

Proposed Updates to the Economic Development Authority Grant Programs

Reimagining the Programs and Processes

City Council Meeting – February 11, 2026





Agenda

- Overview
- Grant Program Task Force
- Background Information
- Facade Improvement Grant (FIG)
- Retail Assistance Grant
- Manufacturing & Innovation Grant
- NASA Technology Commercialization Grant
- Economic Development Grant
- Comprehensive Program Enhancements
- Implementation



Overview

- The Economic Development Authority of the City of Hampton, Virginia (“EDA”) administers grant programs that are intended to help stimulate business growth in the City and economic vibrancy in commercial corridors.
- The Grant Program Task Force (“Task Force”) was created to review the grant programs and make recommendations to improve the accessibility of the EDA grant funding to Hampton businesses; enhance the outcomes of the grant programs; and improve efficiencies in the application process and administration of the grant programs.
- The recommendations align with the City’s Strategic Priorities (Economic Growth, Excellence in Government, Placemaking, and Safe & Clean Community).
- The recommendations aid in the implementation of the City’s Master Plans (Buckroe, Coliseum Central, Downtown, Kecoughtan, King Street, and Phoebus).



Grant Program Task Force

- Curtis Cobert – Senior Manager for Marketing & Research, Economic Development
- Nicole Dennis – Executive Assistant, Economic Development
- Regina Facteau – Executive Director, Phoebus Partnership
- Maurice Leary – Business Development Manager, Economic Development
- Patricia Melochick – Senior Deputy City Attorney
- Milissa Story – Planning & Zoning Manager, Community Development
- Mike Yaskowsky – Interim Deputy Director, Economic Development



Grant Program Task Force

- The primary objectives of the Task Force were to:
 - Increase education and awareness of the EDA Grant Programs with an emphasis on improving communication with prospective applicants and minimizing ambiguity in the EDA grant process;
 - Support more small businesses with an emphasis on broadening the types of eligible businesses that can receive grant funding;
 - Simplify grant application requirements;
 - Improve staff efficiency by streamlining workflows to enhance productivity;
 - Update the Facade Improvement Grant with a defined maximum grant and enhanced funding for projects that adhere to the Virginia Main Street design process or other business district approved design standards; and
 - Accelerate the process to make grant awards.



Background Information

- Since FY2020, the EDA has awarded 29 grants totaling \$509,026 through the Economic Development Grant Program, Facade Improvement Grant Program, Hampton Manufacturing & Innovation Assistance Grant Program, NASA Technology Commercialization Grant Program, and Retail Assistance Grant Program.
- As of January 2026, current funding available for future grant awards is \$1.67 million.

GRANT PROGRAM	ECONOMIC DEVELOPMENT GRANT	FACADE IMPROVEMENT GRANT	HAMPTON MANUFACTURING & INNOVATION ASSISTANCE GRANT	NASA TECHNOLOGY COMMERCIALIZATION GRANT	RETAIL ASSISTANCE GRANT	TOTALS
# OF GRANTS AWARDED	4	16	2	4	3	29
TOTAL AMOUNT OF GRANTS AWARDED	\$56,005.00	\$105,201.00	\$16,363.00	\$170,000.00	\$161,457.00	\$509,026.00



Facade Improvement Grant (“FIG”)

Purpose

Encourage appropriate and attractive improvements to commercial buildings and/or their sites.

Benefit

- Awards up to 30% of the qualified improvements for a maximum possible grant of \$15,000.
- Applications are evaluated on improvement value, scope of work to be performed, economic impact.

Requirements

- Improvements must be made to taxable commercial, industrial, or a mixed-use structures commercial component that are 10 years or older.
- Must have approved application prior to the commencement of improvements.



FIG – Required Application Documentation

Current

- Business Plan
- Financial Statement | Tax Returns | Pro forma
- Credit check
- Owner/Executive Management Profile
- Age of business not a relevant factor
- Business license
- \$50 application fee
- Renderings of the project outcome
- At least two estimates for the project done by contractors licensed by the Va board of contractors
- Property Owner Authorization

Proposed

Removal of the following required documentation (*program is not performance based*)

- Business Plan
- Personal Financial Statement of Ownership
- Tax Returns
- Pro forma
- Resume or profile of Ownership and Executive Management

Terms & Conditions (*replace grant agreement*) as part of application process with an award letter based on EDA action



FIG – Parameters

Current

- Up to 30% of the cap (\$10K) is the max award
- Applicants must submit a completed application and have it accepted by the Economic Development Department prior to any work taking place
- Landscaping/parking surfaces are not eligible
- Grant agreement written by the CAO
- Requires information on the applicants finances for a non-performance based incentive
- Community Development is not included in the evaluation of grant applications

Proposed

- 30% of the cap (\$15K) is the max award
- Use of Main Street design standards or other business district approved design standards increases the award to 35% and a cap of \$20K
- Applications submitted within 12 months of the work being completed may be eligible
- Grandfather period for projects completed after July 1, 2024
- Parcels are eligible for a grant every 5 years
- Landscaping/parking/paving surfaces are eligible with other improvements
- Terms & Conditions on applications replaces grant agreements
- Community Development involvement in the grant evaluation process



FIG – Eligible Uses

FIG – Eligible

- Decorative fencing, railings, or Juliet balconies
- Exterior lighting
- Exterior painting
- Installation, repair or replacement of exterior signage
- Permanent hardscape improvements
- Masonry repairs and tuck pointing
- Restoration or architectural details or removal of materials that cover architectural details
- Repair and/or replacement of windows and exterior doors
- Screening of service and maintenance areas when visible from adjacent public areas
- Window and cornice flashing and repair
- ***Landscaping, parking, and paving***

FIG – Ineligible

- Debt Refinancing
- Soft Costs (architectural design, engineering, legal or permit fees, etc.)
- Temporary or Pylon signs

Properties ineligible for this program include:

- National Franchises
- Residential-Only Buildings
- Tax-Exempt Properties
- Non-Profit Organizations



Retail Assistance Grant

Purpose

- Increase the retail presence and sales in Hampton by providing incentives to attract and retain quality retail businesses.

