

DOWNTOWN ECONOMIC INCENTIVE PROGRAM



PIKEVILLE KY

make it your

TOWN

The City of Pikeville recognizes that a vibrant, walkable, downtown benefits the community at large. By supporting local entrepreneurs and preserving our historic built environment we create a downtown community that supports the downtown business community, local residents, and visitors. The City of Pikeville's Main Street Program that is widely recognized for its excellence. Its mission is, in part, to preserve not only the buildings, but also the economic vitality of a community's downtown which includes the retention and recruitment of downtown businesses.

In order to attract new businesses and retain existing businesses in the central business district and to diversify downtown, the City of Pikeville has developed the Downtown Pikeville Economic Incentive Program. Apart from incentives affecting tax policy, the Main Street Program will administer these incentive programs on the City's behalf. All applications will be reviewed by the Pikeville Main Street Incentive Committee. The incentive area and target businesses are as follows:

Target Area: Central Business District of Downtown Pikeville

Eligible: Commercial Property Owners, New Businesses and Existing Businesses

Target location and business types:

Street level - Restaurants, retail stores, or cultural or entertainment focused businesses.

Pedestrians tend to focus on street level store fronts.

Upper level: Professional service businesses, such as attorneys, accountants, engineers, etc., and non-profit organizations who operate almost completely independent of the need to attract pedestrians.

Therefore, many grants are designed to incentivize a voluntary transition to this desired alignment.



City of Pikeville Incentives Opportunities	Incentive Eligibility		
	Commercial Property Owners	New Businesses	Existing Businesses
Tax moratorium	X		
Commercial rehabilitation program	X		
Under one roof program		X	
Restaurant incentive grant program		X	X
Rent subsidy – street level		X	X
Rent subsidy – upper level		X	X
Open late grant program		X	X
Beautification micro-grants		X	X
Façade/signage grants		X	X
Historic building façade grants	X		
Historic tax credit application	X	X	X
Design support			
Business loan program	X	X	X

Diverse mixture of business types tends to encourage more visitors to shop in downtown districts.

Experiential places – offer an experience thru shopping, tasting, art, etc.	
Cafés	Books Stores
Candy/Ice Cream Shop	Pubs and Microbreweries
Artisan Shops	Spas/Services
Clothing/Apparel Stores	Small grocery store
Antique Stores	Bicycle shop
Music Stores	Bakery
Eating/drinking establishments	Outdoor adventure goods
Restaurants	Open to ideas!





Incentives - Commercial Property Owners

Property Reassessment Moratorium Program

- Tax abatement to owners of rehabilitated commercial properties
 - Building must be at least 25 years old and located in the Central Business District
 - Building owner seeks to repair, rehabilitate, restore, or stabilize existing building
 - City property taxes frozen at the pre-improvement level for five years and eligible for a subsequent moratorium provided that reapplication be made no sooner than three years following the expiration of the original moratorium.
- In addition to the tax assessment benefit, accepted participants to this program automatically accepted in the Commercial Property Rehabilitation Program.

Normal floor area restrictions, off-street parking, and loading requirements could be waived or modified with additional approval by the City Commission if all program requirements are met. The requirements for this program are as follows:

- Cost of improvements must total at least 20 percent of the property's current taxable assessment and constitute more than routine maintenance of the property.
- Property must meet certain requirements and the project must be completed within two years from the date of the application approval.
- The street level floor of the facility must be reserved for businesses such as restaurants, retail stores, or cultural or entertainment focused businesses. Alternatively, the street level floor could also be a commercial purpose that has existed prior to January 1, 2019.

Potential businesses should be reviewed for compliance by the Pikeville Main Street Program prior to entering into formal agreements with a potential tenant, as failure to follow this requirement will result in the assessment returning immediately to the current PVA assessed value.

Commercial Property Rehabilitation Program

Building must be at least 25 years old and located in the Central Business District
Eligible to building owner who seeks to repair, rehabilitates, restore, or stabilize existing building
Successful applicants for the Property Assessment Moratorium Program would automatically receive the incentives which are as follows:

- Reimbursement of fees for 90 days of construction dumpster rental.
- Reimbursement of up to a max of \$600 in water taps fees and water use to cover no more than three months of bills. Bill must be paid to the city with a copy of the bills and proof of payment submitted to the Main Street Program for reimbursement.

