OVERVIEW

This information will help you identify the local incentives offered by the Economic Development Authority of the City of Hampton, Virginia (EDA) that may best fit your business needs. Most of these programs offer financial assistance in the form of grants to existing businesses that are expanding and new businesses in the City of Hampton (City).

The specific terms, conditions, and eligibility requirements for the programs are generally described for each program.

Program information and applications are available on the City Department of Economic Development’s website www.choosehampton.com. Interested applicants may also learn more by visiting, calling, or writing the Department at the address and through the contact information listed on the cover.

PART I: General Purpose and Criteria and Process – All Programs

Purpose:
Hampton City Council provides funding to the EDA in order to enhance the goals and objectives of the City, particularly those related to tax revenue generation, job creation, or stimulation of the redevelopment of under-utilized and deteriorated commercial and industrial properties in the City.

Required information:
- Project description and Hampton location
- Explanation of why financial assistance is being sought
- Estimated project timeline including estimated start and end dates
- Estimated capital investment and number of full-time jobs
- A credit check for each individual with an ownership interest

Public Disclosure; Protection of Confidential Proprietary Information:
The EDA is a political subdivision of the Commonwealth of Virginia. Information and documents in the custody of the EDA are subject to public disclosure pursuant to the provisions of The Virginia Freedom of Information Act, Code of Virginia §2.2-3700 et. seq., as it may be amended from time to time (“VA FOIA”). VA FOIA allows for certain confidential proprietary records to be exclude from disclosure voluntarily provided by a private business pursuant to a promise of confidentiality when used by the public body for business, trade and tourism development or retention. Code of Virginia §2.2-3705.6(3). Accordingly, the EDA promises to withhold from disclosure otherwise required by VA FOIA confidential proprietary information submitted as part of a grant application, but only to the extent an applicant:

(i) provides a statement that invokes protection from the VA FOIA, prior to, or upon the submission of the proprietary data or other materials;

(ii) provides a statement that identifies the data or other materials to be protected and states the reasons why protection is necessary; and
(iii) submits trade secrets and other proprietary information under separate cover in a sealed envelope clearly marked “PROPRIETARY”.

An all-inclusive statement that the entire application is proprietary is unacceptable and may be rejected on that basis. Information submitted that does not meet the above requirements will be considered public information and will be disclosed as required by VA FOIA. The EDA’s promise of confidentiality hereunder shall not apply to any information which (i) is now or hereafter becomes available to the public without breach of the obligations under this Agreement by the EDA; (ii) becomes available to the EDA from a third party having the legal right to disclose such information; or (iii) such disclosure is compelled by a court of competent jurisdiction or otherwise compelled by law.

PART II: City-wide grant programs

Economic Development Grants
Economic Development Grants are made to stimulate economic activity and are a mechanism to provide resources to companies and/or other organizations where the primary outcome is job growth or capital investment. To be considered, a company is required to submit the following information:

- Description of the business activity and location of where the business is or going to take place in Hampton
- Estimated project timeline including estimated start and end dates
- If an existing business, current level of capital investment and full-time jobs
- Specified capital investment, if any, to be made within a specified timeframe not to exceed thirty six (36) months
- Specified number of full-time jobs, if any, to be created within a specified timeframe not to exceed thirty six (36) months
- A list of positions, the average wage or annual salary rates for each new full-time position.
- A business plan, if the business has been formed in the last 36 months, or if there is an expansion that is not consistent with existing business operations
- Financial information

The maximum grant award shall be at the sole discretion of the EDA and shall be weighted based on the economic impact to the City (tax revenues, wages, achievement of Grant goals, etc.).

Façade Improvement Grants
The Façade Improvement Grant is a reimbursement program for façade improvements to taxable commercial, industrial, or mixed-use structures that are 10 years or older. Mixed-use structures must have a commercial component and the grant will only be applicable to the commercial portion of the building. The program provides a matching grant of up to 30% of qualified improvements up to a maximum of $10,000. Projects must meet a minimum threshold of a $3,000 investment by the qualified applicant.
Hampton Grant Application

That minimum threshold is lowered to $1,000 for qualified arts or cultural businesses located within the designated incentive zones of the Hampton Arts and Cultural District.

