



Economic Incentives



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Economic Incentives

Business incentives are designed to foster a favorable environment for economic growth by encouraging private sector investment, development, and expansion. They help reduce the cost of doing business through regulatory flexibility, tax relief, and financial incentives.

Applicants may apply for and receive multiple grants; however, each specific grant may only be awarded once per applicant. All incentives are paid in the form of a stimulus payment upon meeting all qualification requirements. To be eligible for incentives, all applicants must obtain a valid business license and be current on all taxes, fees, and other amounts owed to the Town of South Hill, VA.



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Town of South Hill Mission Statement

The Town of South Hill is dedicated to fostering a safe, inclusive, and vibrant community where families thrive, businesses succeed, and natural beauty is preserved. Through exceptional public service, purposeful growth, and deep community collaboration, we proudly blend small-town charm with bold innovation—making South Hill truly so unexpected.

Town of South Hill Vision Statement

Founded by a pin on the map in 1901, the Town of South Hill envisions a dynamic and inclusive community where innovation flourishes, opportunities abound, and every resident has the tools to thrive. We aspire to be a regional leader—valued for our exceptional manufacturing and industrial infrastructure, our commitment to education and youth development, and our vibrant cultural and recreational experiences.

As we grow, we remain rooted in our heritage, honoring the traditions that shaped us while embracing the promise of a bold, forward-thinking future. Our town is a place where small-town charm meets cutting-edge ambition—where businesses, families, and visitors alike discover something so unexpected. Together, we are building a resilient, connected, and prosperous South Hill—one that stands as the heartbeat of progress in Southern Virginia.

Water & Sewer Connection Incentive

Townwide South Hill, VA

(For Commercial & Residential Development)

The Town of South Hill offers this program to promote new construction and investment by lowering upfront utility connection costs for developers and property owners. It supports both commercial and residential growth, strengthening the Town's economic base and increasing housing availability.

Details:

Under this program, the Town of South Hill will reimburse standard water and sewer hookup fees typically charged by the Town in the following cases:

- Commercial Development: Projects involving an investment of \$100,000 or more in a new business or commercial building within Town limits are eligible for reimbursement.
- Residential Development: Developers or companies that construct between three (3) and 10 new homes within a six-month period inside Town limits may qualify for reimbursement.

This program replaces the previous Water & Sewer Connection Incentive and is part of a broader initiative to stimulate development, attract investment, and support economic growth in South Hill.

Building Permit Incentive

Townwide South Hill, VA

This incentive provides a reimbursement of building permit fees, up to \$5,000, for new or expanding businesses.

Details:

A minimum investment of \$500,000 in land, buildings, or equipment is required. The incentive amount is based on the total cost of facility construction or expansion.

Business License Tax Incentive

Townwide South Hill, VA

This incentive provides a stimulus payment of up to \$15,000 total per business in business license taxes for new or expanding businesses, distributed over three years. Payments will be issued only after the Town verifies that the required jobs have been created and filled.

Details:

At least three (3) permanent full-time jobs, as defined by the Commonwealth of Virginia, Code Section 59.1-547, must be created within six months of water/sewer service activation. The value of the incentive depends on the business type and gross receipts.

- First Year – 100%
- Second Year – 50%
- Third Year – 25%

Real Estate, Business & Personal Property Taxes Incentive

Townwide South Hill, VA

This incentive offers a stimulus payment of real estate and personal property taxes for new or expanding businesses. Payments will be made only after the Town confirms that the required jobs have been created and filled.

Details:

The Town of South Hill offers tiered stimulus payments based on the level of private investment and job creation:

Tier A

- Investment: \$1–\$2 million in building and land
- Jobs: Minimum of 10 full-time jobs (as defined by the Commonwealth of Virginia)
- Incentive:
 - Year 1: 50% reimbursement of real estate and personal property taxes
 - Year 2: 25% reimbursement
 - Year 3: 15% reimbursement

Tier B

- Investment: Over \$2 million in building and land
- Jobs: Minimum of 75 full-time jobs (as defined by the Commonwealth of Virginia)
- Incentive:
 - Year 1: 75% reimbursement of real estate and personal property taxes
 - Year 2: 50% reimbursement
 - Year 3: 25% reimbursement

The financial value of the incentive is based on the total cost of facility construction or expansion.