The requirements for this program are as follows:

- Cost of improvements must total at least 5 percent of the property's current taxable assessment and constitute more than routine maintenance of the property.
- Property must meet certain requirements and the project must be completed within two years from the date of the application approval.
- The street level floor of the facility must be reserved for businesses such as restaurants, retail stores, or cultural or entertainment focused businesses for a period of five (5) years. Alternatively, the street level floor could also be a commercial purpose that has existed prior to January 1, 2019.

Potential businesses should be reviewed for compliance by the Pikeville Main Street Program prior to entering into formal agreements with a potential tenant, as failure to follow this requirement will result in ineligibility for all future incentive programs.

Incentives - New Businesses

Under One Roof Program

The Pikeville Main Street Program will work to establish a shared space concept by, in part, helping to recruit businesses for placement into larger square footage commercial buildings which results in lower rent and lower utility costs.

- Businesses recruited must meet Business Incentives guidelines and will be approved in the Rent Subsidy Grant Program.
- Successful applicants for this program will be awarded a Façade/Signage Grant to cover each of the initial separate businesses to be located within the shared space.
- Each business must be allocated at least 1,000 square feet of space.
- Pikeville Main Street Program will provide consultation in aesthetic design/layout if desired by the applicant.
- Additional funds may be granted on a case-by-case basis to reimburse the property owner for a portion of construction costs necessary to prepare the available space to accommodate multiple businesses.





Restaurant Incentive Grant Program

This financial incentive is intended to assist new restaurants locating within the incentive area.

- Offers up to \$5,000 per applicant to reimburse equipment, furniture, or other tangible assets associated with the relocation or start-up of the applicant's restaurant.
- Pikeville Main Street Program will provide consultation in aesthetic design/layout if desired by the applicant.
- Approved applicants will make submission for reimbursement to the Pikeville Main Street Program.
- Reimbursement is only available for purchases made after approval of the application and requires documentation of serial numbers, order numbers, or other identifying information.
- Total grant funds available will be limited to a budgeted amount per fiscal year. This may affect the number of approved applications each year.

Business Incentives Guidelines:

- Businesses must provide a business plan produced with assistance through the Shaping Our Appalachian Region Innovation program, the Morehead State Small Business Development Center, or other approved programs.
- Applicants must be agreeable to background, credit, and references assessments.
- Incentive approvals and amounts may be determined, in part, by available funds and number of requests under consideration.
- Available for commercial property owners and business owners located within the Central Business District only.
- Government buildings, government entities, national franchises, and other entities that have five or more operating locations are not eligible.
- Incentivized improvements are to remain in place and maintained for a minimum of five years unless the Pikeville Main Street Program approves earlier changes.
- All City of Pikeville property taxes and licenses are current.
- Additional requirements for each program may apply.
- Program participants must agree to be open for business during any City of Pikeville, Pikeville Main Street Program, or East Kentucky Exposition Center events upon request by the Main Street Program.
- Program participants must agree to membership in any merchant association or similar group that may be established by downtown merchants provided there is no mandatory membership fee or time commitments that average more than one hour per week.

Street Level Rent Subsidy Grant Program

- Intended to incentivize target business types into the street level of buildings located within the Central Business District.
- To qualify for this program, a business can be either a new business start-up or a business that has relocated into the Central Business District within the twelve months preceding the date of the application.
- Approved applicants will receive a reimbursement of monthly rent in the amount of 50 percent of the rent payment up to a maximum of four hundred dollars each month.
- These businesses will submit documentation that the rent has been paid to the Main Street Program for reimbursement.
- The subsidy will cover a period of twelve months.
- Ninety days prior to the end of the subsidy period, the applicant may re-apply for a second twelve-month period. If the second application is approved, it would be for 25 percent of the rent payment up to a maximum of two hundred dollars per month.

Total grant funds available will be limited to a budgeted amount per fiscal year. This may affect the number of approved applications each year. Any applicants who are provisionally approved, but who are not awarded the grant due to budget limits may be offered the grant in the following fiscal year. However, they will be required to resubmit an up-to-date application.





Open Late Grant Program

- In order to encourage downtown economic activity this incentive program is intended to encourage non-food and beverage related businesses to stay open until 9:00 pm on Thursday, Friday, and Saturday nights.
- The program assumes that these businesses would currently close at 5:00 pm and is predicated on offsetting the cost of an entry level employee for that time period.

Approved applicants will make monthly submissions for reimbursement to the Pikeville Main Street Program.

