

Virginia Enterprise Zone Program

Colonial Beach, Virginia
March 24, 2009



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
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Program Overview

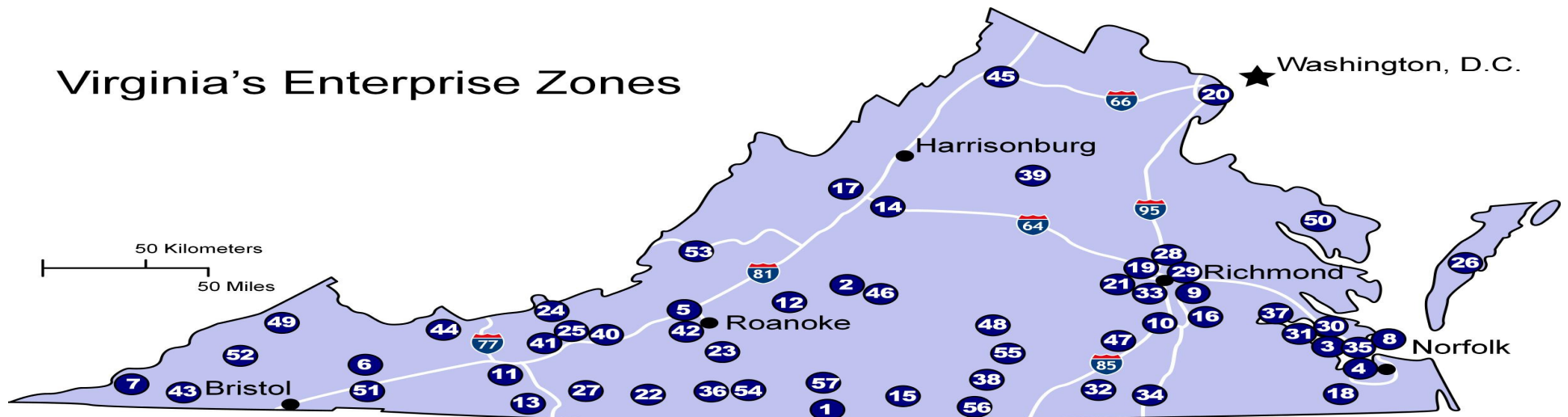
- State/Local Partnership
- State Grant Programs
- Designation/Amendment Procedures



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Virginia's Enterprise Zones



Source: VEDP, 2007

- | | | |
|--|---|--|
| 26 Accomack/Northampton | 37 James City | 16 Prince George |
| 20 Alexandria | 50 Lancaster/Northumberland/
Richmond/Westmoreland/
Kilmarnock/Warsaw | 25 40 Pulaski |
| 53 Alleghany/Clifton Forge/
Covington | 7 Lee | 41 Town of Pulaski |
| 12 Bedford | 55 Lunenburg/Kenbridge/Victoria | 19 29 Richmond City |
| 32 Brunswick/Lawrenceville | 2 46 Lynchburg | 28 Richmond City/Henrico |
| 27 Carroll/Hillsville | 36 54 Martinsville/Henry | 5 42 Roanoke |
| 48 Charlotte/Lunenburg/
Prince Edward | 56 Mecklenburg/Clarksville | 23 Rocky Mount |
| 21 33 Chesterfield | 38 Mecklenburg/South Hill/
LaCrosse | 6 Saltville/Smyth County |
| 1 Danville | 24 Narrows | 43 Scott |
| 49 Dickenson/Clintwood/Haysi | 3 30 31 Newport News | 51 Smyth/Washington/Chilhowie/
Glade Spring |
| 47 Dinwiddie/Petersburg | 4 Norfolk/Portsmouth | 17 Staunton |
| 13 Galax | 39 Town of Orange | 18 Suffolk |
| 34 Greenville | 22 Patrick/Stuart | 44 Tazewell |
| 15 Halifax/South Boston | 10 Petersburg | 45 Warren |
| 8 35 Hampton | 57 Pittsylvania/Danville | 14 Waynesboro |
| 9 Hopewell | | 52 Wise |
| | | 11 Wythe |



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Northern Neck Enterprise Zones



Westmoreland County Enterprise Zones are located near Montross and Kinsale



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Westmoreland County Offers Monetary Incentives

➤ For businesses that:

- create 25 new full-time jobs
- invest \$250,000
- Pay an average annual wage that's at least 125% of the average wage for the area.



