



## BUSINESS INCENTIVES

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## **Business Incentives**

### **Purpose**

The purpose of these business incentives is to create an attractive climate for business and economic growth by encouraging and supporting private sector investment, development and expansion. This is accomplished by reducing the cost of doing business through regulatory flexibility, tax, and other financial incentives.

Incentive applications may be submitted once every twelve months.

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# Water & Sewer Connection Incentive

Corporate Limits of South Hill, VA

## Incentive Name and Description:

The Water/Sewer Connection Incentive is a stimulus payment up to \$2,500.00 for new or expanding business. The stimulus payment will be paid only when the Town is satisfied the jobs have been created and filled.

## Qualifications:

A minimum of three (3) permanent full-time jobs as defined by the Commonwealth of Virginia must be created within six months of water/sewer service cut-on.

## Financial Value of Incentive:

\$1,000.00 water connection fee

\$1,500.00 sewer connection fee

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# **Building Permit Incentive**

## **Corporate Limits of South Hill, VA**

### **Incentive Name and Description:**

The Building Permit Incentive is a stimulus payment of building permit fees up to \$5,000.00 for new or expanding businesses.

### **Qualifications:**

Minimum investment of \$500,000.00 in land, buildings or equipment

### **Financial Value of Incentive:**

Dependent on the cost of facility construction/expansion

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# Business License Tax Incentive

## Corporate Limits of South Hill, VA

### Incentive Name and Description:

The Business License Tax Incentive is a stimulus payment of business license tax up to \$15,000.00 in total, for new or expanding businesses.

- First Year – 100%
- Second Year – 50%
- Third Year – 25%

The stimulus payment will be paid only when the Town is satisfied the jobs have been created and filled.

### Qualifications:

A minimum of three (3) permanent full-time jobs as defined by the Commonwealth of Virginia must be created within six months of water/sewer service cut-on.

### Financial Value of Incentive:

Dependent upon type of business and gross receipts.

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# Real Estate, Business & Personal Property Taxes Incentive

## Corporate Limits of South Hill, VA

### Incentive Name and Description:

Real Estate, Business & Personal Property Taxes Incentive is a stimulus payment of real estate and personal property taxes for new or expanding businesses. The stimulus payment will be paid only when the Town is satisfied the jobs have been created and filled.

### Qualifications:

- a. One (1) to two (2) million dollars in private investments (building and land) and create a minimum of 10 full-time jobs as defined by the Commonwealth of Virginia.
  - **First Year – 50%** of Real Estate and Personal Property Taxes
  - **Second Year – 25%** of Real Estate and Personal Property Taxes
  - **Third Year – 15%** of Real Estate and Personal Property Taxes
- b. Two (2) million dollars plus in private investments (building and land) and create a minimum of 75 full-time jobs as defined by the Commonwealth of Virginia Six.
  - **First Year – 75%** of Real Estate and Personal Property Taxes
  - **Second Year – 50%** of Real Estate and Personal Property Taxes
  - **Third Year – 25%** of Real Estate and Personal Property Taxes

### Financial Value of Incentive:

Dependent on the cost of facility construction/expansion

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# Historic Structure Incentive

## Corporate Limits of South Hill, VA

### Structure Type:

Buildings eligible for Commonwealth of Virginia or Federal Historic Tax Credits

### Qualifications:

Renovation of a building designated as historic by the federal government or the Commonwealth of Virginia or located in a federal or state recognized historic district within the Town of South Hill with a minimum investment of \$250,000.00 OR the creation of the equivalent of two (2) full-time jobs. Investment will be established by evidence provided to the Code Compliance Official during the permitting process. To meet the job requirement, the business must create and maintain the equivalent of two (2) or more full-time employees for at least one year. The building must remain fully operational as a historic structure for incentives to remain in effect.