- Reimbursement is not to exceed four hundred dollars total for each month.
- Reimbursement calculated based on the number of eligible days open until 9:00 pm multiplied by thirty dollars.
- In addition to this funding, the Pikeville Main Street Program will provide marketing emphasizing the later hours.
- Total grant funds available will be limited to a budgeted amount per fiscal year.
- This may affect the number of approved applications each year.
- Program may be seasonal, and prior notice will be given to businesses before seasonal suspensions of the program.

Historic Building Façade Grant Program

- Only historic commercial properties located in the Central Business District
- The City will match eligible improvements to the exterior of a property up to 50% of the total project costs.
- Grant amount is not to exceed \$5,000.

Some examples of the types of repairs that are eligible for this grant are as follows:

- Masonry or mortar joint repair following historic guidelines for repair
- Window or door repair/replacement conforming to National Standards for Rehabilitation
- Transom and window repair/replacement conforming to National Standards of Rehabilitation
- Replacement of architectural details
- Other improvements may qualify on a case-by-case basis

Tax Credit Application Assistance

When eligible to apply, the Pikeville Main Street program will assist the applicant in working with the Kentucky Heritage Council state and federal tax credit programs to assist building owners with renovations/rehabilitations.

Design Assistance

Main Street communities are eligible for services provided by the Kentucky Heritage Council including design support when available. This request would be made via the Pikeville Main Street director and would be coordinated with the Kentucky Main Street program.

Favorable Loan Program

The City of Pikeville is currently working with community lending institutions in the hopes of establishing a program to provide favorable loan terms to those property owners and/or businesses that are approved to receive grants or to participate in other incentive programs included in this document. Once in place, the Pikeville Main Street Program will help coordinate these activities.

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PIKEVILLE, KY



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Upper Level Rent Subsidy Grant Program

- This grant program is intended incentivize non target businesses (such as attorneys, accountants, or other professional services) or non-profits currently located at street level to relocate to an upper floor of a commercial building within the Central Business District.
- The purpose of this is to make street level space available for target businesses.
- Approved applicants will receive a reimbursement of monthly rent in the amount of 50 percent of the rent payment up to a maximum of four hundred dollars each month.
- These businesses will submit documentation that the rent has been paid to the Main Street Program for reimbursement. The subsidy will cover a period of twelve months.
- Ninety days prior to the end of the subsidy period, the applicant may re-apply for a second twelve-month period. If the second application is approved, it would be for 25 percent of the rent payment up to a maximum of two hundred dollars per month.
- Total grant funds available will be limited to a budgeted amount per fiscal year.
- Also, the determination as to when to award these grants may be based on the available street level space at any given time.
- These and other unforeseen issues may affect the number of approved applications each year.

Any applicants who are provisionally approved, but who are not awarded the grant due to budget limits may be offered the grant in the following fiscal year. However, they will be required to resubmit an up-to-date application.

Existing Businesses

Beautification Micro-grants

- Businesses can receive a match of up to \$100 for eligible beautification projects including painting, lighting, or the addition of flowers or art. Business plan requirement does not apply.

Façade/Signage Grants

- Help improve Central Business District buildings while retaining the historic character of the district.
- Only commercial properties are eligible.
- The City will match eligible improvements to the exterior of a property up to 80% of the total project costs.
- Grant amount is not to exceed \$1,000.
- Total grant funds available will be limited to a budgeted amount per fiscal year.
- Façade grants will be available year-round and will be awarded monthly as funds are available.

The guidelines of the façade/signage grants are as follows:

- Completed applications must be submitted to and approved by the Pikeville Main Street Design Committee prior to work beginning.
- The Design Committee may take an active role in design and procurement at the applicant's request.
- Grants are not awarded for work done prior to approval.
- Work must be completed within 180 days of grant award.
- Once the project is completed, grantees must submit paid receipts to the Pikeville Main Street Program for reimbursement.
- The Pikeville Main Street Program will verify that the work was done according to the approved application before reimbursing funds. Reimbursements will be made within 60 days of the submission of approved receipts.

A facade is defined as an individual storefront or side of a building that faces a public street or public alley with public access. Separate addresses within a single building may qualify as separate facades, but only street level addresses are eligible.

