

FY 2022

# REAL PROPERTY INVESTMENT GRANT

## *PROGRAM GUIDELINES & APPLICATION*



**PORTSMOUTHVA**  
economic development

*The smart move for business.*

# REAL PROPERTY INVESTMENT GRANT

## Program Guidelines & Application

*For Fiscal Year 2022 (Beginning January 1, 2022 – June 30, 2022)*

### I. PROGRAM OBJECTIVE

The Real Property Investment Program is designed to assist new or relocating businesses, expanding businesses, and commercial property owners with the rehabilitation and redevelopment of interior and exterior spaces to visually enhance the local streetscape, and increase interest in the City of Portsmouth. Eligible improvements must be permanent and can include any combination of eligible interior, exterior, signage, and security modifications or enhancements.

### II. ELIGIBILITY GUIDELINES

- Eligible properties must be within Portsmouth City limits and can be commercial, industrial, office, or mixed-use property.
- Applicants who are new leaseholders and applying for grant funds for tenant improvements prior to occupying the space must document in the lease that the tenant is responsible for improvements.
- Applicant and/or property may not have outstanding City taxes, fees, or code violations (unless the grant is to be utilized to rectify code violations).
- Property is an improvement or expansion into an existing space. (New construction is ineligible.)
- Maintenance-related work is not eligible.
- Property owners, who are not the subject business owner, must improve vacant space to:
  - Create a vanilla shell in order to market the property, or
  - Complete tenant improvements for an under-contract new tenant entering into a lease.
- Existing business owners expanding more than 30% of their current square footage are eligible to apply.
- Written approval is required prior to any work commencing.

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### III. GRANT FUNDING

- The Real Property Investment Program is a matching, reimbursement program that requires the applicant to make the initial investment of the full project costs; half of the eligible costs will be paid as a reimbursement, up to the maximum grant amount.
- The maximum grant award is \$25,000 per property address, for eligible improvements, for the life of the program.
  - If the maximum grant amount is not exceeded, applicants may re-apply for the same property up to the \$25,000 maximum total reimbursement.
  - In multi-tenant properties, no more than two (2) address locations may receive funding within a five-year period.
- Funding is available on a first-come, first-serve basis until the funding pool has been exhausted each fiscal year as appropriated.
- Upon written approval, applicants will have 90-days to complete eligible improvements. If additional time is needed, a written request detailing the status of the project, work remaining, and estimated timeframe of completion is required from the applicant. Extension approvals must be sent in writing as a matter of record-keeping.
- Applicant must have all permits, inspections, and final Certificate of Occupancy in order to request reimbursement.
- Proof of costs paid by the applicant will be required before grant funds are to be disbursed. Required documentation includes copies of contractor invoices, canceled checks, bank statements and/or credit card statements that verify payment. *\*\*Cash payments are ineligible for reimbursement.*
- Grant payments will not be made if improvements deviate from those outlined in the application and Grant Agreement and/or have not been previously approved.
- Grant funds are paid as a one-time reimbursement, not draws.

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### IV. ELIGIBLE IMPROVEMENTS

- Contracted labor related to any eligible improvements (including project management fees)
- **Interior:**
  - HVAC systems
  - Interior Walls
  - Structural Improvements
  - Interior Plumbing
  - Interior Electrical/Lighting
  - Flooring
  - ADA Accessibility Modifications
  - Fire Suppression and Protection Improvements
  - Permanent Fixtures and Equipment (i.e. Exhaust Hoods, Ductwork, Built-in Freezer, etc.)
  - Repair or Restoration of Architectural Detailing
  - Security Improvements to include entry hardware, access control, cameras, etc. (max. \$2,500)
- **Exterior:**
  - Decorative Fencing
  - Railings or Juliet Balconies
  - Exterior Lighting
  - Exterior Painting
  - Signage (max. \$2,500)
  - Improvements correcting code violations
  - Permanent Hardscape Improvements (in conjunction w/other improvements only)
  - ADA Accessibility Modifications
  - Masonry Repairs
  - Removal/Replacement of Architecturally Inappropriate or Incomplete Exterior Finishes and Materials
  - Restoration of Architectural Details or Removal of Materials that Cover Architectural Details
  - Repair/Replace Windows and Exterior Doors
  - Roofing (in conjunction w/other improvements only)
  - Screening of Service and Maintenance Areas when visible from adjacent public areas
  - Window and Cornice Flashing and Repair (in conjunction w/other improvements only)
  - Security Improvements to include entry hardware, access control, cameras, etc. (max. \$2,500)
  - Utility Improvements (in conjunction w/other improvements only)
  - Landscaping and Plants (max. \$2,500; in conjunction w/other improvements only)

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### V. APPLICATION PROCESS

Completed Real Property Investment Grant applications are to be submitted to Portsmouth Economic Development for review **and are not considered submitted if incomplete**. Completed applications (those containing all City approvals, all required documentation, before photos, etc.) will be reviewed to determine completion status and adherence with program guidelines.

