City of Hampton Department of Economic Development (HDED). Applicants must follow the adopted grant application process, including a pre-application conference, in order to be considered for a grant award. Applications will be open until all funding is committed.

APPLICATION PROCESS

1. **Pre-Application Review.** A preliminary meeting with HDED staff is required. The meeting gives potential applicants and staff the opportunity to discuss a proposal and provide guidance to the applicant. The applicant shall incur all initial project costs and may receive reimbursement in accordance with the grant award. As part of the pre-application review, applicants and HDED staff will review the program's Grant Requirements and make it known that if an application is approved the requirements will be incorporated into a grant agreement.

2. **Application Submittal.** After an application has been submitted, HDED staff will examine the application, plans, timeline and costs. Applicants will be contacted if there are any questions about their proposal before it is submitted to the Retail Grant Committee.

3. **Retail Grant Committee Action**. The Retail Grant Committee (RGC) will review the project either denying or approving the application. If any applications are approved, the Committee will instruct HDED staff to prepare information to be presented to the Authority for its approval or denial. All decisions by the Authority are final.

4. **Grant Agreement**. Approved applicants are required to execute a Grant Agreement in which the Authority agrees to pay for the authorized work and the applicant agrees to complete the work in accordance with the approved application.

5. **Issuance of Reimbursement**. Following installation and completion of the project improvements and/or project milestones, the Grantee must submit to HDED all invoices for the project. After the HDED determines that the invoices are correct and that the work has been completed in accordance with the Authority's approval, the reimbursement will be issued.

GRANT REQUIREMENTS

1. Projects receiving grant funding must begin work within ninety (90) days of grant approval, and must be completed within three hundred and sixty five (365) days unless a written request for an extension has been submitted.

2. The approved project must comply with the requirements of the City of Hampton Code, the Virginia Building Code and all other applicable codes and standards, and the grantee is responsible to ensure the contractor(s) obtain the necessary permits.

3. The Authority must be notified immediately of any and all unforeseen changes in the scope of the work that may arise during the construction process that would impact the completion of the work in accordance with the Grant Agreement.

4. Grantee shall provide status reports on the progress of the project's implementation at least every two months throughout the process. The report shall summarize the work completed to date and any problems or conditions that have arisen during the reporting period which would impact the project's timeline for completion.

5. Project cost reimbursements shall be made upon completion of a project or once project milestones have been completed as approved by the Authority and incorporated into the Grant Agreement. Requests for reimbursement of project costs not included in either the approved renovation plan or an approved change order will not be considered.

6. HDED staff must verify any and all costs associated with a reimbursement request. Required documentation for reimbursement of project costs must include:

    1. Copies of cancelled checks, certified checks or money orders of project costs.

2. Detailed invoices and paid receipts.
3. Name, address, telephone number of all design professionals, general contractors, sign contractors, landscapers, etc. that provided services or materials for the project.
4. Building owner/business owner must provide evidence of completed work through final inspection by City of Hampton.
5. Successful applicants will be required to complete and submit an IRS W-9 form to the Authority.

Applications and instructions can be found on the HDED website www.hamptonva.biz or by calling our office at (757) 727-6237.

Hampton Department of Economic Development
1 Franklin Street, Suite 600
Hampton, VA 23669
Phone (757) 727-6237
Fax (757) 727-6895
www.hamptonva.biz