

Rental Incentive Program

The Rental Incentive Program provides financial assistance to Prince Edward Island businesses for leasing incremental space in any community on Prince Edward Island for the establishment or expansion of the business in eligible sectors.

The program is designed to meet the occupancy needs of new and expanding businesses during their start-up years and to assist existing Island businesses which are expanding their production capabilities.

In order to meet the occupancy needs of new and expanding businesses, Innovation PEI also offers space in its business parks at competitive terms and rates with units ranging from 500 to 10,000 square feet.

ELIGIBLE APPLICANTS

Eligible applicants to this program are manufacturers, processors and providers of exportable services. Applicants must be sole proprietorships, partnerships, cooperatives or limited liability companies with well-developed business and marketing plans.

Applicants engaged in retailing and services (to businesses or consumers) are ineligible for assistance.

ELIGIBLE SECTORS

Manufacturers, processors and providers of exportable services in the following sectors:

- food development
- diversified manufacturing
- bioscience
- information technology
- first-of-its-kind exportable services may be considered in other sectors

In order for a project to be eligible for assistance, it must be expected to provide economic benefit to the province and similar businesses cannot be jeopardized as a result of the proposed project.

ELIGIBLE ACTIVITIES

The leasing of incremental business space for the manufacturing, processing and provision of exportable services in approved facilities.

LEVELS OF ASSISTANCE

Assistance on this program shall be in a form of a rental subsidy to a maximum of \$5.00 per square foot (not including utilities, taxes, inside maintenance, etc.). The maximum term of assistance is one year, payable on a monthly basis.

In the case of Innovation PEI owned facilities the following terms apply.

- Base rate is \$5.00 per square foot (not including utilities, taxes, inside maintenance, etc.)
- Year one lease rate is free to a new eligible business.
- Lease terms up to 5 years

OTHER CONDITIONS

Other conditions when evaluating an applicant's request for assistance include:

- potential for long-term viability
- import substitution
- environmental impact
- availability of program funds
- qualifications and track records of managers
- level of assistance from other government programs offered or available
- export sales
- cost benefit to the province
- employment creation
- availability of space

PERFORMANCE MONITORING

The Rental Incentive Program requires satisfactory evidence to Innovation PEI that the client is occupying space (copy of signed lease) and has paid rent or leasing costs. This evidence may include a copy of the cancelled cheque for payment of rent, a receipt of paid rent from the landlord or a paid copy of the landlord's invoice.

Applicants must be prepared to provide information, as requested, on the ongoing activities of the business.

For each project approved, a letter of offer will be forwarded to the applicant(s) which, when accepted, shall constitute a contract between Innovation PEI and the applicant(s).

Should the project fail to comply with the terms of the contract or be discontinued, Innovation PEI may at its sole discretion:

- declare the applicant to be in non-performance (default) of the contract
- request the applicant to repay in full the incentive received
- take necessary legal action to collect the incentive amount in full with interest

Application must be submitted before any financial or legal commitment is made on the project.

For More Information

Innovation PEI specializes in providing one-on-one business advisory services. Our qualified staff can also provide information regarding most business development programs offered by government agencies across Prince Edward Island. Application forms and additional program information can be obtained from Innovation PEI.