

I-95 Corridor Restaurant Incentive Program

Town of Ashland



Office of Economic Development
101 Thompson Street
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Sponsored by the
Ashland Economic Development Authority (EDA)

Policy Number: EDA-202

Date adopted: February 23, 2017

Policy Title: I-95 Corridor Restaurant
Incentive Policy

Revised Date: N/A

- 1) **Purpose:** The Economic Development Authority of the Town of Ashland (EDA) desires to improve economic viability and the overall appearance of properties in and around the I-95 interchange in Town (see attached map for district boundaries). There is an increased cost associated with the redevelopment of some properties in this area. Therefore, the EDA would like to encourage the demolition and replacement of dilapidated and underutilized buildings with restaurants which can substantially improve both appearance and revenue.
- 2) **Incentive:** The EDA offers a rebate of up to fifty percent of meals taxes paid to the Town, over a period not to exceed six years, to qualifying businesses who have demolished an eligible buildings and constructed a new restaurant. The restaurant must generate a minimum of \$100,000 in meals tax to the Town every twelve months. The amount of the rebate is capped at \$550,000.
- 3) **Requirements:** To qualify for this incentive, a potential program participant must complete each of the following requirements:
 - a. To qualify, an applicant must submit an application proposing to demolish an existing structure within the I-95 Corridor Restaurant Incentive District boundary as shown on the attached map, and construct a new restaurant facility.
 - b. The applicant may not use any portion of the structure demolished for the new facility
 - c. For new sites with no previous restaurant in the past 18 months, applicant must

generate \$100,000 annually in new meals tax revenues for the Town. This annual period may begin when the restaurant opens, or at a point mutually agreed upon by the EDA and applicant in the first 18 months of operations

- d.** For sites previously used as a restaurant, applicant must generate \$80,000 in Meals Tax annually above the average annual Meals Tax figure of what the previous occupant of the site was producing in the last 3 years of operation. This annual period may begin when the restaurant opens, or at a point mutually agreed upon by the EDA and applicant in the first 18 months of operations
- e.** Applicants shall post a letter of credit or other appropriate surety until such time as the demolition and new construction are complete.
- f.** Applicant must demonstrate the need for assistance from the Town of Ashland and the EDA to complete the project.
- g.** Program applicants must demonstrate to the EDA an ability to complete the project successfully and provide such documentation as may be necessary and appropriate.
- h.** Program applicants must supply references from past projects.
- i.** To receive a rebate, program participants must:
 - i.** Be in possession of a valid Town of Ashland Business License
 - ii.** Be fully current on all taxes and fees due to the Town of Ashland
 - iii.** Be operating in full compliance of any applicable town or county ordinances, as well as state and federal laws.

4) **Authority:** This policy is issued by the Economic Development Authority of the Town of Ashland.

APPLICATION FORM

ASHLAND ECONOMIC DEVELOPMENT AUTHORITY
I-95 Corridor Restaurant Incentive Program

Ashland Town Hall
Attn: Joe Topham
101 Thompson Street, P.O. Box 1600
Ashland, VA 23005
804.798.1073
Email: jtopham@town.ashland.va.us

Date: _____

I. Applicant Contact Information

Applicant's Name _____

Address _____

Phone _____

Email _____

II. Property Information

Property Address _____

Real Estate Tax Parcel Number _____

Current property owner _____

If not owned by applicant, please specify current status (such as under contract, signed LOI, or verbal agreement)

III. Applicant Background

A. Previous Restaurant Projects Completed

Please list up to three recent restaurant projects (name, address, and year) in which the applicant has been involved (financially or otherwise).

1. _____
2. _____
3. _____

B. References

Please list three references who have worked on at least one of the projects listed above.

1. Name/Title _____
Email _____ Phone _____
2. Name/Title _____
Email _____ Phone _____
3. Name/Title _____
Email _____ Phone _____

C. Project Description

1. Name of Franchisor _____
2. Name of proposed restaurant _____
3. Name of proposed restaurant operator _____
4. Timeline of construction of new restaurant

5. **Total investment** _____
6. **Amount requested** _____
7. **Term length requested** _____

IV. Proposed Restaurant

Please attach a description of the proposed restaurant project to be constructed, along with any work that needs to be done to make the site ready. In addition, please include the following:

1. Any estimates of site work or demolition necessary
2. Any available pro forma and/or business plan
3. Surety or a letter of credit supporting the project

I-95 Corridor Restaurant Incentive Program Guidelines Agreement:

I, the undersigned, agree that should this application be approved I will adhere to the Program Guidelines and meet all requirements set forth by the Ashland Economic Development Authority.

Name & Title _____ Date _____

Please submit to:

Town of Ashland

Economic Development

P.O. Box 1600

Ashland, Virginia 23005

For more information, please contact Joe Topham, Business Retention & Expansion Manager,
804.798.1073 or jtopham@ashlandva.gov