### Incentives:

Economic Stimulus Grant

- Stimulus payment of the business, professional and occupation license (BPOL) tax for two years
- Waiver of building permit fees up to \$2,500.00
- Stimulus payment of Water/Sewer connection fees up to \$2,500.00
- Grant equal to 100% of real estate taxes in Year 1
- Grant equal to 75% of real estate taxes in Year 2
- Grant equal to 50% of real estate taxes in Year 3
- Grant equal to 25% of real estate taxes in Year 4

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# Façade Improvement Grant Program

## Corporate Limits of South Hill, VA

### Incentive Name and Description:

The South Hill Façade Improvement Program is a collaborative effort between the Town and property owners/occupants to improve the attractiveness of our town. The matching funds are available to assist building owners and occupants as a dollar for dollar reimbursement for qualifying expenditures with a maximum match of \$5,000.00 per building.

### Program Details:

Qualifying expenditures must be for relatively permanent improvements that enhance the appearance of a commercial building's facade regardless of the building's business use (commercial, retail, office, etc.). Examples of qualifying expenditures include exterior paint, exterior lighting, exterior doors and windows, and blank exterior awnings with no signage.

Examples of expenditures that do not qualify include signage, interior improvements, and exterior improvements which are not readily visible from the street in front of the building. For buildings located at the corner of two streets, permanent improvements to the side of the building which fronts on the side street may be considered.

Buildings located in the corporate limits of the Town of South Hill, VA are eligible to participate in the façade improvement program.

Building owners are required to submit an Application for Matching Funds with a detailed description and cost estimate of planned improvements to a Project Review Committee prior to construction. The committee will review and approve or deny (with explanation) the application within 30 days of receipt. Denied applications may be modified and resubmitted.

For qualifying projects, work must begin within 30 days of approval and be completed within 90 days of approval. Matching funds may not be available if projects are not timely completed. Extensions to complete work may be requested under certain uncontrollable circumstances, but are discouraged. If granted, an extension may not exceed 60 days. Only one extension per project will be considered.

Upon completion of work within the required time frame, property owners must submit a request for reimbursement of qualifying expenditures with copies of paid receipts attached to the Project Review Committee. Within 14 days of receiving the request the committee will inspect the work for satisfactory completion. The committee will be happy to conduct interim inspections upon request to ensure improvement efforts are appropriately proceeding. Upon satisfactory completion of the work and approval by the Committee, the Town will reimburse the Applicant for up to 50% of qualifying expenditures.

The program will remain in place until the matching funds are exhausted. The funds are available on a first come first serve basis.

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# Water & Sewer Connection Incentive

## Downtown Zone of South Hill, VA

### Incentive Name and Description:

The Water/Sewer connection incentive provides a stimulus payment up to \$2,500.00 for new or expanding business. The stimulus payment will be paid only when the Town is satisfied that \$10,000.00 in private investments were made.

### Qualifications:

\$10,000.00 private investments (building and land) or remodeling.

### Financial Value of Incentive:

\$1,000.00 water connection fee

\$1,500.00 sewer connection fee

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# Building Permit Incentive

Downtown Zone of South Hill, VA

## Incentive Name and Description:

The Building Permit incentive provides a stimulus payment for building permit fees for new or expanding businesses.

## Qualifications:

Minimum investment of \$10,000.00 in land, buildings or equipment

## Financial Value of Incentive:

Dependent on the cost of facility construction/expansion

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# Real Estate, Business & Personal Property Taxes Incentive

## Downtown Zone of South Hill, VA

### Incentive Name and Description:

Real Estate, Business & Personal Property Taxes Incentive is a stimulus payment of real estate and personal property taxes for new or expanding businesses in the downtown zone only.

- First Year – 50% of Real Estate and Personal Property
- Second Year – 25% of Real Estate and Personal Property
- Third Year – 15% of Real Estate and Personal Property

### Qualifications:

\$10,000.00 private investments (building and land) or remodeling

### Financial Value of Incentive:

Dependent on investment cost

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# Building Up-fit Grant Program

## Downtown Zone of South Hill, VA

### Purpose:

Economic development is a priority for the Town of South Hill and its residents. Attracting new businesses and expanding existing businesses in downtown is a part of this goal. The Town of South Hill's Building Up-fit Grant encourages growth and development by assisting property owners and businesses with improvements, renovations, and/or additions to their interior spaces.

