

# I-95 Corridor Restaurant Incentive Program



Office of Economic Development  
121 Thompson Street  
Ashland, Virginia 23005

phone: (804) 798-1073  
fax: (804) 798-4892  
[www.ashlandva.gov](http://www.ashlandva.gov)

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:** August 5, 2021

- 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 seeks to encourage the demolition and replacement of dilapidated and underutilized restaurant buildings that will improve both district appearance and revenue. In addition, the EDA may consider substantial renovation of non-restaurant buildings to repurpose the structure for restaurant use under this program.
- 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 or developers who have demolished an eligible building and constructed a new restaurant or substantially renovated and repurposed an existing building for restaurant use. The new 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 or substantially renovate an existing non-restaurant 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 an existing restaurant structure for a new facility. Exceptions could be made in the case of substantial renovations to repurpose an existing building to a restaurant use.
- 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.** Minimum investment by the developer or business must exceed \$1,000,000.
- i.** Program applicants must supply references from past projects.
- j.** 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: Bobbie Carey  
121 Thompson Street, P.O. Box 1600  
Ashland, VA 23005  
804.798.1073  
Email: bcarey@ashlandva.gov

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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 Bobbie Carey, Business Development Manager,  
804.798.1073 or [bcarey@ashlandva.gov](mailto:bcarey@ashlandva.gov)