

THE CITY OF TRINIDAD

SPACE TO CREATE COMMONS

BUSINESS DEVELOPMENT INCUBATOR PROGRAM

City of Trinidad Office of Economic Development

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City of Trinidad Space to Create Commons Business Development Program

PURPOSE

The City of Trinidad Economic Development Department has created a business development program for new businesses that choose to locate within the **Space to Create Commons**. The program aims to assist new businesses in succeeding in their ventures by providing a progressive rental subsidy program that will offer free rent for a business during their first three months in operation and subsidized rent for the first two years.

The purpose of this program falls into major sectors of the long-term strategic goals of the **City of Trinidad Economic Development Department** – First, this program lets us support and activate local business owners and entrepreneurs to invest in **Trinidad**. Second, this program is designed to revitalize and diversify the downtown business district as part of an overall effort to make Trinidad a more attractive place for tourists and locals alike. Finally, the program will allow the city to have more active involvement regarding economic gardening and place making within the **Space to Create Commons** and **Trinidad's Downtown Business District**.

The City of Trinidad Department of Economic Development has limited, but valuable leasable space within the **Trinidad Space to Create Commons** that can be put to work for the benefit of your business and our community. This application packet outlines the goals of the program, description of the program, criteria for eligibility, a grading scale for eligibility, required documentation, as well as additional forms and directions for applicants.

ELIGIBILITY

The program is designed to foster growth of businesses in the **Downtown Business District**. Leasable space within the **Space to Create Commons** is subject to the availability of space. The program is open to new businesses or complimentary businesses (listed in Exhibit A) that can provide a business plan that has been reviewed and approved by the **Small Business Development Center (SBDC)**. Due to pre-existing leasing agreements certain types of businesses are prohibited from locating within the **Space to Create Commons**. Please refer to Exhibit B for a complete list of those prohibited uses.

NEW BUSINESS

New businesses are those seeking to locate, relocate, or significantly expand their operations within the **Trinidad Space to Create Commons**.

COMPLEMENTARY BUSINESS

Building on the concept of redeveloping the tradition and eclectic nature of **Downtown Trinidad**, commercial enterprises that complement existing commercial establishments are preferred. Please refer to Exhibit A for a complete list of complementary businesses.

THE SPACE TO CREATE COMMONS DEVELOPMENT PROGRAM FEATURES

This program provides a new or existing business owner who leases a space within the **Space to Create Commons** with a progressively decreasing rental subsidy plan. Rent is one of the largest fixed expenses for a business and we hope to provide stability by helping cover part of the cost. The **Space to Create Commons Development Program** provides a progressive rental fee structure that offers rental subsidies that decrease the longer the tenant remains within the **Space to Create Commons**. Subsidized rental prices will last for up to twenty-four (24) months, at which time the tenant will be expected to pay the market value deemed by the **Economic Development Department** (currently \$9.20 per square foot annually). Businesses accepted into the program will receive 100% off rental costs for the first three months of the lease, with 12.5% of the rental discount subtracted every three months for a maximum length of forty-eight (48) months. Participating businesses are permitted to leave the program with one full month's notice but will be required to remove their business from the **Trinidad Space to Create Commons** at the time of their exiting the program.

The purpose of this program is to offer subsidized rent for new businesses who choose to locate within the **Trinidad Space to Create Commons**. After the first two

years within the **Space to Create Commons**, rental costs will continue to increase by 12.5% every three months up until the forty-ninth (49th) month the business has spent within the facility. At which time the lessee will be locked in at that rate for 12 months, following this period they will be required to find a new business location outside of the **Space to Create Commons**. The increased rent rate after the initial two years is intended to; (a) create a revenue generating mechanism to help cover the costs of operating the facility with consideration to new businesses entering the program; (b) to encourage viable businesses who have successfully operated in **Trinidad** for two years with the assistance of this program to seek other leasable properties within **Trinidad's Downtown Business District**; and (c) thereby open up leasable space within the commons for new entrepreneurs to enter the program.

Each participant will be required to have an in-office meeting every three (3) months, with reviews at the business location randomly in between the official meetings. Continued rental subsidy support will be determined by performance, completion of required programs, and other information we have received through financial statements, business owners, and employees, as well as other factors. Rental subsidies from the **City of Trinidad** are limited to twenty-four (24) months with extensions only permitted in extreme circumstances.