Applicants must provide two (2) quotes as part of their application. Improvements must be done by contractor(s) licensed by the Virginia Board of Contractors at a level adequate to install the value of the proposed work. In addition, Renderings, drawings, pictures and/or other material samples to illustrate intended improvements

Every project will be evaluated based on the value of its improvement, the extent/scope of work proposed, and its potential economic impact. Each review will consider the following aspects:

- The visual prominence of the building and its location
- The comprehensive approach of the design and the long-term durability and sustainability of the improvements
- Increase in the value or marketability of the real property
- Increase in local tax revenue
- Decrease in vacancy rate
- Level of private investment by the property owner or tenant
- Any other relevant information

Complete applications must be submitted to and accepted by the Economic Development Department prior to commencing work. Acceptance of an application by the Economic Development Department does not guarantee a grant will be awarded by the EDA.

Hampton Manufacturing & Innovation Assistance Grant

Hampton Manufacturing & Innovation Assistance Grants are designed to aid small Hampton manufacturers (employing 90 or fewer employees), primarily engaged in manufacturing, prototyping, design and/or development of commodities, and classified as manufacturers under the North American Industrial Classification six-digit code which starts with the number three (3). This grant pays matching funds of 2:1 for operational improvements and employee training up to a maximum of $10,000 for eligible businesses. Meaning for every $1 the company contributes, the Authority provides a $2 match, up to a maximum of $10,000.

Applicants for this grant must demonstrate one (1) or more of the following: (1) commitment to improve profitability; (2) raise productivity; (3) compete in global markets; or (4) provide enhanced value to the customer through product improvement.

Applicants can seek operational and/or training assistance to achieve their needs from any legitimate service provider including, but not limited to, a community college, other college or university, trade association, or equipment manufacturer. Examples of eligible grant expenditures are listed below, however other operational and training initiatives will be considered.
PART III: Location-specific grant programs

Downtown Hampton and Phoebus Retail Assistance Grant

The Downtown Hampton and Phoebus Retail Assistance Grant is a reimbursement program designed to increase the retail presence and sales in Downtown Hampton and Phoebus. Retail tenants or property owners located within the Downtown Hampton and Phoebus Master Plan areas may apply. This program provides a matching grant of up to 30% of eligible expenses. Projects must meet a minimum total cost threshold of $3,000.

Every project will be evaluated for the value of its improvement, the extent/scope of work proposed, and its potential retail sales impact. Each review will consider the following aspects:

- Consistency with the vision of the district and master plan
- Type of retail activity
- Positive impact on district residential revitalization
- Ability to increase critical mass of retail and to convert first floor space to retail
- Expected effect on the appearance of the district
- Previous success of the business in other locations; or, likely success of the business based on its business plan
- Expected investments by property and business owners
- Return on investment/tax revenue to the City
- Financial history of the applicant
- If the project is a mix of uses (other than retail), the square footage dedicated to retail and (i) the anticipated sales revenue generated by the retail activities, and (ii) a comparison of those retail sales revenues to the total revenues anticipated for all uses

Complete applications must be submitted to and accepted by the Economic Development Department prior to commencing work. Acceptance of an application by the Economic Development Department does not guarantee a grant will be awarded by the EDA. That minimum threshold of $3,000 is lowered to $1,000 for qualified arts or cultural businesses located within the designated incentive zones of the Hampton Arts and Cultural District. In addition, at the discretion of the EDA, arts and cultural businesses may receive an increased award.
NASA Langley Research Center Technology Commercialization Grant

The City is interested in assisting start-ups that want to commercialize technologies created at the NASA Langley Research Center (LaRC) while further developing the entrepreneurial ecosystem in Hampton. The Hampton Economic Development Authority (EDA) created the NASA Langley Research Center Technology Commercialization Grant to stimulate technology transfer, commercialization opportunities and new business creation tied to the NASA LaRC.

The grant can be leveraged to assist businesses with their licensing agreement application efforts and processing fees in accordance with the NASA Langley Research Center requirements. This grant is also available for companies pursuing a Space Act Agreement (SAA) with LaRC or companies seeking to bring a product or developed technology to the marketplace. Furthermore, the grant is available to current and former LaRC civil servants looking to establish or expand technology-focused companies. Grants can be awarded in amounts from $1,000 to a maximum of $10,000 and will require each recipient company to contribute/invest at least an equal amount of the grant awarded. The program funding is subject to City Council appropriations.