Applications requesting less than \$10,000 in funding may be approved administratively by Portsmouth Economic Development staff. Applications over \$10,000 require consideration by the Economic Development Authority (EDA) Board of Commissioners.

Within the application submittal, the applicant must outline which of the two quotes provided will be used in the execution of the project. The Portsmouth EDA encourages the use of Portsmouth businesses in the execution of projects utilizing grant funds. To this end, the EDA Commissioners will look more favorably upon projects that use materials and labor from Portsmouth businesses.

**EDA grant approval is not a factor in obtaining other City approvals and the qualification standards do not parallel.**

Approval or denial of an application lies within the discretion of the EDA Board of Commissioners, considering factors such as the degree to which the improvements contemplated by the application further the goals of the program, the degree of the need for the improvements, 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 EDA, agreeing to accept the grant funds approved by the Authority and not to exceed **50% of actual, verifiable paid expenses up to a maximum of \$25,000**. The Grant Agreement will establish the conditions of approval and terms of grant disbursement. Under no circumstances will funds be disbursed at a ratio higher than the matching requirements. **Proof of costs paid by the applicant will be required before grant funds are to be disbursed.**

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### APPLICATION PROCESS - GENERALIZED

#### Step One

Applicant contacts Portsmouth Economic Development to express interest in the program, discuss its business plans, and verify eligibility.

#### Step Two

Applicant obtains required City approvals. (Planning, Zoning, Building, etc.)

#### Step Three

Applicant completes application and submits to Portsmouth Economic Development for review.

#### Step Four

Applications requesting less than \$10,000 in funding may be approved administratively by Economic Development staff. Applications over \$10,000 require consideration by the EDA Board of Commissioners.

#### Step Five

If approved, applicant enters in a Grant Agreement with the EDA.

#### Step Six

From the date of the signed Grant Agreement, the applicant has 30 days to begin the project and 90 days to complete approved work. (Extension for an additional 90 days may be granted.)

#### Step Seven

Upon completion applicant contacts Economic Development staff to request reimbursement and provides required documentation of project expenses.

**DATE RECEIVED (TO BE COMPLETED BY PED STAFF):** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**APPLICANT (BUSINESS LEGAL ENTITY NAME):** \_\_\_\_\_

\_\_\_\_\_  
**PHYSICAL ADDRESS OF BUSINESS:** \_\_\_\_\_

\_\_\_\_\_  
**POINT OF CONTACT FOR APPLICATION**

**CONTACT NAME:** \_\_\_\_\_

**CONTACT ADDRESS:** \_\_\_\_\_

\_\_\_\_\_  
**CONTACT PHONE NUMBER:** \_\_\_\_\_

**CONTACT EMAIL:** \_\_\_\_\_

**DATE OF BUSINESS ESTABLISHMENT (AS APPLICABLE):** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**BUSINESS EMPLOYEE INFORMATION (AS APPLICABLE)**

**NUMBER OF FULL-TIME EMPLOYEES:** \_\_\_\_\_

**NUMBER OF PART-TIME EMPLOYEES:** \_\_\_\_\_

**SWAM, Minority, Woman, Veteran-owned Business:**      **Yes**      **No**

**If yes, please identify:** \_\_\_\_\_

**FUNDING AMOUNT REQUESTED:** \_\_\_\_\_

**STATEMENT OF NEED & BUSINESS ACTIVITY DESCRIPTION**

Include photos of the specific areas to be improved. Provide two quotes from qualified contractors for work to be completed. Provide a project timeline.  
*Please attach additional pages, if necessary.*

ELIGIBLE IMPROVEMENTS – CHECK ALL THAT APPLY					
Interior		Exterior		Safety/Security (\$2,500 max)	
	HVAC		Repair/Replacement of Windows and Doors		Lighting
	Interior Lighting/Electrical		Signage (\$2,500 max)		Cameras
	Interior Plumbing		Exterior Painting		Security System (does not include monitoring)
	Flooring		Decorative Fencing, Railings, or Juliet Balconies		Entry Hardware
	Interior Painting		Utility Improvements (in conjunction w/other improvements only)		
	Interior Walls		Roofing (in conjunction w/other improvements only)		
	Fire Suppression and Protection		Repair/Restoration of architectural detailing		
	ADA Accessibility Modifications		ADA Accessibility Modifications		
	Add Structural Improvements		Add Structural Improvements		
	Permanent Fixtures/Equipment		Masonry Repairs		
	Improvements in response to Code Violations		Improvements in response to Code Violations		
			Permanent Hardscape Improvements (in conjunction w/other improvements only)		
			Landscaping and plants (\$2,500 Max.; in conjunction w/other improvements only)		
			Removal/Replacement of Architecturally Inappropriate or Incompatible Exterior Finishes		
			Window and Cornice Flashing and Repair (in conjunction w/other improvements only)		
			Screening of service/maintenance areas when visible from public areas		
			Restoration of Architectural Details or Removal of Materials that cover Architectural Details		

\*\*\*Prohibited improvements include Billboards, Security Fencing, Fees Charged by the City of Portsmouth, Improvements in Progress or Expenses incurred prior to application approval, New Construction.



