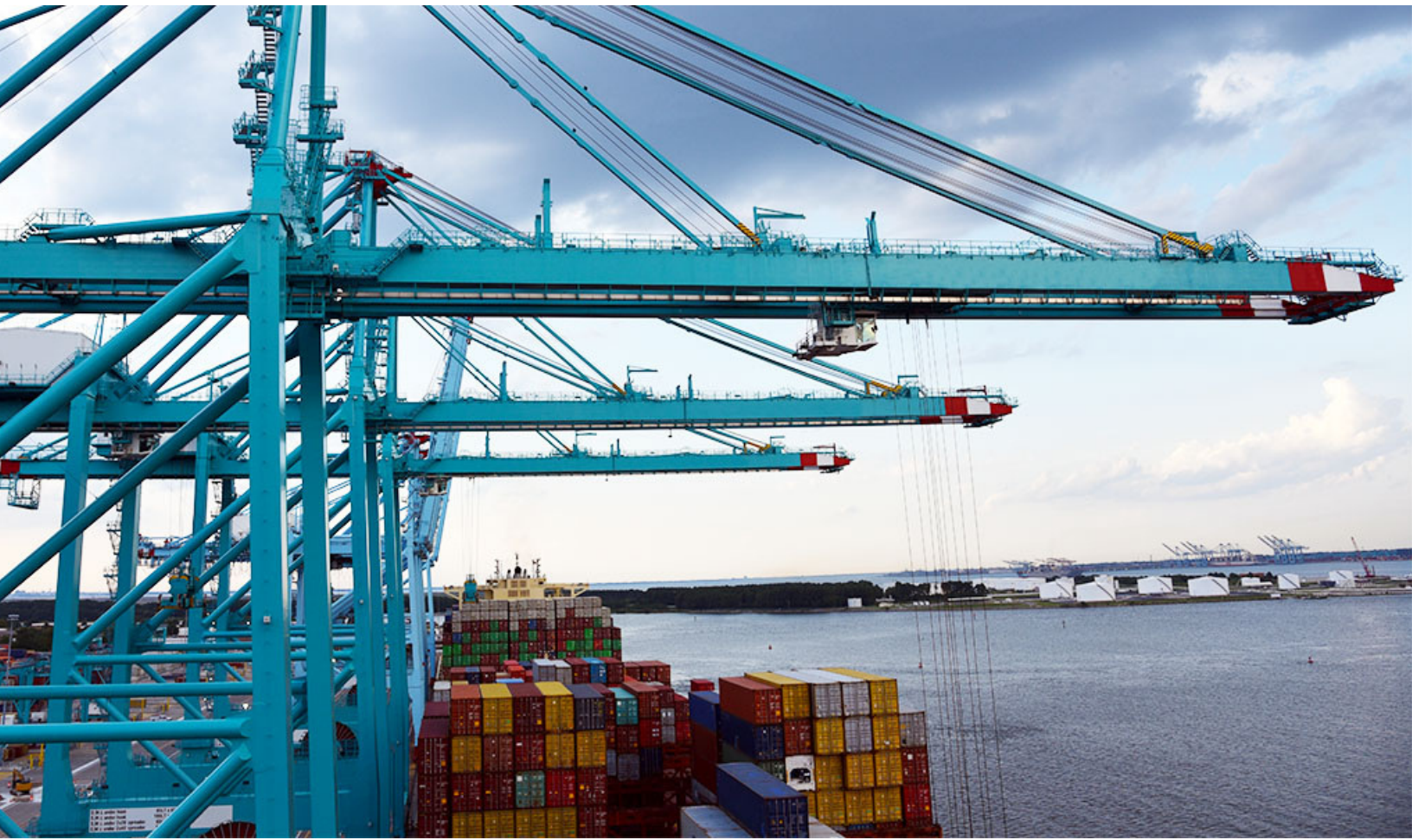




PORTSMOUTHVA
Port & Industrial Commission

**JOB
CREATION
GRANT**



Program Guidelines & Application

FY 2023



I. PROGRAM OBJECTIVE

The Portsmouth Port & Industrial Commission (PPIC) Job Creation Grant (JCG) is designed to provide new and expanding existing Portsmouth based businesses in the industrial and port-related industry sectors with financial assistance for the creation of new positions that provide employees living wages.