### Program Details:

- Grant applications will be accepted on a "first-come, first-served" basis.
- Grant amounts up to \$10,000.00 inside the designated downtown area.
- Building Up-fit Grant may be used in conjunction with the Town of South Hill Façade Improvement Grant.
- Grant requires a 1:1 match by the tenant or property owner. Approved applicants must spend an amount on improvements, renovations, and/or additions at least equal to the amount of grant funds provided.

### Qualified Improvements Include:

- Mechanical, electrical, and/or plumbing for improvement.
- HVAC, fire suppression, costs of bringing building up to code.
- Flooring.
- Lighting.
- Accessibility compliance.
- Restrooms.
- Utility upgrades.
- Construction of new walls/demolition of unnecessary existing walls.
- Support mechanisms (roofing, foundation, support beams, columns, trusses, etc.)

### Criteria for Qualifying Projects:

- The property must be located within the defined downtown area of South Hill.
- The applicant must be the occupant or landlord of the improved property.
- If the applicant is a tenant, they must have a fully signed lease and written approval from the property owner supporting the improvements to be made and agree to the terms and conditions of the grant award. A lease term of a minimum of two (2) years is required.
- Funding must support capital investment (expenditures for improvements, renovations and/or additions to the property) and cannot be used for personal property located upon or used in connection with the property.
- The improvements, renovations and/or additions must have been undertaken after appropriate permits from the Town of South Hill have been obtained.

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- Improvements made must remain with the property for a minimum of two (2) years following the disbursement of grant funds.
- If the funded improvements are removed from the property or damaged and not repaired within the two (2) years occupancy period, funds shall be repaid to the Town 100%.
- If the grantee fails to timely pay taxes owed to the Town of South Hill during the two (2) year occupancy period and continues to fail to pay such taxes within 10 business days of receiving notice of tax delinquency from the Town, the entire grant amount must be repaid to the Town.
- Space or building must be existing.

### **Disqualifying factors:**

- Improvements, renovations, and/or additions to the commercial property shall not qualify for an up-fit grant if the applicant or property owner has applied for or been approved for building permits or began construction on the up-fit prior to the award of the grant. No applicant will be considered until all outstanding amounts due to the Town are paid in full.

### **Grant process:**

- Applicant must complete a Building Up-fit Grant application.
- The Business Development Manager will review and score all the grant applications under consideration.
- The Business Development Manager shall give written notice to each applicant of the approval or disapproval of each grant application.
- The applicant must obtain all appropriate permits before any improvements, renovations, and/or additions are undertaken.
- Applicant must have a Certificate of Occupancy or Certificate of Compliance and be open for business before grant funds will be disbursed.

### **Upon approval for a grant:**

- Any changes to qualifying expenditures must be approved by the Business Development Manager in order to qualify for reimbursement.
- Once the grant is approved, the grantee has up to six (6) months to obtain building permits, complete the project and obtain a certificate of occupancy or compliance and open for business. If one or all of these criteria are not met then the grantee will be notified in writing that the grant is terminated.
- Grantees can request an extension thirty (30) days before the six-month lapse points. One extension, of no longer than six (6) months, may be granted, per project, at the discretion of the Town Manager or their designee.
- All projects are subject to applicable zoning and building codes.
- The grant shall be awarded only after the work has been completed and a final inspection has been made by the South Hill Code Compliance Official to determine that the work has been satisfactorily and entirely completed according to approved plans and specifications.
- Proof of costs and payment, in the form of paid invoices, will be required to receive grant payout.

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# Business Incubation Grant

## Downtown Zone of South Hill, VA

### Purpose:

The Business Incubation Grant Program is an initiative of the Town of South Hill aimed at assisting start-up businesses occupying commercial, industrial, and mixed-use properties within the Downtown Zone with rental or mortgage costs for the first full year of operation. The Town of South Hill allocates funding for the program per fiscal year. Grants will be the lesser of \$5,000.00 per business for the first full year of operation and 20% of the rent or mortgage paid by the business.