Historic Structure Incentive

Townwide South Hill, VA

Buildings eligible for Commonwealth of Virginia or Federal Historic Tax Credits

Details:

This incentive supports the renovation of buildings that meet one of the following criteria:

- Designated as historic by the federal government or the Commonwealth of Virginia
- Located in a recognized historic district within the Town of South Hill

To qualify, the project must meet one of the following thresholds:

- A minimum investment of \$250,000 in renovations, verified through documentation submitted to the Code Compliance Official during the permitting process, OR
- The creation and maintenance of at least two (2) full-time equivalent jobs for a period of one year

The building must remain fully operational as a historic structure for the duration of the incentive period in order to retain eligibility.

Incentives:

Eligible projects may qualify for the following incentives:

- Business License Tax (BPOL): Stimulus payment covering BPOL tax for two years
- Building Permit Fees: Waiver of fees up to \$2,500
- Water/Sewer Connection Fees: Stimulus payment up to \$2,500
- Real Estate Tax Grants:
 - Year 1: 100%
 - Year 2: 75%
 - Year 3: 50%
 - Year 4: 25%

Façade Improvement Incentive

Townwide South Hill, VA

The South Hill Façade Improvement Program is a collaborative effort between the Town and property owners/occupants to improve the attractiveness of our town. The matching funds are available to assist building owners and occupants as a dollar-for-dollar match reimbursement for qualifying expenditures with a maximum match of \$5,000 per building. For buildings in the downtown area, the maximum match increases to \$10,000 if historical look and feel is restored. I.E. Expose existing brick, replace or repair historical lighting, new store, brick or hardy plank siding. See guidelines for additional details. Examples of qualifying improvements include:

Details:

Qualifying expenditures must be for relatively permanent improvements that enhance the street-facing façade of a commercial building—regardless of its use (retail, office, or other commercial purposes).

Examples of eligible improvements include:

- Exterior paint
- Exterior lighting
- Exterior doors and windows
- Blank exterior awnings (no signage)

Ineligible Improvements

The following are not eligible for reimbursement:

- Signage
- Interior improvements
- Exterior work not visible from the street

Note: For buildings on a corner lot, improvements to the side that faces the side street may be considered.

Project Timeline

- Start work within 30 days of approval
- Complete work within 90 days
- One extension (up to 60 days) may be requested for uncontrollable delays—but is discouraged

Reimbursement Process

- Submit a reimbursement request with paid receipts upon completion
- Committee will conduct a final inspection within 14 days
- Optional interim inspections available
- Upon approval, the Town will reimburse up to 50% of qualifying expenditures

Demolition Incentive

Townwide South Hill, VA

The Town of South Hill's Demolition Incentive is designed to assist property owners in addressing blighted, unsafe, or dilapidated structures that have been officially deemed uninhabitable by code enforcement. The goal of this program is to promote public safety, improve property values, and encourage responsible redevelopment throughout the town.

Details:

Through this initiative, eligible property owners may receive a dollar-for-dollar match of up to \$10,000 per property to help cover the cost of demolishing deteriorated commercial or residential structures. To participate, applicants must:

- Own property within the Town of South Hill
- Provide documentation that the structure has been deemed dilapidated by code enforcement
- Submit a quote from a licensed contractor for the demolition

This grant is part of South Hill's broader effort to revitalize neighborhoods, reduce visual blight, and make space for future growth. By removing abandoned or unsafe structures, we are working together to build a cleaner, safer, and more attractive community.

Parking Lot Incentive

Townwide South Hill, VA

The Parking Lot Improvement Incentive Program is designed to assist property owners in upgrading deteriorated or non-compliant parking areas in an effort to improve accessibility, appearance, and safety across the Town of South Hill. This initiative supports the Town's broader goals of revitalization, ADA compliance, and creating a more welcoming environment for residents and visitors alike.

Details:

Eligible commercial or residential property owners may receive a dollar-for-dollar matching grant of up to \$10,000 per property to help cover the cost of improving existing parking lots. Qualifying projects may include:

- Paving or resurfacing cracked or deteriorating asphalt or concrete lots
- Sealing and striping worn-out parking surfaces
- Concreting or paving existing gravel lots to meet ADA accessibility standards

This program encourages responsible maintenance, enhances property value, and supports local business growth by ensuring that parking areas are safe, functional, and compliant with current standards.