II. ELIGIBILITY GUIDELINES

- **Eligible applicants:** Business must be located within City of Portsmouth limits and must operate within one of the following industry sectors:
 - Maritime
 - Distribution/Logistics
 - Offshore Wind
 - Advanced Manufacturing
- Available to businesses and projects with a minimum qualified new capital investment of \$5 million
- Entities of local, state, or federal government, and/or non-profit organizations are *prohibited from applying*.
- Businesses current with City of Portsmouth taxes and fees

- **Maximum Grant Award: \$80,000**
 - Firms can receive grants for up to 100 newly created positions in the Grant Year

- **Grant Parameters:** Provides for a one-time grant award equal to \$500 per position for qualified positions earning at least 175% of the Virginia Minimum Wage (VMW) and \$800 per position for qualified positions earning at or above 200% VMW.
 - Qualifying positions are net new permanent full-time jobs exceeding a four-job threshold during Grant Year employment (not to exceed 100 newly created positions).
 - Qualifying positions must provide health benefits (Business must offer to cover at least 50% of employee's health insurance premium).
 - Qualifying positions cannot be transferred from another locality within the Commonwealth of Virginia, or created while a company is simultaneously downsizing elsewhere in the Commonwealth.
 - The Grant term must begin no more than 90 days after the Grant Agreement is issued and continues for 12 months.



III. APPLICATION & APPROVAL PROCESS

The Job Creation Grant Application is a four-step process. The completed Job Creation Grant application is to be submitted to Portsmouth Economic Development for review and is not considered submitted if incomplete. Completed applications (those containing all required documentation) will be reviewed to determine completion status and adherence with program guidelines.

All applications require consideration by the Portsmouth Port & Industrial Commission (PPIC) Board of Commissioners. Approval or denial of an application lies within the discretion of the PPIC Board of Commissioners, considering factors such as the degree to which the business activity contemplated by the application further the goals of the program, the degree of the need for the requested funding, the level of funding requested, the amount of program funds remaining for the year, and any other factors the Board may deem relevant.

With a finalized and completed application approved, the applicant moves into a Grant Agreement with the PPIC, agreeing to the conditions of approval and terms of grant disbursement. Documentation of job creation, to include a CPA attestation, during the Grant Year will be required before grant funds are disbursed.

Step One

Completion & submission of Job Creation Grant Application to Portsmouth Economic Development.

Step Two

Portsmouth Port & Industrial Board of Commissioners reviews and approves completed application and required documentation.

Step Three

If approved, applicant enters into a Grant Agreement with the PPIC. Grant Year begins no more than 90 days after Grant Agreement is issued.

Step Four

Grant funds will be disbursed when documentation of job creation during the Grant Year has been provided by Applicant.

IV. GRANT CALCULATION

Job Creation Grant awards are determined by the number of net new full-time* permanent positions created, wages paid and the number of full months positions were filled during the grant year.

Grants are available in amounts of:

- \$500 per grant eligible position filled by an employee earning at least 175% of the VMW who was offered health benefits
- \$800 per grant eligible position filled by an employee earning 200% of the VMW who was offered health benefits,
- Firms can receive grants for up to 100 newly created positions in the Grant Year

The Virginia Minimum Wage (VMW) is currently \$11.00 per hour. In order to be eligible for the Job Creation Grant, net new positions must be paid at least \$19.25/hour to be eligible for the \$500 grant and at least \$22.00/hour to be eligible for the \$800 grant. The VMW will increase to \$12.00 in 2023, \$13.50 in 2025 and \$15.00 in 2026.

Grant Year Employment begins no more than 90 days after the Grant Agreement is issued and continues for 12 months.

**Full time is defined as 35 hours per week, 48 weeks per year and does not include Part Time, Contract, Season, Leased, etc.*

$\$11.00 \times 175\% = \$19.25/\text{HR}$	$\$11.00 \times 200\% = \$22.00/\text{HR}$
$25 \times \$500 = \$12,500$	$25 \times \$800 = \$20,000$
$50 \times \$500 = \$25,000$	$50 \times \$800 = \$40,000$
$75 \times \$500 = \$37,500$	$75 \times \$800 = \$60,000$
$100 \times \$500 = \$50,000$	$100 \times \$800 = \$80,000$

Example Grant Calculation (based on current Virginia Minimum Wage of \$11.00/HR effective January 2022)

V. NEW POSITION REQUIREMENTS

The Job Creation Grant is awarded for the creation of net new permanent full-time positions meeting certain wage and health benefits requirements during the grant year. Given the normal turnover of employees, it is possible that several employees will fill one permanent full-time position during a calendar year. This is acceptable as long as it is not “job sharing” where two employees, each working part-time, fill one position.