### Guidelines:

- Only those individuals who have created new start-up businesses that are physically located within the downtown area are eligible to receive grant funds.
- “New start-up businesses” are defined as those businesses that have never previously had a business presence within the corporate limits of South Hill nor have had a business license issued by the Town of South Hill. An individual or individuals who previously operated a business within the corporate limits of South Hill and were issued a Town business license under a different business name are excluded from receiving grant funds, unless the new business formed is substantially different (goods sold, services provided, etc.) than the business that previously existed.
- Business must obtain all required zoning and building permits.
- Business must obtain a Town issued business license.
- Grants shall be the lesser of \$5,000.00 per business over a 12-month period limited to 20% of the rental or mortgage rate paid by the business.
- Grants will be limited to the first full year of operation only and to the months following approval of the grant application, i.e. requests for rent or mortgage paid prior to approval shall not be reimbursed. “First full year of operation” commences at the beginning date of the business’s lease.
- Grants will be available on a first come, first served basis.
- Both applicant (tenant) and property owner (landlord) must be current on all taxes and fees owed to the Town.
- Home occupations are not eligible to receive grant funds.
- Town staff has the authority to interpret guidelines and impose additional conditions as deemed necessary.

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### **Application Process:**

1. Applicant submits required application, proposed lease or mortgage agreement, and any other supporting documentation requested to the Business Development Manager.
2. Business Development Manager verifies business is located within defined downtown area.
3. Business Development Manager checks with Finance Department to verify whether the applicant (tenant) or property owner (landlord) is delinquent on any taxes or fees owed.
4. Business Development Manager reviews application with the Town Manager. Town Manager must approve application to receive grant funds.
5. Business Development Manager informs applicant of grant funding status via written letter and confirm receipt and answer any questions applicant may have.

### **Reimbursement Process:**

1. Business submits reimbursement request, along with payment documentation, to the Business Development Manager.
2. Business Development Manager checks with Finance Department to verify whether the applicant (tenant) or property owner (landlord) is delinquent on any taxes or fees owed.
3. Business Development Manager submits reimbursement request and payment documentation to the Finance Department.
4. Finance Director issues reimbursement check.
5. Business Development Manager sends check to business.

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# Business Utility and Services Grant

## Downtown Zone of South Hill, VA

### Purpose:

The Business Utility / Town Services Grant Program is an initiative of the Town of South Hill aimed at assisting new start-up businesses occupying commercial, industrial, and mixed-use properties within the defined Downtown Zone with water, sewer, and trash pickup costs for the first full year of operation. The Town of South Hill allocates money for the program per fiscal year. Grants must be the lesser of \$1,500.00 per business for the first full year of operation.

### Guidelines:

- Only those individuals who have created new start-up businesses that are physically located within the defined downtown area are eligible to receive grant funds.
- “New start-up businesses” are defined as those businesses that have never previously had a business presence within the corporate limits of South Hill nor have had a business license issued by the Town of South Hill. An individual or individuals who previously operated a business within the corporate limits of South Hill and were issued a Town business license under a different business name are excluded from receiving grant funds, unless the new business formed is substantially different (goods sold, services provided, etc.) than the business that previously existed.
- Business must obtain all required zoning and building permits.
- Business must obtain a Town issued business license.
- Grants shall not exceed a total of \$1,500.00 per business over a 12-month period.
- Grants will be limited to the first full year of operation only and to the months following approval of the grant application, i.e. requests for utilities or services paid prior to approval shall not be reimbursed. “First full year of operation” commences at the beginning date of the businesses lease or purchase agreement.
- Grants will be available on a first come, first served basis.
- Business must be current on all taxes and fees owed to the Town.
- Home occupations are not eligible to receive grant funds.
- Town staff has the authority to interpret guidelines and impose additional conditions as deemed necessary.

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### **Application Process:**