Eligible applicants must meet the following qualifications: (1) have a Hampton address at the time of application; (2) be located in a Hampton Enterprise Zone or actively establishing a location in a Hampton Enterprise Zone; (3) have commenced either a Licensing Application or a Space Act Agreement (SAA), been awarded a SBIR/STTR contract with NASA Langley Research Center (LaRC), or a current or former civil servant employed with NASA LaRC seeking to commercialize aerospace technologies similar to those developed at LaRC and the majority owner of the business.

Applicants may use the grant funds for, but not limited to the following: Equipment, Prototyping and testing, Hiring Subject Matter Experts (SME’s), Demonstrations, Raw materials and inventories, Working Capital or State/Federal Matching Grant Program Application Fees. Applications may be denied if the committee determines other programs can provide such services or similar grants.

Complete applications must be submitted to and accepted by the Economic Development Department. The application will be first reviewed by staff which may include an outside “technical advisor.” Grant amount requests up to $5,000 will be designated as “Mini Grants” and will be eligible for a streamlined process only requiring approval from the Loan & Grant Committee. Grants exceeding $5,000 will require approval by the full EDA Board. Acceptance of an application by the Economic Development Department does not guarantee a grant will be awarded by the EDA.
Hampton Grant Application

Checklist

Before you begin filling out an application, please review the checklist below.

For all applicants:

☐ Project summary and Hampton location
☐ Explanation of why financial assistance is being sought
☐ Estimated project timeline including estimated start and end dates.
☐ Include estimated capital investment, pro-forma projections, (three-year summary), and number of new full-time jobs
☐ Applicant information for credit check for all individuals with an ownership interest
☐ Copy of Business License
☐ Non-refundable $50.00 application fee
☐ Resume(s) or Profile for All Owners and Executive Management

Businesses existing less than 3 years must also provide

☐ Business Plan
☐ Personal Financial Statements for All Business Owners
☐ Personal Tax Returns for 3 Years for All Business Owners
☐ Pro-forma Income Projections (profit & loss statement) - Three-year summary, to include detailed projections month by month,

Businesses existing more than three years provide

☐ Company Tax Returns –most recent 2 Years
☐ Company Financial Statements – most recent 2 Years
☐ Business Plan in instances of a major change in business activity

All Applications for improvements to real property must also include

☐ Detailed information including a project description which may include elevations/drawings
☐ Project Costs – attach two (2) estimates from contractors, engineers, and related costs to completed project
☐ If the applicant does not own the property - applications must also include
  ▪ Executed Lessor/Owner Authorization Form
  ▪ Copy of the executed lease agreement
Hampton Grant Application

Please identify the type of grant requested. Check only one grant type per application. If you choose to apply for more than one grant type, a separate application must be submitted for each grant type.

☐ Economic Development
☐ Façade Improvement
☐ Hampton Manufacturing & Innovation
☐ Downtown Hampton & Phoebus Retail
☐ NASA Langley Research Center Technology Commercialization Grant

Applicants must provide the following information. If more space is needed, attach additional pages may be attached to this application. In addition, please refer to the checklist to ensure you have included the proper information necessary to complete your submission.

SECTION I: BUSINESS INFORMATION (Use additional paper if necessary)

1. Applicant Entity:
   Legal Name ________________________________
   Tax ID ____________________  __ Check here if the Tax ID provided is an SSN)
   Trade Name(s) (if applicable) ______________________________
   SCC registration ID (if applicable) ______________________________
   Mailing Address ________________________________
   City/State Zip ________________________________
   Business Location (if different than Mailing Address) ______________________________
   Own or Lease? (Circle One) If leasing, monthly rent amount: ____________________
   Website ________________________________
   Point of Contact for Questions regarding this Application: ____________________
   Business Phone _____________ Cell Phone ____________  Email ____________

2. Applicant Entity is Organized as a: (Check one)
   ☐ Partnership
   ☐ Sole Proprietorship
   ☐ S Corporation
   ☐ C Corporation
   ☐ LLC – Single Member
   ☐ LLC – Multiple Member
Hampton Grant Application