Dumpster Enclosure Incentive

Townwide South Hill, VA

The Dumpster Enclosure Incentive aims to support commercial property owners in enhancing the overall appearance and cleanliness of the Town by encouraging the proper screening of waste containers. By promoting the installation of attractive and functional dumpster enclosures, this program helps improve curb appeal and supports South Hill's commitment to a clean and well-maintained community.

Details:

Eligible commercial businesses may apply for a dollar-for-dollar matching reimbursement grant of up to \$3,000 per business to assist with the cost of installing enclosures around existing dumpsters or trash cans. To qualify:

- Enclosures must be constructed around commercial dumpsters or trash receptacles
- All enclosure designs and materials must be approved by the Town's Code Enforcement Official and provided with incentive application prior to construction

This grant is intended to help offset the cost of improving waste storage areas while reducing visual clutter and maintaining the aesthetic integrity of business properties across South Hill.

Crime Prevention Incentive

Townwide South Hill, VA

The Crime Prevention Incentive is designed to help commercial property owners and business operators enhance safety and deter criminal activity through the use of modern surveillance equipment. This initiative supports the Town of South Hill's commitment to creating a safer community for residents, businesses, and visitors.

Details:

Eligible businesses located within the Town limits may apply for a dollar-for-dollar reimbursement grant of up to \$2,000 per business to assist with the purchase and installation of security cameras. Systems may be installed inside or outside of commercial buildings, provided they are positioned to monitor activity and deter potential crime.

Participation in the program requires the applicant to:

- Allow the South Hill Police Department to access camera footage upon request to aid in investigations and enforcement
- A quote or estimate must be provided with incentive application to qualify

By increasing the presence of security cameras, this program encourages crime prevention, supports law enforcement efforts, and contributes to a safer and more secure South Hill.

Signage Incentive

Downtown South Hill, VA

The Signage Incentive is a dollar-for-dollar match up to \$5,000 per business designed to support local businesses in revitalizing the appearance of our historic downtown area. This program offers financial and design assistance to eligible businesses seeking to update, replace, or install signage that complements the character and charm of South Hill.

By encouraging consistent, attractive, and well-maintained signage, the program aims to:

- Enhance the visual appeal of the downtown district
- Strengthen the identity of South Hill's business community
- Attract more visitors, shoppers, and potential investors

Details:

- Matching funds available to qualifying businesses in the designated downtown area
- Guidance may be provided on signage design that reflects South Hill's historic and cultural aesthetic
- Support for both new and existing businesses located in the downtown area

Whether you're restoring a vintage sign, replacing outdated materials, or creating a fresh look that aligns with South Hill's vision, this program is here to help. Together, we can create a more vibrant, welcoming downtown that reflects the pride and potential of our community.

Building Permit Incentive

Downtown South Hill, VA

The Building Permit incentive provides stimulus payment for building permit fees for new or expanding businesses.

Details:

Minimum investment of \$10,000 in land, buildings or equipment. Financial value of incentive dependent on the cost of facility construction/expansion.

Real Estate, Business & Personal Property Taxes Incentive

Downtown South Hill, VA:

Real Estate, Business & Personal Property Taxes Incentive is a stimulus payment of real estate and personal property taxes for new or expanding businesses in the downtown zone only.

Details:

Minimum investment of \$10,000 in private investments (building and land) or remodeling. Financial value of the incentive is dependent on investment cost.

- First Year – 50% of Real Estate and Personal Property
- Second Year – 25% of Real Estate and Personal Property
- Third Year – 15% of Real Estate and Personal Property

Building Up-fit Incentive

Downtown South Hill, VA

Economic development is a priority for the Town of South Hill and its residents. Attracting new businesses and expanding existing businesses in downtown is a part of this goal. The Town of South Hill's Building Up-fit Incentive encourages growth and development by assisting property owners and businesses with improvements, renovations, and/or additions to their interior spaces.

Details:

- Incentive amounts up to \$20,000 inside the designated downtown area for qualified improvements.
- Incentive amounts up to \$40,000 for commercial kitchen installation only.

