



Targeted Incentive Grant For Breweries/Distilleries

Purpose

The purpose of the City of Lincolnton Targeted Incentive Grant is to encourage the location or expansion of breweries in Lincolnton by assisting with the cost of start-up improvements or expansion projects. This program will result in more breweries/distilleries and attract other businesses, enhancing the City's revitalization efforts. The expanded tax base, increased payroll and additional employment opportunities promote overall economic development within the City.

Renovations to Incorporate Energy Efficiency or Weatherization Measures

Because the City is using revenue from its electric sales to fund the program, building renovations that are partially funded through the program must include measures to increase the building's energy efficiency and/or weatherization.

Eligible Applicants

Eligible applicants are limited to owners of properties who make significant investments in building renovations that result in locating or expanding a brewery/distillery within the electric service area of the City of Lincolnton.

Additional Program Terms

The following terms also apply to the program:

1. Grants are provided to assist with building renovations necessary to create new or expanded breweries/distilleries subject to all program guidelines.
2. Funds are limited to a maximum of \$50,000 per qualifying brewery/distillery. However, the City may not award the total amount requested.
3. Applicant must invest a minimum of \$150,000 in eligible expenditures as defined by this program to qualify for funding.

4. Only one targeted incentive grant for breweries/distilleries will be provided per brewery/distillery.
5. Eligible expenditures are limited to building renovations to or fixtures affixed to real property necessary to locate or expand a brewery that incorporate measures to increase the building's energy efficiency and/or weatherization. Funds are for fixed items only and not for inventory or removable furnishings.
6. The new or expanded brewery/distillery must create and maintain at least two full-time equivalent employees for at least five years. This may include the operator of the brewery.
7. The program depends on the availability of funds and may be discontinued at any time at the discretion of the City.
8. Rehabilitation and expansion projects must adhere to applicable City and State ordinances and code requirements, such as state building codes, city zoning regulations, etc.
9. Since each application will be different and reviewed on a case-by-case basis, the applicant may be required to submit additional information.
10. Applications are subject to approval by City Council.
11. The application must be approved prior to opening or expansion of the brewery/distillery.

Breweries and Distilleries

Eligible applicants are limited to owners of properties that will be the location of a new or expanding brewery/distillery within the electric service area of the City of Lincoln. The brewery/distillery operator may be either the property owner or a leaseholder.

A brewery/distillery is defined by this program as a brewery/distillery that:

- A business that makes and sells alcohol on site.
- Is open for business to the general public during regular hours at least 40 hours per week on average, and
- Employs a minimum of two full-time equivalent employees (including the operator)

Changes to Approved Project

Proposed changes to the scope of work on an approved project must be conveyed in writing and are subject to approval.

Any changes to the building facade partially funded through this program must meet the attached Secretary of the Interior's "Standards for Rehabilitation" program standards if the building is a contributing building of historic significance.

Funding

1. Funding is limited to a maximum of \$50,000 per qualifying brewery/distillery and requires the applicant to invest a minimum of \$150,000 in eligible expenditures as defined by this program to qualify for funding.
2. The program depends on the availability of funds and may be discontinued at any time at the discretion of the City.
3. Funding is based on the entire scope of work. All invoices submitted for the project including those submitted for reimbursement by the city and those submitted as documentation of the required minimum investment by the applicant must be eligible expenditures under the program. Other work can be performed as part of the overall renovation or expansion project but will not be considered part of the funded project as defined under this program.

Eligible Breweries/Distilleries

1. New breweries/distilleries in the electric service area of the City of Lincoln.
2. Existing breweries in Lincoln that expand in one or more of the following ways:
 - Renovation to add a full commercial kitchen in order to offer a full menu
 - Renovation or expansion of an existing brewery's physical space in order to expand the Brewery's capacity
(Examples: expanding into a larger area or creating rooftop dining space for brewery guests)

Eligible Expenditures

Eligible expenditures are renovations to or fixtures affixed to real property that result in new or expanded breweries/distilleries and also incorporate measures to increase the building's energy efficiency and/or weatherization.