**APPLICATION CHECKLIST (TO BE COMPLETED BY APPLICANT)****ELIGIBILITY CRITERIA**

Please select one. Only those applicants meeting at least **one** of the criteria below are eligible to apply.

Applicants who are new leaseholders and applying for grant funds for tenant improvements prior to occupying the space (must document in the lease that the tenant is responsible for improvements)

Property owners, who are not the subject business owner, improving vacant space to:

- Create a vanilla shell in order to market the property, or
- Complete tenant improvements for an under-contract new tenant entering into a lease

Existing business owners expanding more than 30% of their current square footage are eligible to apply

**APPLICATION CRITERIA**

(Please select all. Only applicants meeting **all** of the below-listed criteria will be considered.)

Property is an improvement or expansion in to an existing space (New construction is ineligible)

Property owner or tenant is within the Portsmouth City limits

Property is a commercial, industrial, office, or mixed-use property

Applicant and property may not have outstanding City taxes, fees, or code violations (unless the grant is to be utilized to rectify code violations)

Proposed improvements are not maintenance-related work

*(Application Checklist continued on Next Page.)*

**APPLICATION CHECKLIST (CONT.)****Required Attachments**

- Copy of lease (if applicable)
- Copy of current City of Portsmouth Business License (if applicable)
- Copy of "Articles of Incorporation" (if applicable)
- Pre-improvement photographs of specific areas where improvements are to take place
- Specific list of cost estimates or quotes from the selected contractor(s) - Two Quotes Required
- Copy of Contractor(s) Virginia DPOR license (if costs exceed \$5,000)
- Drawing or renderings needed of proposed improvements
- Timeline for Completion
- Evidence of property insurance
- Marketing plan (for vacant space)
- Completed W9
- Documentation of required City of Portsmouth Approvals and Permits (Planning Commissioner, Downtown Design Commission, Historic Preservation, Building, Zoning, etc.) as applicable
- Proof of funds to complete project

**Acknowledgment of Disqualification Factors**

- Work that was started prior to approval
- Incomplete applications, where written approval was not received
- Projects not completed within the specified timeframe designated
- Projects that do not receive permits, inspections, or final Certificate of Occupancy (C.O.) when applicable
- Projects with outstanding code-violation(s), unless the program grant will be used to rectify said violation(s)

\_\_\_\_\_ Please initial that you understand all items that will result in  
disqualification

*(Application Checklist continued on Next Page.)*

**APPLICATION CHECKLIST (CONT.)****Required Documentation for Requesting Reimbursement**

- Copies of invoices related to the project, marked "Paid in Full"
- Copies of canceled checks or credit card statements that verify payment(s)
- Post-improvement photographs (to be taken by Economic Development Staff member)
- Verification property is free of outstanding City taxes, fees, or code violations
- Certificate of Occupancy received and provided (as applicable)

**SIGNATURES**

*All property/business owners, partners, etc. must sign this application form. If the property is owned by a legal entity, organization, or corporation, the applicant must supply corporate legal documents authorizing signer. If the applicant is a tenant, the property owner must sign where indicated below to consent to the application and the proposed improvements. If signing on behalf of an entity, please state the entity name and your position after the signature. If there are any questions, please call Portsmouth Economic Development at (757) 393-8804.*

I have read and understand the program guidelines and application for the Real Property Investment Program Grant. I understand that all grant awards are at the sole discretion of the Portsmouth Economic Development Authority.

The undersigned understands and agrees that all information furnished in connection with this application for the Real Property Investment Program involves the use of public funds and as such, may be made public pursuant to the statutes of the United States of American, the Commonwealth of Virginia, and the City of Portsmouth.

The application is not finalized until evidence of City approvals to commence improvements. The applicant will have 90 days to complete work following approval.

Applicants may request ninety (90) day extensions. Requests for extension should be outlined in a letter directed to the EDA staff, the City of Portsmouth Economic Development Office. The first extension may be granted or denied by EDA staff as directed by the EDA. Any subsequent extensions must be at the EDA's sole discretion and will require a vote of the Economic Development Authority Commissioners.

\*Acknowledgement: I have read the program overview, and fully understand that adherence to the process is my responsibility, and deviating from the process could result in disqualification of reimbursement.

**APPLICANT SIGNATURE(S)**

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

**OWNER CONSENT**

*I certify that I am the owner of the real property which is the subject of this application. I hereby consent to this application and the improvements contemplated herein.*

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*