Qualified Improvements Include:

- Mechanical, electrical, and/or plumbing for improvement.
- HVAC, fire suppression, costs of bringing building up to code.
- Flooring.
- Lighting.
- Accessibility compliance.
- Restrooms.
- Utility upgrades.
- Construction of new walls/demolition of unnecessary existing walls.
- Support mechanisms (roofing, foundation, support beams, columns, trusses, etc.)

Criteria for Qualifying Projects:

- The property must be located within the defined downtown area of South Hill.
- The applicant must be the occupant or landlord of the improved property.

- If the applicant is a tenant, they must have a fully signed lease and written approval from the property owner supporting the improvements to be made and agree to the terms and conditions of the grant award. A lease term of a minimum of two (2) years is required.
- Funding must support capital investment (expenditures for improvements, renovations and/or additions to the property) and cannot be used for personal property located upon or used in connection with the property.
- The improvements, renovations and/or additions must have been undertaken after appropriate permits from the Town of South Hill have been obtained.
- Improvements made must remain with the property for a minimum of two (2) years following the disbursement of grant funds.
- If the funded improvements are removed from the property or damaged and not repaired within the two (2) years occupancy period, funds shall be repaid to the Town 100%.
- If the grantee fails to timely pay taxes owed to the Town of South Hill during the two (2) year occupancy period and continues to fail to pay such taxes within 10 business days of receiving notice of tax delinquency from the Town, the entire grant amount must be repaid to the Town.
- Space or building must be existing.

Disqualifying factors:

- Improvements, renovations, and/or additions to the commercial property shall not qualify for an up-fit grant if the applicant or property owner has applied for or been approved for building permits or began construction on the up-fit prior to the award of the grant. No applicant will be considered until all outstanding amounts due to the Town are paid in full.

Upon approval for incentive:

- Any changes to qualifying expenditures must be approved by the Business Development Manager in order to qualify for reimbursement.
- Once the grant is approved, the grantee has up to six (6) months to obtain building permits, complete the project and obtain a certificate of occupancy or compliance and open for business. If one or all of these criteria are not met then the grantee will be notified in writing that the grant is terminated.
- Grantees can request an extension thirty (30) days before the six-month lapse points. One extension, of no longer than six (6) months, may be granted, per project, at the discretion of the Town Manager or their designee.
- All projects are subject to applicable zoning and building codes.
- The grant shall be awarded only after the work has been completed and a final inspection has been made by the South Hill Code Compliance Official to determine that the work has been satisfactorily and entirely completed according to approved plans and specifications.
- Proof of costs and payment, in the form of paid invoices, will be required to receive grant payout.

Business Incubation Incentive

Downtown South Hill, VA

The Business Incubation Grant Program is an initiative of the Town of South Hill aimed at assisting start-up businesses occupying commercial, industrial, and mixed-use properties within the Downtown Zone with rental or mortgage costs for the first full year of operation. The Town of South Hill allocates funding for the program per fiscal year. Grants will be the lesser of \$5,000 per business for the first full year of operation and 20% of the rent or mortgage paid by the business.

Guidelines:

- Only those individuals who have created new start-up businesses that are physically located within the downtown area are eligible to receive grant funds.
- “New start-up businesses” are defined as those businesses that have never previously had a business presence within the corporate limits of South Hill nor have had a business license issued by the Town of South Hill. An individual or individuals who previously operated a business within the corporate limits of South Hill and were issued a Town business license under a different business name are excluded from receiving grant funds, unless the new business formed is substantially different (goods sold, services provided, etc.) than the business that previously existed.
- Grants shall be the lesser of \$5,000 per business over a 12-month period limited to 20% of the rental or mortgage rate paid by the business.
- Grants will be limited to the first full year of operation only and to the months following approval of the grant application, i.e. requests for rent or mortgage paid prior to approval shall not be reimbursed. “First full year of operation” commences at the beginning date of the business’s lease.

Business Utility and Services Incentive

Downtown South Hill, VA

The Business Utility / Town Services Grant Program is an initiative of the Town of South Hill aimed at assisting new start-up businesses occupying commercial, industrial, and mixed-use properties within the defined Downtown Zone with water, sewer, and trash pickup costs for the first full year of operation. The Town of South Hill allocates money for the program per fiscal year. Grants must be the lesser of \$1,500 per business for the first full year of operation.