☐ Other

3. Describe Type of Business: _____________________________________________

4. Small Women and Minority Owned Y/N? _______ Virginia SWAM # _______

5. Business NAICS code: ______________________________________________

6. Age of Business: (Check one)
   ☐ New (under 36 months)
   ☐ Existing If so, how long? _____________________________________________

7. Current Number of Employees: Full-time ______ Part-time ______
   Jobs increase expected over next 2 years Full-time ______ Part-time ______

8. Does the applicant or any officer, director, or owner of the applicant have business judgments, past due federal, state, or local taxes of any nature, unsettled lawsuit(s) or major legal disputes past or pending? Yes or No. If YES, Please explain:
   ___________________________________________________________________
   ___________________________________________________________________
   ___________________________________________________________________

9. Has the applicant or any officer, director, or owner of the applicant defaulted on a loan, or been involved in any bankruptcy or insolvency proceedings? Yes or No. If YES, give date(s) and explain:
   ___________________________________________________________________
   ___________________________________________________________________
   ___________________________________________________________________

10. Has the applicant, or any officer, director, or owner of the applicant been informed of any current or on-going investigation to possible violations of state and/or federal securities laws? Yes or No. If YES, Please explain:
    ___________________________________________________________________
    ___________________________________________________________________
    ___________________________________________________________________

11. Has the applicant, or any officer, director, or owner of the applicant ever been charged or convicted of a felony or crime of moral turpitude, or been incarcerated, on probation, or on parole? Yes or No. If YES, Please explain:
    ___________________________________________________________________
    ___________________________________________________________________
    ___________________________________________________________________

A “yes” response to any of items 8 – 11 does not automatically disqualify an applicant. Consideration will be given based upon the disclosure provided.

SECTION II: PROJECT FINANCING INFORMATION: Please be specific.
1. Total Amount of your grant request $____________________

2. Purpose of Request:
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

3. Grants will not cover 100% of the project’s funding. Detail the amount and source of your equity or other financing injection into this project.
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

4. Please provide as much information as possible and include any additional information that will assist the Economic Development Department Staff and the appropriate EDA committee in evaluating your request. You may attach a separate sheet(s) if needed.
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

Hampton Grant Application
SECTION III: FOR BUSINESSES LESS THAN 3 YEARS OLD and BUSINESSES PROPOSING A MAJOR CHANGE IN BUSINESS ACTIVITY:

1. Have you completed a Business Plan? Y/N ______
   If yes, please attach a copy of the Business Plan to this Application.

2. If no, would you like information on assistance available to help you prepare a Business Plan? Y/N ______

SECTION IV: Please read the following and sign the application form below. All owners, or partners must sign this application form.

The undersigned acknowledges and agrees that (i) he/she has read and understands all Applicant Information provided with this Application; (ii) all information provided in the Application is true and accurate; and (iii) any additional information requested by the Economic Development Department staff or the EDA in connection with this Application will provided or authorized for release to said representative. The undersigned further acknowledges and agrees that the Application involves the use of public funds and as such may be made public pursuant to Part I of the Applicant Information (“Public Disclosure; Protection of Confidential Proprietary Information), and any other applicable laws of the United States of America and the Commonwealth of Virginia.

Name (Print) ___________________________   Title __________________________

Signature ___________________________   Date __________________________

(If other than individual/sole proprietor, please provide documentation that you are authorized to sign and enter into this application on behalf of the Applicant Entity.)
Credit Report Access Authorization

The undersigned authorizes any member of the staff of the City of Hampton, Virginia’s Economic Development Department, on behalf of the Economic Development Authority of the City of Hampton, Virginia, to independently verify all information furnished in and in connection with the Application and further authorize said staff to access and retain a credit report(s) and cooperate as necessary to facilitate access to such report(s), including, but not limited to, providing to staff social security number(s) and federal identification number(s).

Individual Authorization:

Name: ______________________________________________________________

Signature: ______________________________________________________________

Date: _________________

Applicant Entity Authorization:

Name (Print) ___________________________     Title __________________________

Signature ___________________________     Date __________________________