Benefit

- Eligible for a matching grant of up to 30% of total qualified cost.
- Qualifying items include (but are not limited to) real property improvements and signage.

Requirements

- Must be a Hampton business classified as retail by the City's Commissioner of Revenue's Office.
- Projects must meet a total cost threshold of at least \$3,000 (\$1,000 if located in an Arts & Cultural District).



Retail Assistance Grant – Current Application

- Business Plan | Tax Returns | Pro Forma | Credit Report | Resume | Profile
- Personal Financial Statement of Business Owners
- Business License | \$50 Application Fee | Property Owner Authorization
- Renderings of the outcome by approved contractors – 2 estimates

Additionally the following applies:

- Consistency with the vision of the district and master plan
- Positive impact on district residential revitalization
- Ability to increase critical mass of retail and to convert first floor space to retail
- Expected effect on the appearance of the district
- Previous success of the business in other locations; or, likely success of the business based on its business plan
- Expected investments by property and business owners
- Return on investment/tax revenue to the City
- If the project is a mix of uses (other than retail), the square footage dedicated to retail and (i) the anticipated sales revenue generated by the retail activities, and (ii) a comparison of those retail sales revenues to the total revenues anticipated for all uses



Retail Assistance Grant – Current Eligibility

Retail businesses or commercial retail property owners located within the city of Hampton are eligible. Currently service oriented businesses are not eligible.

Eligible Expenses

- Costs associated with acquisition, construction, expansion or the rehabilitation of a retail facility.
- Site and building demolitions related to upgrading real estate.
- Permanent exterior improvements (i.e. enhanced entrances or storefronts) or interior improvements.
- Building signage and exterior lighting.
- Equipment and fixtures that are classified as items of personal property which, through its attachment to, or association with, real estate, loses its identity as personal property and becomes real property.
- Upgraded parking surface areas (paving) with associated landscape improvements.



Retail Assistance Grant - Enhanced

Current

- Up to 30% of eligible expenses is the maximum award amount per guidelines
- Exclusion of service-based retail as eligible businesses
- Work can begin once a complete application is submitted and accepted by the Hampton Department of Economic Development
- Execution of a Grant Agreement

The Task Force recommends a new name for the Retail Assistance Grant Program that better reflects the broader types of eligible businesses.

Proposed

- 30% of eligible expenses with a maximum award amount of \$30K
- Service-based retail businesses are eligible
- Applications submitted within 12 months of the work being completed may be eligible
- Grandfather period for projects completed after July 1, 2024
- Parcels are eligible to receive a grant award once every five years
- Terms & Conditions (replace grant agreement) as part of application process with an award letter based on EDA action
- Will remain a reimbursement program
- Community Development involvement in the grant evaluation process

Manufacturing & Innovation Assistance Grant



Purpose

- Aid small Hampton manufacturers to improve production, productivity and competitiveness.

Benefit

- Provides matching funds of 2:1 for operational improvements and employee training up to a maximum of \$10,000 for eligible businesses.

Requirements

- Eligible businesses with 90 or fewer employees and classified as manufacturers under NAICS code.
- Primarily engaged in manufacturing, prototyping, design and/or development of commodities.

Proposed

- Grant pays matching funds of 1:1 instead of 2:1 while keeping the current cap of \$10,000 in place.



NASA Technology Commercialization Grant

Purpose

- Stimulate commercialization opportunities, technology enhancement and new business creation tied to NASA

Benefit

- Grant ranges from \$1,000 - \$50,000 and requires a 1:1 match.

Requirements

- Business located in an Enterprise Zone or actively establishing a location in a Enterprise Zone.
- Licensing Application or a Space Act Agreement with any NASA location.
- SBIR/STTR contract with any NASA facility, or current/former civil servant employed with NASA seeking to commercialize aerospace technologies.

Proposed

- One award per applicant within a three year timeframe.



Economic Development Grant

Purpose

- Stimulate economic activity through new capital investment, job growth and/or any other economic indicators.

Benefit

- Grant amount varies and shall be at the sole discretion of the EDA and shall be weighted based on the economic impact to the City (tax revenues, wages, achievement of Grant goals, etc.).

Requirements

- Projects must stimulate economic activity and are a mechanism to provide resources to businesses where the primary outcome is job growth, capital investment, tax revenues, and business sustainability.

Proposed

- Add a \$1 Million minimum capital investment requirement.
- Remove requirement of "...consistency of the project with the City's Master Plan".



Comprehensive Program Enhancements

- Give the Chief Officer for Community & Economic Development authority to approve all grants up to \$5,000.
- Institute an annual maximum amount of grant funding to be awarded for both the Facade Improvement Grant Program and Retail Assistance Grant Program.
- Replace grant agreements with a standardized *Terms & Conditions* document developed by CAO and included in all grant applications.
- Develop and implement an electronic grant application portal.
- Integrate grant management with the Department's customer relationship management database or another grant management platform.
- Include the Community Development Department in the grant application evaluation process.



Implementation

- Obtain City Council support and EDA approval of the recommended changes to the grant programs.
- Refine the language in the grant program guidelines and update the grant application.
- Update all digital and print marketing material.
- Update an existing vacant Business Development Manager job description to include administering the EDA Grant Programs and serving as the Enterprise Zone Administrator for the City.





Thank You