

**City of Summerside
Venture Centre Policy
P-CS-ADM-96-03**
Approved April 15, 1996

Policy

The City of Summerside, who are the present owners of the Summerside Venture Centre, wish to use this mall as part of its Economic Development Strategy within the City. The City recognizes there is a need to incubate new non-competing businesses within the municipality and is prepared to provide this opportunity based on the guidelines within this policy.

1.0 Objectives

1.1 The objectives of this Policy are to:

- a. Provide entrepreneurs with a job subsidy should they create new jobs within the City of Summerside, at the Summerside Venture Centre Mall.
- b. Provide the above job subsidy through a rent reduction based on the number of jobs created.
- c. Provide the facilities of the Summerside Venture Centre as an economic development tool for the City of Summerside.

2.0 Procedures

2.1 The following priorities are to be used as a guideline in determining who is eligible to rent and receive a job subsidy at the Summerside Venture Mall.

- a.

1st Priority-	Research and development industry
2nd Priority-	Manufacturing industry
3rd Priority-	Technology industry
4th Priority-	Service industry (if no similar one exists within the City boundaries)
5th Priority-	Service industry (if no more than 50% of similar ones exist within City boundaries)
- b. Any of the first four priorities can be approved for rental subsidy by the Chief Administrative Officer of the City of Summerside, in consultation with the Director of Finance for the City.
- c. The rental and job subsidy program for any business falling within the 5th priority can only be approved by a majority decision of a Committee consisting of the Chairman of the Economic Development Committee, the Co-Chairman of this same Committee, along with the Chief Administrative Officer of the City of Summerside.
- d. At no time is a retail operation permitted to rent space out of the Summerside Venture Mall.

2.2 The rental subsidy will be based on the following:

- a. Year 1- To be entitled to a 40% rental subsidy in year 1, the employer has to commit to creating the equivalent of 2,000 man-hours during the first year of operations. If more than 6,000 man-hours are created and maintained in year 1, this 40% of rental rate subsidy will continue in year 2. If more than 10,000 man-hours are created and maintained in years 1 and 2, the 40% rental subsidy rate will be continued for the third year.
- Year 2- If the employer has met his requirements of 2,000 man-hours in year 1, he will be entitled to a 20% rental subsidy if he commits to creating a second 2,000 man-hours over and above what was created in year 1.
- Year 3- An employer who meets the requirements of year 2 will be permitted to rent space in the Venture Mall for a final third year at 100% of the normal rental rate.
- b. It is expected that an employer upon completion of year three would have established his enterprise to be self-sustaining, and would at this time vacate the premises so that further business ventures may be established. Any extension beyond the three year period will have to be approved on a year to year basis by the Committee established in part 2.1 (c) of this policy.
- c. In order to be eligible for subsidies in year two, the enterprise requesting such subsidy has to provide access to financial statements to the Chief Administrative Officer of the City of Summerside. The Chief Administrative Officer is obliged to maintain the confidentiality of these statements.
- d. All lessees of rental space at the Summerside Venture Mall are required to sign a lease arrangement with the City of Summerside.
- e. Heat and electric consumptions are to be paid by the lessee.