Guidelines:

- Only those individuals who have created new start-up businesses that are physically located within the defined downtown area are eligible to receive grant funds.
- “New start-up businesses” are defined as those businesses that have never previously had a business presence within the corporate limits of South Hill nor have had a business license issued by the Town of South Hill. An individual or individuals who previously operated a business within the corporate limits of South Hill and were issued a Town business license under a different business name are excluded from receiving grant funds, unless the new business formed is substantially different (goods sold, services provided, etc.) than the business that previously existed.
- Grants shall not exceed a total of \$1,500 per business over a 12-month period.
- Grants will be limited to the first full year of operation only and to the months following approval of the grant application, i.e. requests for utilities or services paid prior to approval shall not be reimbursed. “First full year of operation” commences at the beginning date of the businesses lease or purchase agreement.

Landscaping Incentive

Downtown South Hill, VA

The Landscaping Incentive is a dollar for dollar match up to \$5,000 per business to help local businesses enhance their curb appeal and contribute to the beautification of our downtown district. This grant supports commercial property owners and tenants in making visible, lasting improvements to the exterior spaces surrounding their businesses.

The goal of this initiative is to:

- Create a more inviting and attractive downtown environment
- Encourage foot traffic and increase business visibility
- Promote community pride and investment in the downtown area

Eligible improvements may include:

- Planters, flower beds, and ornamental landscaping
- Shrubs and trees
- Decorative mulch, stonework, and sidewalks
- Fencing or decorative barrier to hide unsightly items

Details:

- Matching funds available for qualifying projects are on a first come first serve basis
- Simple application process with support from Town staff
- Open to businesses within the designated downtown boundaries

Whether you're adding greenery, refreshing existing landscaping, or creating a welcoming storefront entrance, this grant is a great opportunity to invest in your business's appearance while enhancing the overall charm of South Hill's downtown.

Town of South Hill Incentive Application Process

The Town of South Hill offers a variety of incentive programs to support local businesses, developers, and property owners in revitalization, beautification, and growth efforts. To ensure a smooth and fair application experience, please follow the steps below.

Step 1: Review Program Guidelines

- Visit the Town's website or contact the Business Development Manager's Office to review eligibility requirements, matching fund details, and allowable improvements for the specific incentive program.
- Make sure your project is within the Town of South Hill limits or defined Downtown Area and aligns with program goals.
- Businesses must hold a current Town-issued business license, and all taxes and fees owed to the Town must be paid in full.
- Property owners and/or tenants are required to obtain all necessary zoning and building permits prior to initiating any project.
- Grant funds are awarded on a first-come, first-served basis, based on appropriated funds each fiscal year.
- Home occupations are not eligible for grant funding.

Step 2: Schedule a Pre-Application Meeting (Optional but Recommended)

- Meet with Town staff to discuss your proposed project, confirm eligibility, and get guidance on required documentation.
- For certain programs (e.g., dumpster enclosures or demolition), site visits or plan approvals may be required prior to applying.

Step 3: Prepare and Submit Your Application

- Complete the official Incentive Program Application Form, available online or at the Business Development Office.
- Include all required documentation such as:
 - Project description and scope of work
 - Contractor quotes or cost estimates
 - Photos (before improvements)
 - Site plans or renderings (if applicable)
 - Proof of property ownership or leaseholder permission

Step 4: Town Review and Approval

- Applications will be reviewed by Town staff.
- You may be contacted for clarification or additional information.
- Approval typically occurs within 30 days of submission, depending on the project type and complexity.
- Town staff reserves the right to interpret program guidelines and may impose additional conditions as necessary.

Step 5: Project Completion

- Once approved, you may begin work. Do not begin work prior to receiving official approval, or your project may be deemed ineligible for reimbursement.
- Projects must be completed within a set time frame (typically 6–12 months, depending on the program).