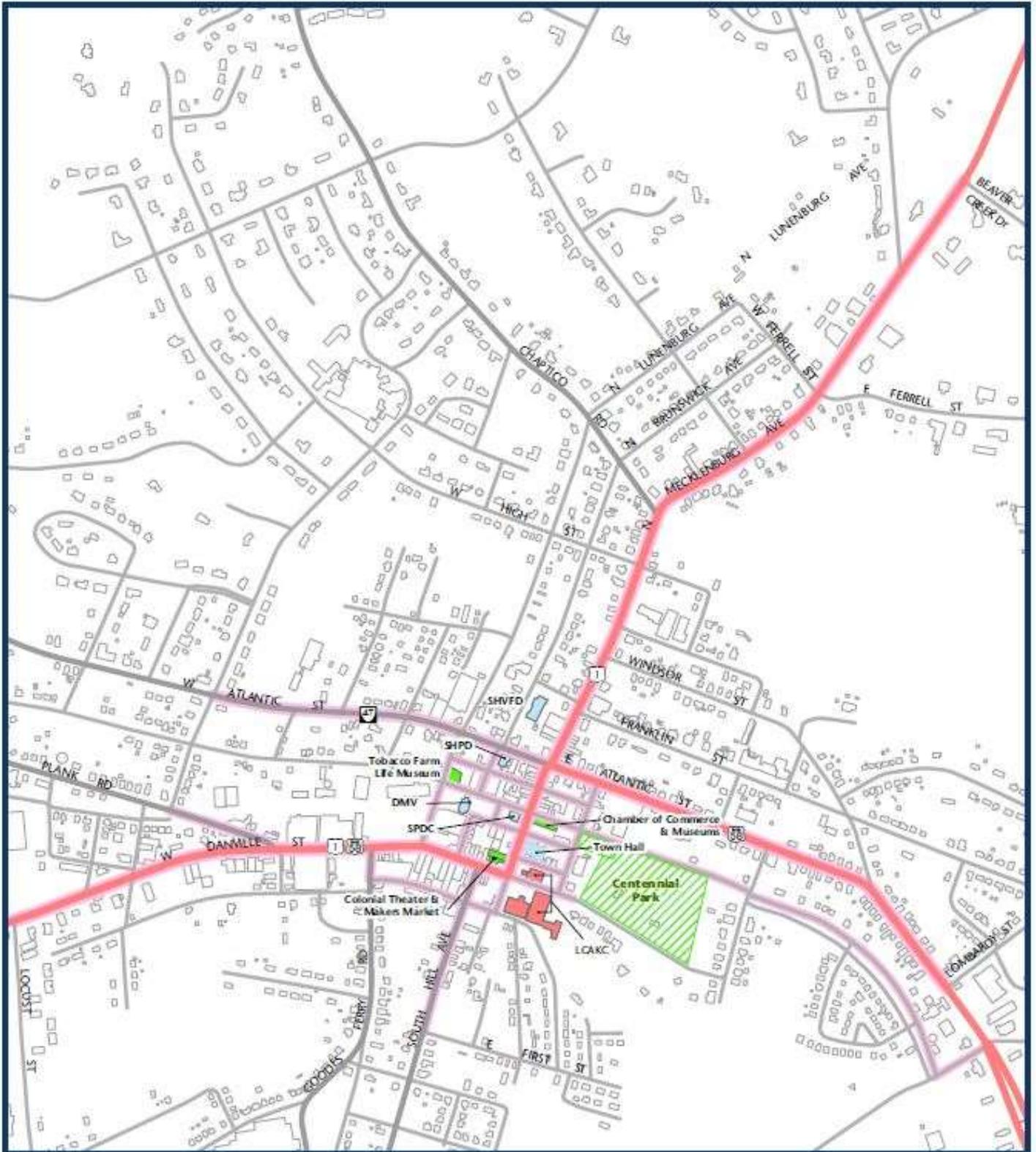
1. Applicant submits required application, proof of utility payment, and any other supporting documentation requested to the Business Development Manager.
2. Business Development Manager verifies business is located within defined downtown area.
3. Business Development Manager verifies with Finance Department to verify whether the applicant business is delinquent on any taxes or fees owed.
4. Business Development Manager reviews application with the Town Manager. Town Manager must approve application to receive grant funds.
5. Business Development Manager informs applicant of grant funding status via written letter and confirms receipt and answers any questions applicant may have.

### **Reimbursement Process:**

1. Business submits reimbursement request, along with payment documentation, to the Business Development Manager.
2. Business Development Manager checks with Finance Department to verify whether the applicant business is delinquent on any taxes or fees owed to the Town.
3. Business Development Manager submits reimbursement request and payment documentation to the Finance Department.
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# South Hill *virginia* Greater Downtown Area



- Attractions & Tourism
- Government & Public Use
- Health & Education
- Other Buildings
- Parks & Recreation