APPLICANT ELIGIBILITY

Space within the **Trinidad Space to Create Commons** will be available to businesses based upon availability of space and quality of business plan. Other determining factors include the amount of Sales Tax revenue expected to be generated and the amount of jobs created. The **Trinidad Space to Create Commons Business Development Program** applicant must meet the following matrix criteria to be awarded funds. Funds are awarded based on scores relevant to the application

APPLICANT SCORE SHEET

Complete the Space to Create Commons Business Development Program Application						REQUIRED	REQUIRED
Meet w/ Economic Development Department						REQUIRED	REQUIRED
City of Trinidad Business License						REQUIRED	REQUIRED
SBDC Approved Business Plan						REQUIRED	REQUIRED
Sales Tax/Month: \$1 < \$150						5	

Sales Tax/Month: \$150 < \$650						15	
Sales Tax/Month: \$650 < \$1000						25	
Sales Tax/Month: > \$1000						50	
Employees: < 2						5	
Employees: 2 < 5						10	
Employees: > 5						20	
New Business						20	
Relocating/Expanding Business						20	
Complementary Business						25	
Total						REQUIRED	
Group 1						49 or less	NOT APPROVED
Group 2						50 or higher	APPROVED

SALES TAX: Calculated based on the total average sales tax collected by the city during the last available month of when the application was submitted compared to the potential collection by the applicant based on the industry average or existing information.

EMPLOYEE: Number of individuals the business will employ on day one of operations.

COMPLEMENTARY BUSINESSES: A business that is unique, lends character, and enhances the community's quality of life and appeal. Examples listed in Exhibit A.

RESTRICTIONS: The focus of the Rental Assistance Program is to encourage business growth and sustainability as well as the development of the **Trinidad Space to Create Commons** for commercial use and development. Therefore, the following are not eligible:

Organizations that discriminate based on race, culture, gender, age, religion, or sexual orientation, and gender identity. Art galleries, antiques, and used stores are not eligible.

ADDITIONAL REQUIREMENTS

Must be open on weekends from at least 12 p.m. until at least 6 p.m. Must maintain and present an attractive store front and rental space. Must submit to random City visits, including inspection of finances. More requirements may be implemented at the discretion of the **Economic Development Coordinator**.

EXHIBIT A. COMPLEMENTARY BUSINESSES

44130000	Furniture
44210000	Home Furnishings
44220000	Appliance, Television & Other Electronics
44311000	Computer & Software
44312000	Camera & Photographic Supplies
44412000	Hardware
44419000	Lawn & Garden Equipment & Supplies
44510000	Specialty Food
44530000	Pharmacies & Drug
44611000	Cosmetics, Beauty Supplies & Perfume
44612000	Optical Goods
44613000	Other Health Care (vitamin, medical equipment)
44710000	Men's Clothing
44811000	Women's Clothing
44812000	Children's & Infant's Clothing
44813000	Family Clothing
44814000	Clothing Accessories
44815000	Specialized Clothing
44819000	Shoes
44821000	Jewelry

44831000	Luggage & Leather Goods
44832000	Sporting Goods
45111000	Hobbies, Toys & Games
45112000	Sewing, Needlework & Piece Goods
45113000	Musical Instrument & Supplies
45114000	Books
45121000	Tapes, Compact Disks & Records
45122000	General Merchandise
45200000	Florists
45310000	Office Supplies & Stationary
45321000	Gifts, Novelties & Souvenirs
45322000	Used Merchandise
45330000	Pets & Pet Supplies
45392000	Motion Picture & Video Exhibition
51213000	Automotive Equipment Rental & Leasing
53210000	Formal Wear & Costume Rental
53222000	Video Tape & Disc Rental
53223000	General Rental Center
53230000	Photographic Services
54192000	Amusement Park & Arcades
71310000	Other Amusement (Bowling, Golf, Fitness)
72220000	Drinking Places (Alcoholic Beverages)
81141000	Upholstery & Furniture Repair
81142000	Footwear & Leather Goods Repair
81143000	Personal Goods Repair (Watch, Boat, Garment)

81149000	Barber Shop
81211100	Beauty Salon
81211200	Nail Salon
81211300	Other Personal Care Services (Tattoos, Spas, Piercings)
81231000	Dry-Cleaning & Laundry
81232000	Pet Care (Except Veterinary) Services
81291000	Photofinishing

