

I-95 Corridor Restaurant Incentive Program

Town of Ashland



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Sponsored by the
Ashland Economic Development Authority (EDA)

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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.