Step 6: Reimbursement Request

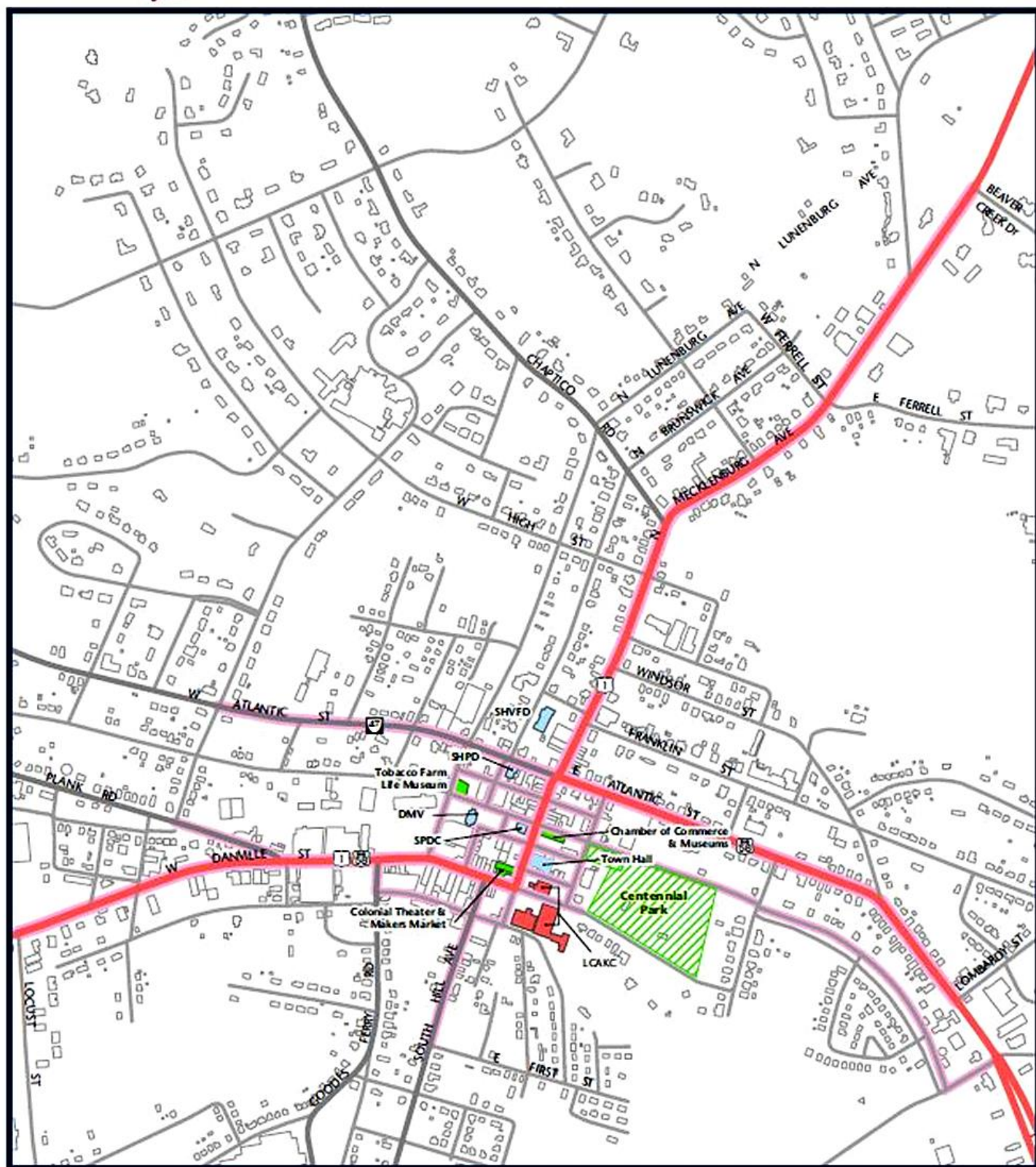
After completing the project, submit a Reimbursement Request Form along with:

- Final invoices or receipts
- Photos of completed work
- Proof of payment

The Town will review your request and issue reimbursement up to the approved amount.

Questions?

Contact the Town of South Hill of South Hill at 434-447-3191, southhill@southhillva.org, or by visiting southhillva.org.



Attractions & Tourism Government & Public Use Health & Education Other Buildings Parks & Recreation

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