- Window replacement
- Repairs to the façade

- Repairs to or replacement of the roof
- HVAC, plumbing, and electrical systems
- Improvements necessary to protect the structural integrity of the building
- Door repairs or replacement
- Environmental site assessment and remediation
- utility upgrades
- restrooms
- fire suppression
- ADA Accessibility

Ineligible Expenditures

1. Inventory, removable furnishings, non-fixed items
2. Interior décor items including, but not limited to, wallpaper and paint
3. Replacement of carpet / refinishing of floors, walls or ceilings
4. Painting or re-painting
5. Signage

Ineligible properties

1. Tax delinquent property
2. Property not in good standing with City of Lincolnton Utility Billing.
3. Property with outstanding liens

Job Creation Requirement

The new or expanded brewery/distillery must create and maintain at least two full-time equivalent employees for at least five years. This may include the operator of the brewery/distillery.

Five Year Performance Agreement Required

1. Applicants approved for funding by City Council must enter into a five-year performance agreement with the City.

2. The performance agreement will require the following:

- A brewery/distillery that meets the criteria of this program must remain at the location and remain in compliance with all other requirements of the program for at least five years.
- If a brewery/distillery that meets the criteria of this program does not remain at the location or fails to remain in compliance with all other requirements of the program for at least five years, the applicant will be required to pay the grant funds back to the City on a pro-rated basis for each month or portion of each month in which the program requirements are not met. Repayment of the pro-rated share of the funds is to be made to the City within 120 days of notice by the City.
- If the applicant sells the building or the brewery/distillery within five years of disbursement of grant funds by the City, the grant funding amount in its entirety must be paid back to the City.
- The performance agreement will be secured by a lien on the property.

Disbursement of Funds By City For New Brewery/Distillery

1. The grant funds are used to reimburse the applicant for payment of eligible invoices up to the approved grant amount.
2. After execution of Performance Agreement and Deed of Trust.
3. After staff verification of the required minimum investment by the applicant, the City will disburse the full approved grant funding amount to the applicant.

Disbursement of Funds By City For Expansion of Existing Brewery

1. The grant funds are used to reimburse the applicant for payment of eligible invoices up to the approved grant amount.
2. After completion of the renovation project that results in the expansion, the applicant may request reimbursement of invoices for the full approved grant amount. Grant funds are not disbursed to the applicant prior to completion of the renovation project.
3. After staff verification of project completion and the required minimum investment by the applicant, the City will disburse the full approved grant funding amount to the applicant.
4. After execution of Performance Agreement and Deed of Trust

**City of Lincolnton Targeted Incentive Grant
for Breweries/Distilleries Application**

Name of Applicant(s): _____

Address of project: _____

Phone: _____ Email: _____

Estimated Total Costs of Improvements:

Amount of Funds Requested (Maximum \$50,000): _____

Attachments required (incomplete applications will be returned to applicant)

1. A written summary of the proposed improvements to the building and proposed time frame for such work.
2. Proposed floor plan drawn to scale sufficient to accurately describe the proposed work.
3. A written summary of the proposed brewery/distillery or proposed expansion, general description of menu, hours of operation, number of seats, etc.
4. Current photograph(s) of the interior of the building where the Brewery will be located clearly showing the existing conditions of the proposed area of improvement.
5. Two itemized cost estimates of all materials, supplies and labor costs of the project.
6. A letter outlining how the proposed renovations will increase the building's energy efficiency and/or weatherization.
7. Certificate of liability insurance.

APPLICANT CERTIFICATION*

The undersigned hereby certifies that the information contained in this application is true and correct to the best of his/her knowledge and belief. I have read and fully understand the requirements of the City of Lincolnton Targeted Incentive Grant and agree to comply with all its requirements in full. I have read and understand these requirements*

Signature of Property Owner

Date

Signature of Property Owner

Date

**Application must be signed by all property owners.*

Program Standards
The Secretary of the Interior's Standards for Rehabilitation

The Secretary of the Interior's Standards for Rehabilitation are ten basic principles created to help preserve the distinctive character of a historic building and its site, while allowing for reasonable change to meet new needs. All facade changes must meet these standards. An illustrated guide is available for use from the City Planning Department to help property owners meet the standards.

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a historic property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

I have read and understand these requirements*

Signature of Property Owner

Date

Signature of Property Owner

Date

**Application must be signed by all property owners.*