



## Restaurant Recruitment Program

### **General Purpose**

The City of Isanti seeks to recruit new and unique restaurants that help to differentiate Isanti from dining and entertainment venues in other communities to enhance the quality of life for Isanti's residents. The City of Isanti establishes the Restaurant Recruitment Program to serve the community's desires for attracting unique, quality restaurants that do not already have a strong presence in the market place.

### **Eligibility Criteria**

Incentives are targeted to the following types of restaurants:

1. "Destination" restaurants that:
  - a. Have the capability to attract customers from outside the community;
  - b. Do not have another existing location within a 5-mile radius; and
  - c. Fit well into the existing restaurant economy to provide new experiences.
  - d. Local, regional and national restaurants may apply if qualified under subsection (a), (b), and (c) above.
2. Developers/Restaurant Lease Space Owners leasing to a destination restaurant may apply.
  - a. In order to qualify for incentives, restaurants are required to sign a minimum five (5)-year lease with the Developer/Owner, no matter which party is the applicant and the potential recipient of the incentive.

### **Review Criteria**

All requests for incentives shall be reviewed on a case-by-case basis by the City of Isanti Economic Development Authority (EDA) and the City Council. An application for a Specialty Retail and Restaurant Incentive shall include the following information:

### **Fiscal Impact**

- Anticipated direct sales tax to be generated through the County Local option sales tax.
- Total number of full-time equivalent (FTEs) jobs brought to the City of Isanti.
- Total payroll for all FTEs anticipated.
- Ad valorem taxes to be generated.

### **Community Impact**

- Does the business satisfy/ address the community's needs for unique, quality restaurants as outlined in Section 1 (a), (b) and (c) of the eligibility criteria?

### **Competitive Impact**

- The effect the project would have on existing businesses in the City of Isanti.
- A list of specific businesses seen as direct competitors to the applicant. The City of Isanti seeks first to retain existing businesses, and therefore will consider whether an applicant will compete or potentially displace an existing business.

### **Types of Incentives:**

- **Matching Grants up to \$10,000**
  - **Kitchen Equipment** – The City of Isanti EDA may match up to 30% of the costs of required permanently installed equipment necessary to run a restaurant by the MN Dept of Health (including hood fans, sinks).
  - **Accessibility Improvements** - The City of Isanti may match up to 30% of the costs of required to make an existing building meet required accessibility requirements.
- **0% or Low Interest Loan on Capital**
  - **Property Improvements** – The City of Isanti EDA may provide loans at 0% or low interest rate that cover the costs of façade or building improvements including structural repairs, mechanical repairs to signage and lighting.
  - **Kitchen Equipment** - The City of Isanti EDA may provide loans at 0% or low interest rate that will cover the costs of required permanently installed equipment necessary to run a restaurant by the MN Dept of Health (including hood fans, sinks).
  - **Accessibility Improvements** - The City of Isanti EDA may provide loans at 0% or low interest rate that will cover the costs required to make an existing building meet required accessibility requirements.
- **Development Fee Rebates**
  - **Property Improvements** - The City of Isanti may waive the cost of sign permits, site plan review application fees and/or trunk utility fees for new restaurants that are constructing new buildings within Isanti.

## **Summary of Incentives**

The incentives provided under this Restaurant Recruitment Program are granted pursuant to the City of Isanti Business Subsidy Criteria policy. It is the policy of the City of Isanti EDA to customize the provisions of incentives on a case-by-case basis to result in a “Win/Win” agreement for the applicant and for the Isanti taxpayers. This individualized design of a total incentive package is intended to allow maximum flexibility in addressing the unique concerns of each applicant while enabling the City of Isanti EDA to better respond to the changing needs of the community. The City of Isanti EDA/City Council reserves the right to make exceptions to this program as deemed necessary. Furthermore, City of Isanti EDA /City Council reserves the right to terminate any and all incentives should the restaurant cease operations at any time.

## **Availability**

All incentives are subject to availability of funding. Nothing herein shall imply or suggest a guarantee of approval of any incentive request.

## **Procedural Guidelines**

1. Applicant shall complete a “Pre-Application for Assistance” as provided by Economic Development staff.
2. Applicant shall submit a narrative addressing each factor highlighted in the Review Criteria and a Business Plan.
3. Staff will review all documentation for completeness and accuracy. Additional information may be requested as needed.
4. The application package will be reviewed by Economic Development staff. Applicants may be interviewed by the Economic Development staff and any modifications to the application will be made prior to forwarding the application to the full City of Isanti EDA /City Council with a recommendation for approval or denial.
5. City Council will review the recommendation of the City of Isanti EDA Board and vote to either approve or deny the application.