ELIGIBLE POSITIONS

A position created by a business firm, in which the employee is normally scheduled to work full-time, based on the following criteria:

- Minimum of 35 hours per week for the entire normal year of the business firm’s operations, which a normal year must consist of at least 48 weeks;
- Minimum of 35 hours per week for a portion of the taxable year in which the employee was initially hired for or transferred to the business firm; or
- Minimum of 1,680 hours per year if the standard fringe benefits are paid by the business firm for the employee.

INELIGIBLE POSITIONS

- Positions paid less than 175% of the Federal Minimum Wage (\$12.69/hour) or 150% of FMW
- Positions that were not offered health insurance coverage equal to at least 50% of health insurance premium based on the health benefits agreement
- Positions not meeting the statutory definition of ‘Full-Time’
- Positions that are seasonal, temporary, leased, or contracted
- Positions that previously existed elsewhere in Virginia
- Positions created by a business that is simultaneously closing or downsizing other facilities in the Virginia
- A position that was previously filled with the same job function in Virginia by a related party, or a trade or business under common control. This includes positions filled by a business that were then purchased by another taxpayer who continued its operation (not net new to Virginia).



BUSINESS INFORMATION

DATE OF APPLICATION

/ /

Business Legal Name:

Physical Address of Business:

SWaM, Minority, Woman, Veteran-Owned Business: Yes No

If yes, please identify all that apply:

APPLICANT CONTACT INFORMATION

Name of Grant Applicant Representative:

Mailing Address:

Daytime Phone: Email Address:

NOTE: The Grant Applicant Contact Information listed above will be used for all correspondence from Portsmouth Economic Development staff relating to this grant application.

FUNDING REQUESTED

Type of Job Creation Made by the Applicant: Expansion of an existing business New business

Relocation of a business from within Virginia If yes, City/County:

Relocation of a business from outside Virginia If yes, City/State:

Total Net New Full-Time Permanent Jobs Created at 175% of the Virginia Minimum Wage: jobs x \$500 = \$

Total Net New Full-Time Permanent Jobs Created at 200% of the Virginia Minimum Wage: jobs x \$800 = \$

Total Funding Amount Requested: \$

CERTIFIED PUBLIC ACCOUNTANT

Name of Certified Public Accountant: VA License #:

Accounting Firm:

Mailing Address:

Daytime Phone: Email Address:

REQUIRED DOCUMENTATION

Completed Form W-9

Copy of City of Portsmouth Business License (if applicable)

Business Biography

Job Creation Plan that includes a list of net new full-time positions at 175% and/or 200% of the Virginia minimum wage rate with healthcare benefits

CPA Attestation of minimum qualified new capital investment of \$5 million

DECLARATION

By signing below, I attest that I have reviewed the details of the grant request as stated above and agree to the submission of this request to the Portsmouth Port & Industrial Commission (PPIC) Board of Commissioners.

I understand and agree that all grant awards are at the sole discretion of the PPIC and because all information furnished in connection with this application for the Job Creation Grant program involves the use of public funds and as such, may be made public pursuant to the statutes of the United States of America, the Commonwealth of Virginia, and the City of Portsmouth.

I understand that the application is not finalized until the issuance of a Grant Agreement by the PPIC outlining the terms, conditions, and limitations of the Job Creation Grant program and the authorization to commence grant-funded activities.

All business owners, partners, etc. must sign this application form. If the business is owned by a legal entity, organization, or corporation, the applicant must supply corporate legal documents authorizing signer. If signing on behalf of an entity, please state the entity name and your position after the signature. For questions on completing this application, please contact the Portsmouth Economic Development staff at 757.393.8804.

Business Owner Signature(s)

Signature: Title:

Printed Name: Date: / /

Signature: Title:

Printed Name: Date: / /

Authorized Representative Signature

Signature: Title:

Printed Name: Date: / /



APPLICATION EVALUATION

Completed by Portsmouth Economic Development Staff

Date Application Received: / /

Application Received By:

BUSINESS ELIGIBILITY

- Business is located within City of Portsmouth limits
- Business operates within one of the following industry sectors:
 - Maritime
 - Distribution/Logistics
 - Offshore Wind
 - Advanced Manufacturing
- Business is not an entity of local, state, or federal government, and/or a non-profit organization
- Business is current with City of Portsmouth taxes and fees

REQUIRED DOCUMENTATION PROVIDED

- Completed Form W-9
- Copy of City of Portsmouth Business License (if applicable)
- Job Creation Plan that includes a list of net new full-time positions at 175% and/or 200% of the Virginia minimum wage rate with healthcare benefits
- CPA Attestation of minimum qualified new capital investment of \$5 million
- Business Biography

APPROVALS

Date Application Approved: / /

Date Grant Agreement Issued by PPIC: / /

Grant Year Start Date: / /