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State Incentives

- July 1, 2005: General Assembly passed Enterprise Zone Grant Act
- Transitioned program from tax credits incentives to grants:
 - Real Property Investment Grant
 - Job Creation Grant



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Real Property Investment Grant

- Based on qualified real property investments made by individual/entity to commercial, industrial, or mixed-use buildings in Enterprise Zones

Applicant: Zone Investor

- Owner
- Owner of space*
- Tenant*
- Developer

* Supplemental application material



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Real Property Investment Grant: Amount

- Eligibility thresholds based on type of investment:
 - \$100,000 for rehab or expansion
 - \$500,000 for new construction
- Up to 20% of total cost of qualified real property investment



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Real Property Investment Grant: Term

- Capped per building/facility
 - Investments less than \$5 Million: \$100,000 per building or facility
 - Investments of \$5 Million or more: \$200,000 per building or facility
- 5-consecutive year term
- Restrictions:
 - Units of local, state, or federal government



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Real Property Investment Grants 2007

- 283 zone investors received \$14,121,015
- 172 building rehabilitated
- 84 building constructed
- 27 existing building expanded



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Job Creation Grant

- Encourages the creation of higher quality jobs
- Eligible positions:
 - Net new to Virginia
 - Over 4 job threshold
 - Permanent full-time
 - Pay at least 175% of Federal minimum wage
 - Provide health benefits



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Job Creation Grant: Term

- Capped at 350 positions annually
- Available for 5-consecutive year term
- Restrictions:
 - Retail, personal service, or food and beverage positions
 - Units of local, state, or federal government



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Job Creation Grants 2007

- 44 businesses received \$1,278,985
- 1,511 net new full-time jobs created



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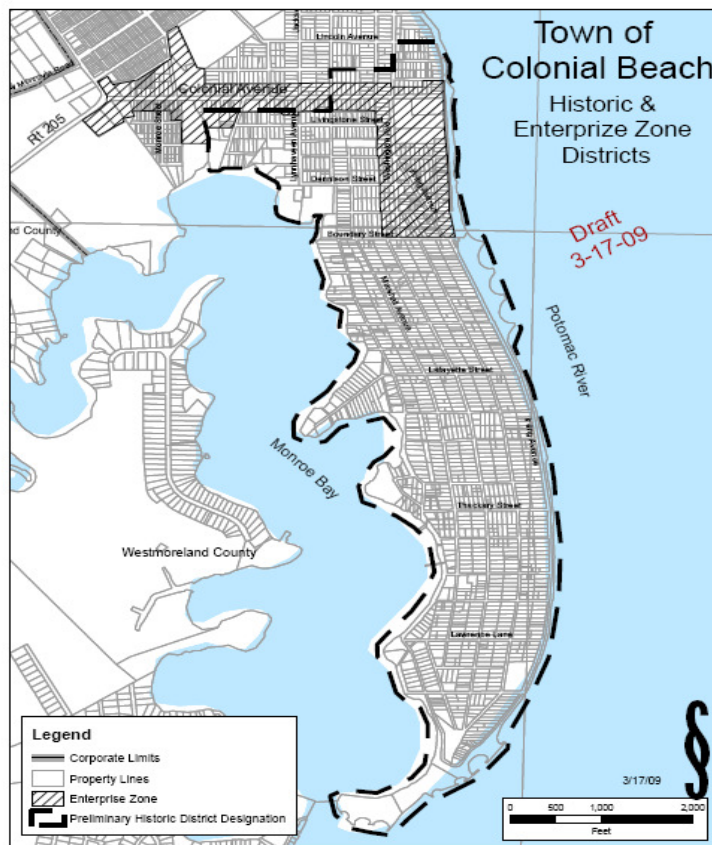
Local Impact Northern Neck's Record 2005-2007

- 18 grants to Local Businesses
- Totaling \$751,510



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Amendment Procedures

- Towns by themselves can't apply
- Can be part of Westmoreland's Zone
- Must be coordinated with Northern Neck's joint applicants



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Enterprise Zone Contact Information

➤ Westmoreland County

Norm Risavi

County Administrator

804-493-0130



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Enterprise Zone Contact Information

➤ Northern Neck Enterprise Zone

Jerry W. Davis

Local Zone Administrator

(804) 333-1900



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Questions and Answers

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