

PIKEVILLE HOTEL INCENTIVES



GENERAL PROVISIONS FOR HOTELS

1. All incentives resulting in payment will be reimbursements. Grantees must present receipts, invoices, or other proof of payment of eligible expenses prior to reimbursement.
2. Reimbursements will be made within sixty (60) days of the presentation of appropriate documentation.
3. Hotel must be high quality that meets at least a four/three star or four/three diamond hotel rating or higher under the rating criteria established by AAA, JD Power & Associates or comparable hotel rating entity which includes hotel operations on a 24 hour/day, 7 day/week basis. Should the hotel fall below the minimum rating, incentives will cease.
4. Hotel must offer housekeeping, food/beverage services, and high-quality finishes. It must also have a minimum of 70 rooms.
5. Incentives would only begin upon completion of construction and opening of the hotel operation.
6. The owner/developer is required to spend not less than \$150,000 per guestroom for new hotels.
7. Renovations must be at least \$15,000 per guestroom.

NEW HOTELS

Property

- Refund the increased ad valorem property tax paid to the City for the developed property following development of a new hotel.
- The refund would be based on the PVA's assessed value of the property.
- The incentive would terminate in 5 years.

PIKEVILLE

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Off-Site Public Improvements

- The City may contribute up to 50% of the eligible costs associated with off-site/public improvements such as roadways, sidewalks, utility undergrounding, and other off-site improvements to a previously undeveloped area based upon the number of jobs created and the potential occupational tax attributable to those jobs, total assessed value of the project, and the value of the project to the community. The contributed amount is at the sole discretion of the City Commission.
- The amount to be contributed may be paid to the owner over a 10-year period.

Transient Room Tax

- The city will refund up to 50% of the transient room tax generated by a new hotel for a period of 5 years. This incentive would only apply to the 3% transient room tax paid to the City.

RENOVATED HOTELS

Property

- Refund the increased ad valorem property tax paid to the City for the developed property following development of a new hotel.
- The refund would be based on the PVA's assessed value of the property.
- The incentive would terminate in 5 years.

Transient Room Tax

- The city will refund up to 50% of the transient room tax generated by a new hotel for a period of 5 years. This incentive would only apply to the 3% transient room tax paid to the City.

PIKEVILLE KY

PIKEVILLE RESTAURANT INCENTIVES



PIKEVILLE
KY

GENERAL PROVISIONS FOR RESTAURANTS

1. Eligible businesses are food related ventures such as sit-down restaurants, coffee/tea shops, bakeries, and cafes that generate at least \$20,000 in restaurant tax annually.
2. The restaurant must have the capability to attract customers from outside the community.
3. Recipient cannot have an existing restaurant location within a 5 mile radius of the proposed restaurant.
4. The restaurant must be a minimum of 1500 square feet inside HVAC controlled dining space.
5. Expansions, second locations, and relocation would be eligible for incentives if they meet requirements above (aside from the 5 mile radius) and or a minimum of 50% square footage or 50% more indoor HVAC controlled seating.
6. In order to qualify for incentives, developers/owners must have a minimum 5 year lease with the property owner or own the location.
7. Incentives only begin upon completion of construction and/or opening of the restaurant for operation.
8. Incentives are not assignable or transferable without the approval of the City based upon the original criteria.
9. The restaurant may not be owned by a non-profit entity.

NEW OR RENOVATED RESTAURANTS

Restaurant Tax

- The City will refund up to 50% of the restaurant tax generated by a new restaurant for a period of 5 years.

PIKEVILLE RESTAURANT INCENTIVES



- The City will refund up to 50% of the additional restaurant tax generated by an expanded or relocated restaurant based on the preceding three year average of restaurant tax paid to the City for a period of 5 years.
- Second locations would be treated as a new restaurant.

Equipment/Interior Renovation Incentives

- The City will reimburse up to \$10,000 to each recipient for equipment, furniture, or other tangible assets for eligible restaurants.

Facade/Signage Grants

- The City will match 50% of total project costs up to a maximum of \$1,500 for improvements to the façade or signage of eligible restaurants.
- Eligible Improvements include:
 1. Repair or purchase of new awnings
 2. Removal of non-historic materials assuming the restaurant is located in a historic property.
 3. Exterior painting
 4. Exterior lighting
 5. Replacement or installation of signage

Rent Assistance

- The City will reimburse up to 50% of monthly rent with a \$400/month maximum.
- The rent assistance is available for a period of 12 months.

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PIKEVILLE KY

PIKEVILLE HOTEL & RESTAURANT INCENTIVES APPLICATION FORM



Name of Applicant _____

Type of Business _____

Detailed Description of Proposed Business:

Space Requirements _____

Approximate Open Date _____

Current Address _____

Past Ownership Experience (10 years)

References

Phone

1. _____

2. _____

3. _____

Property Owner Name (if applicable)

Address _____

Ordinance: Approved Applicant will be contacted for 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.

Staff Use Only

Signed: _____

APPLICABLE INCENTIVES:

New Hotels

- Property
- Off-Site Public Improvements
- Transient Room Tax

Renovated Hotels

- Property
- Transient Room Tax

New or Renovated Restaurants

- Restaurant Tax
- Equipment/Interior Renovation
- Facade/Signage Grant
- Rent Assistance