EXHIBIT B. PROHIBITED USES

The Premises may not be used or leased for any of the following prohibited uses: (1) motor vehicle repair services; (2) adult book/film store; (3) on premises dry cleaners (but drop-off facilities for dry cleaners is permitted); (4) sports bar; (5) liquor store; (6) all-night convenience store; (7) night club, bar or restaurant where the sale of liquor shall constitute more than thirty percent (30%) of gross sales; (8) pawn shop; (9) unsupervised amusement arcade or game room; (10) facility involving sale or distribution of drug paraphernalia, including head shops; (11) facility involving sale or distribution of pornographic or sexually explicit materials, or sex paraphernalia; (12) massage parlor (but not including day spas); (13) drug or alcohol treatment facilities or clinics; (14) adult motion picture arcade, adult motion picture show, strip show or sale of nudity or sexual services; (15) escort service or dating bureau; (16) a check cashing or payday loan business (provided however, a bank, credit union, savings and loan or similar financial institution shall be permitted); (17) bail bonds business; (18) any use not permitted under the zoning laws in effect in Trinidad, Colorado governing the Property; (19) any use that is illegal or otherwise violates any applicable law; (20) industrial or manufacturing uses (other than individual artists production of individual artwork or other production activities on a comparable scale; (21) casino, off-track betting parlor, gambling or lottery establishments; (22) any use which produces environmental hazards regulated under applicable laws and regulations in the ordinary course of permitted office, art studio or retail use); (23) any use which increases the insurance costs of the Building or would constitute a health or safety hazard to residential owners; (24) any use providing

abortion information or services; (25) parole, juvenile detention or similar services; (26) 24-hour establishments; (27) tattoo and piercing parlors; (28) uses producing noise pollution or which are otherwise incompatible with residential uses; (29) food establishments open before 6:00 a.m. or after 10:00 p.m.; (30) shop dealing with the sale and purchase of firearms and ammunition; (31) mortuary or funeral parlor; (32) bowling alley; (33) Laundromat; (34) warehouse (other than storage incidental to a retail operation conducted on the same premises); (35) more than two hair and/or nail salons; and (36) tax exempt use property under Code Section 47(c)(2)(B)(v). Prohibited uses shall also include and use that will have an adverse impact on the residential tenants' peaceful enjoyment of their residences, including but not limited to any use which generates excessive noise, excessive light, noxious or offensive fumes or smells, excessive trash, or grime, both within and immediately outside the Premises or Building. Business hours of operation shall be restricted to the hours between 6:00 a.m. and 10:00 p.m.

- Lessee will not do anything in or to the Premises or bring anything into the Premises or permit anything to be done or brought into or kept in the Premises that will in any way increase the rate of casualty insurance on said Premises, nor use the Premises or any part thereof, nor allow or permit its use for any business or purpose that would cause an increase in the rate of casualty insurance on the Premises.
- Lessee covenants and agrees that, subject to compliance with any legal requirements regarding the inclusion of registered service animals, no animals that are not pets shall be permitted or kept on the Premises.

EXHIBIT C. BREAKDOWN OF MONTHLY RENTAL COSTS BY SQUARE FOOTAGE

YEAR	MONTH	PERCENT	\$ PER SQUARE FOOT	YEAR	MONTH	PERCENT	\$ PER SQUARE FOOT
	1	0%	\$0	2	25	100%	\$9.20
	2	0%	\$0		26	100%	\$9.20
	3	0%	\$0		27	100%	\$9.20
	4	12.50%	\$1.15		28	112.50%	\$10.35
	5	12.50%	\$1.15		29	112.50%	\$10.35
	6	12.50%	\$1.15		30	112.50%	\$10.35

	7	25%	\$2.30		31	125%	\$11.50
	8	25%	\$2.30		32	125%	\$11.50
	9	25%	\$2.30		33	125%	\$11.50
	10	37.50%	\$3.45		34	137.50%	\$12.65
	11	37.50%	\$3.45		35	137.50%	\$12.65
	12	37.50%	\$3.45		36	137.50%	\$12.65
1	13	50%	\$4.60	3	37	150%	\$13.80
	14	50%	\$4.60		38	150%	\$13.80
	15	50%	\$4.60		39	150%	\$13.80
	16	62.50%	\$5.75		40	162.50%	\$14.95
	17	62.50%	\$5.75		41	162.50%	\$14.95
	18	62.50%	\$5.75		42	162.50%	\$14.95
	19	75%	\$6.90		43	175%	\$16.10
	20	75%	\$6.90		44	175%	\$16.10
	21	75%	\$6.90		45	175%	\$16.10
	22	87.50%	\$8.05		46	187.50%	\$17.25
	23	87.50%	\$8.05		47	187.50%	\$17.25
	24	87.50%	\$8.05		48	187.50%	\$17.25
				4	49+	200%	\$18.40