

Downtown Smithfield R² RUSH

(Retail and Restaurant - Rental / Upfit Subsidy Help)

- Incentive Program Information/Application -

STRATEGY: Downtown will be the largest collection of high quality, locally owned shops and restaurants in Smithfield.

GOAL

The goal of the **Downtown Smithfield R² RUSH** program is to attract new investment to Downtown in the form of retail and restaurant businesses in order to build a critical mass of these uses through the occupancy of available retail/restaurant space. The incentives offered through this program will support retail and restaurant recruitment into Downtown by assisting quality businesses with up-fit or occupancy costs, thereby making Downtown a more attractive option for business development.

INCENTIVES

1. Rent Subsidy

Qualified retail or restaurant businesses locating in designated Downtown locations would be eligible for:

Up to \$2.00 per square foot leased/purchased for retail use for a 12 month period; or

Up to \$4.00 per square foot leased/purchased for restaurant use for a 12 month period

Example: Restaurant leases a 2,000 sq. ft. space: Up to \$8,000 grant funds paid over 12 months

Payment of Rent Subsidy funds shall be made by the **Downtown Smithfield Development Corporation** to approved applicants at the end of each calendar quarter based on rent paid that quarter. Proof of timely payment of the full amount of rent will be required before Rent Subsidy funds are released.

2. Up-fit Assistance

Qualified retail or restaurant businesses locating in designated Downtown locations would be eligible for:

Up to \$1.50 per square foot leased/purchased for retail use for a 12 month period; or

Up to \$3.00 per square foot leased/purchased for restaurant use for a 12 month period

Example: Retail shop leases a 1,700 sq. ft. space: Up to \$2,550 grant funds to be paid

Payment of Up-Fit Assistance funds (up to the approved amount) shall be made by the **Downtown Smithfield Development Corporation** to approved applicants within 30 days of submittal and approval of paid invoices for up-fit expenses.

Property owners will be required to accept Restrictive Covenants on their properties requiring the lease rate offered to the restaurant/retail tenant and the use of the space for retail/restaurant to be maintained for three years. If the property owner wishes to change the use of the space from restaurant/retail use or to increase the lease rate within 3 years of the up-fit assistance being awarded, he/she must reimburse a pro-rata share of the up-fit grant disbursed by the **Downtown Smithfield Development Corporation**.

GUIDELINES

1. Incentive funds are provided by the Downtown Smithfield Development Corporation.
2. Incentive funds are not “as of right”, that is, they are not automatically provided to eligible retail or restaurant businesses which purchase or lease eligible properties. Applications are required and they are reviewed on a case-by-case basis by the Downtown Smithfield Development Corporation,
3. Applications will be received from applicants wishing to open retail or restaurant in the Downtown “core area” only (bound by Market St., Second St., Third Street., Fourth St., Johnston St., Front St., Church St., Bridge St.).
4. Incentive funds are limited and the program will run as a limited time offer.
5. The timeframe to receive a decision on the awarding of incentives (from the time a complete application is received) is 30 days.
6. Grants funds will be paid to approved applicants upon submission of an invoice to the Downtown Smithfield Development Corporation along with a copy of paid invoices and /or receipts. The approved applicant will pay the eligible expense first and then seek reimbursement according to these incentive guidelines from the Downtown Smithfield Development Corporation. The turnaround time to submit an invoice and receive payment is 30 days.
7. In addition to the **Downtown R² RUSH** Incentive Application, applicants must submit the following items in order for The Downtown Smithfield Development Corporation to make an appropriate decision on an application: Letter of intent to lease or purchase or a signed lease (min. 3 years)/purchase contract contingent on receipt of incentives, Business Plan, Financial Statements and/or pro-forma, Marketing/Advertising Plan, Cost estimates for up-fit/equipping the space, Business/personal history and experience.
8. Applicants for these incentives must be making significant new investment in Downtown either as a new eligible business or as a significant expansion of an existing eligible retail or restaurant business.
9. The rent subsidy and up-fit assistance may not be used together.
10. The maximum funding assistance of \$10,000 per property.

ELIGIBILITY (Final decisions on eligibility and the awarding of incentives rests with the Downtown Smithfield Development Corporation)

- **Retail Trade** – Generally all are eligible EXCEPT motor vehicles and parts dealers, boat dealers, recreational vehicle dealers, motorcycle dealers, tire dealers, etc., gasoline stations, manufactured/mobile home dealers, non-store retailers (mail order, vending machine, electronic auctions, etc.).
- **Services** – Fitness centers, salons, computer repair and other service businesses are eligible EXCEPT professional services such as Attorneys, Insurance Agents, Financial Planners, Bail Bonds, Medical Offices, etc.
- **Consumer Goods Rental** – Products such as formal wear and video tapes/discs are eligible; EXCEPT consumer electronics and appliance rental, home health equipment rental.
- **Arts Entertainment and Recreation** – Performing arts companies, promoters of performing arts, and similar facilities.
- **Accommodations and Food Services** – Generally all are eligible EXCEPT recreational vehicle parks and campgrounds and rooming and boarding houses.
- **Dry Cleaning Services** – Generally all are eligible EXCEPT coin-operated.

The Downtown Smithfield Development Corporation reserves the right to waive or increase incentive program requirements and to interpret and/or adjust incentive program eligibility as it deems necessary. The Downtown Smithfield Development Corporation reserves the right to receive, decline, review, and approve/deny applications from uses not fitting within the above criteria on a case-by-case basis. The Downtown Smithfield Development Corporation will base its decisions (to receive applications and to approve or deny) based on the applicant’s anticipated impact on the overall economic health of Downtown Smithfield.

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Business Name _____

Address of Proposed Downtown Business _____

Property Owner _____

Deed Book _____ Page _____

Address of Proposed Downtown Business _____

Applicant's Mailing Address _____

City _____ State _____ Zip _____

Applicant's Phone _____

Email _____

Use: (Circle)

Retail Square Feet _____

Restaurant Square Feet _____

Incentive: (Circle)

Rent Subsidy

Up-fit Assistance

Approximate cost to open the business: \$ _____	Number of new Jobs _____
Personal Investment \$ _____ (Equity)	Expected daily traffic _____
Bank or other financial commitment \$ _____	Other: _____
Building Rehabilitation \$ _____	

Monthly Rent/Lease \$ _____ Additional Space provided if Expansion _____ Sq. Ft.

Proposed Opening Date of the Business _____

Description of the Business _____

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Business Information

Please submit the following items in order for the Downtown Smithfield Development Corporation to make an appropriate decision on an application:

- Letter of intent to lease or purchase or a signed lease/purchase contract contingent on receipt of incentives
- Business Plan
- Financial Statements and/or pro-forma
- Marketing Plan
- Cost estimates for up-fit/equipping the space
- Business/personal history

Signatures: _____ Business Owner Date _____

_____ Property Owner Date _____

Submit the application form and all required documents supporting your application to:

Chris Johnson
Executive Director
Downtown Smithfield Development Corporation
200 South Front Street
Smithfield, NC 27577
(919) 934-0887
DSDCChris@aol.com