Façade/Signage Grant eligible improvements include the following:

- Repair or purchase of new awnings
- Removal of non-historic materials (e.g. siding that covers transom windows, bricked-over window or door openings, removing paint from brick, etc.)
- Exterior painting (except for applying paint to unpainted brick)
- Exterior lighting or interior storefront window display lighting that remains on during evening hours
- Replace and/or install new signage
- Other improvements may qualify on a case-by-case basis





City of Pikeville Incentive Program Important Contacts

Tax Department - Rebecca Hamilton 606-437-5102

- Website: <http://pikevilleky.gov/tax-department-u/>
- City Business License \$50 per year - Restaurant or Retail
- Must be current with city taxes
- 2% occupational taxes for all employees

Codes Enforcement - Robert Smith 606-437-5176

- Website: <http://pikevilleky.gov/code-violation-fines/>
- Subcontractors license if applicable
- Job permit required for all contractors used during renovations
- Workers comp on contractors licensed independently
- Job permit cost .25% cost of project - if over \$10,000 a building permit is required

City of Pikeville Utilities - Per Ordinance - 606-437-5109

Website: <http://pikevilleky.gov/utility-department-rates-and-service-information/>
Gas, Water, Sewer, Trash

Health Department - Environmental

Website: <https://www.pikecountyhealth.com/v3/index.php?page=environmental-services>

Business Plan - Small Business Development Association - Michelle Spriggs

Email: m.spriggs@moreheadstate.edu

Community Trust Bank - Rick Newsom - Favorable Loan Rate

Email: newsomri@ctbi.com

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CENTRAL BUSINESS DISTRICT

PIKEVILLE, KY



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pikevillemainstreet.com

For more info, contact:
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EXIT 24

EXIT 23



DOWNTOWN PIKEVILLE AVAILABLE PROPERTIES



225 Second Street
Owner: Harriett Blanton
7,000 sq. ft. lower - 7,000 sq. ft. upper.



237 Second Street
Owner: Alicia Herr
1,500 sq. ft. lower



210 Second Street
Owner: Holt & Candi McGee
Built to suit



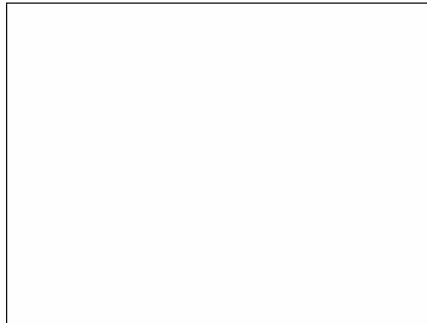
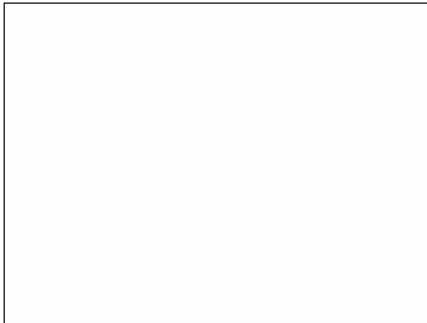
237 Second Street
Owner: Adrian Justice
Lower & upper available for rent



223 Second Street
Owner: Brewer Family
Lower level



137 Second Street
Owner: Ron Pack & Mike Diddle
2,000 sq. ft. lower



Pikeville Main Street, Inc.
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STORE
SHOPPER LOCAL Art
ENTERTAINMENT
Music TOURS STAY UNWIND
THEATRE
HISTORY
CULTURE
Preserve
HISTORIC
ARTISTS
good times
CRAFT DRINKS

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pikevillemainstreet.com



You may view the ordinance for the incentive package here:
<http://pikevilleky.gov/download/City%20Hall/City%20Clerk%20Office/ordinances/2019/0-2019-07.pdf>



CITY OF PIKEVILLE INCENTIVE APPLICATION FORM

Name of Applicant _____

Type of Business _____

Detailed Description of Proposed Business:

Space Requirements _____

Approximate Open Date _____

Current Address _____

Phone _____

Email _____

Past Ownership Experience (10 years)

References

Phone

1. _____
2. _____
3. _____

Staff Use Only

Signed: _____

APPLICABLE INCENTIVES:

Property Owner Programs

- Property Assessment Monatorium
- Commercial Property Rehabilitation

Business Programs

- Beautification Micro-Grant
- Facade/Signage Grant
- Historic Building Facade Grant
- Under One Roof
- Restaurant Incentive Grant
- Open Late Grant
- Street Level Rent Subsidy
- Upper Level Rent Subsidy

Property Owner Name (if applicable)

Address _____

Ordinance: Approved applicant will be contacted for a background check and business plan submitted. Interviews will be set after approval.

Applicant Signature

Print Name

Date _____

Social Security Number: _____

Approved application requires social security number to complete incentive program requirements.