



\$25,000 Restaurant Location Business Incentive Program

Purpose:

The City of Reading Tax Increment Finance Authority (TIFA) is introducing a \$25,000 Restaurant Location Business Incentive Program to attract new restaurant businesses and revitalize key commercial areas within the city. This incentive is designed to support entrepreneurs in establishing or expanding their dining establishments, contributing to economic growth, job creation, and increased foot traffic in targeted districts.

Incentive Overview

Qualified applicants can receive up to \$25,000 in financial assistance, which may be used for:

- Leasehold improvements and buildout costs
 - Equipment purchases (excluding consumables)
 - Marketing and signage
 - Permitting and licensing fees
 - Utility infrastructure upgrades
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Eligibility Criteria

To qualify for the incentive, applicants must:

1. **Business Type:** Be a full-service or quick-service restaurant, café, or food establishment with a dine-in component.

2. **Location:** Establish a business within a TIFA-designated district or an area targeted for economic revitalization.
 3. **Investment Commitment:** Demonstrate a minimum private investment of \$75,000 toward business launch or expansion.
 4. **Operational Commitment:** Commit to operating the restaurant for a minimum of three (3) years from the date of opening.
 5. **Compliance:** Obtain all required local, state, and federal permits, including health and safety inspections.
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Application Process

1. **Pre-Application Meeting:** Applicants must schedule a meeting with the City of Reading TIFA to discuss the project scope and eligibility.
 2. **Application Submission:** Submit a formal application including:
 - Business plan with financial projections
 - Proof of site control (lease agreement or ownership)
 - Budget breakdown of planned expenses
 - Proof of private investment (bank statements, loan approvals, etc.)
 3. **Review & Approval:** Applications will be reviewed based on project feasibility, economic impact, and alignment with city development goals.
 4. **Award & Disbursement:** Funds will be awarded as a reimbursement upon proof of eligible expenditures.
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Priority Consideration

Priority will be given to:

- ✓ Businesses locating in historically underutilized districts
- ✓ Minority, women, or veteran-owned businesses
- ✓ Concepts that contribute to culinary diversity and innovation
- ✓ Projects that create at least 5 new jobs

Compliance & Reporting

Recipients must submit:

- Quarterly progress reports for the first year
- Proof of continued operation for at least three years
- Participation in TIFA business networking or marketing initiatives

Failure to comply may result in fund recapture.

Milestone-Based Funding Program

Program Overview

This incentive will be disbursed in stages based on project milestones to ensure funds are effectively used for business establishment and growth. The **\$25,000** will be distributed in **four phases**, with payments tied to key development benchmarks.

Milestone Disbursement Schedule


Milestone	Description	Disbursement Amount	Required Documentation
1. Site Selection & Approval	Signed lease or proof of property ownership, zoning approvals secured.	\$5,000	- Lease or deed proof - Zoning & permit approvals
2. Buildout & Permitting	Completion of at least 50% of renovation/buildout work and acquisition of necessary operating permits.	\$7,500	- Construction invoices - Health, safety, and business licenses - Photos of progress
3. Pre-Opening Readiness	Equipment installed, staff hired, initial inventory stocked, and final health inspection passed.	\$7,500	- Equipment purchase receipts - Staff payroll records

Milestone	Description	Disbursement Amount	Required Documentation
4. Grand Opening & 90-Day Review	Business opens and operates for 90 days, meeting minimum business activity benchmarks (e.g., open hours, employment levels).	\$5,000	<ul style="list-style-type: none"> - Final health & occupancy permit - Proof of business operations (sales reports, payroll) - 90-day performance review with TIFA

Additional Requirements & Compliance

- **Businesses must complete all milestones within 12 months** from the date of approval.
- **Quarterly check-ins** with the City of Reading TIFA to ensure compliance and provide business support.
- Funds are **reimbursed upon submission of proper documentation**; businesses must provide invoices, receipts, and other verification materials.
- **Failure to meet milestones may result in forfeiture** of remaining incentive funds.

Priority & Bonuses

 **Fast-Track Bonus:** Businesses that complete all milestones within **9 months** may be eligible for a **\$2,500 bonus**.

 **Local Hiring Bonus:** Businesses that hire at least **10 local employees** within the first year will receive **priority access to future funding opportunities**.

For more information

 **Contact Ben Wheeler, Economic Development Director at 517-997-1666 or e-mail: ben@reading.mi.us for more details.**