

Virginia Enterprise Zones

The Virginia Enterprise Zone Program *2009 Qualification Year Annual Report*



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities

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Cover Page Photographs: Building on the left is Canon Virginia’s existing main building and the building on the right is the new Advanced Cartridge Manufacturing Building, both in Newport News’ Zones. This major expansion is expected to create more than 1,000 jobs. Canon received both RPIG and JCG incentives.

2009 QUALIFICATION YEAR IN REVIEW

Request for Incentives

- 295 applicants qualified for the Enterprise Zone incentives
- 255 businesses and investors received the Grant incentives
- 40 applicants received the Pre-2005 incentives

Real Property Investment Grant

- 214 Zone Investors received \$10,621,140
- \$500,435,203 of qualified real property investments were spent on the following properties:

- | | |
|------------------|-----------------------|
| ▪ 153 Commercial | • 144 rehabilitations |
| ▪ 27 industrial | • 60 new construction |
| ▪ 34 mixed-use | • 10 expansions |

Job Creation Grant

- 41 businesses received \$1,278,860
- 924 net new full-time jobs were created

General Income Tax Credit

- 40 businesses received \$2,082,806



EBI LLC purchased and renovated this former tobacco building in Danville's Enterprise Zone to manufacture goods and services for IKEA® for distribution throughout North America. EBI has received both RPIG and JCG incentives.

ENTERPRISE ZONE PROGRAM OVERVIEW

The Virginia Enterprise Zone (VEZ) Program is a partnership between state and local governments that promotes economic development through job creation and real property investment. Used in conjunction with other available local, state, and federal programs, Enterprise Zones can leverage private sector investment in targeted areas throughout Virginia.

The Virginia program was first established in 1982 and updated in 1995. When the 1995 provisions reached their ten-year sunset date the General Assembly passed the 2005 Enterprise Zone Grant Act, which included several important changes to the Zone designation process and the state incentives offered under the program. These are discussed below.

There are 57 active Enterprise Zones in the Commonwealth; however, under the 2005 Act the total number of Zones is to be reduced to 30 over time. It is estimated this will occur by year's end 2015. The Governor has the power to designate Zones under the 2005 statute as the older Zones expire or are terminated. At year's end 2009, four zones designated prior to the 2005 Act reached the end of their 20-year designation: Norfolk/Portsmouth, Prince George County, Staunton and Suffolk. DHCD held a competitive application process for Zone designation to fill these vacancies. Applications were due in October 2009 and were reviewed by DHCD and VEDP staff. Based on their recommendations, Governor Kaine designated the following localities: Franklin/Southampton, Portsmouth, Prince George County and Staunton. This brings the number of zones designated since the passage of the 2005 Act to 14. Zones under the 2005 Act are designated for a 10-year period with two possible five-year renewal periods.

The 2005 Act also replaced the tax credit incentives with two grant incentives: Job Creation Grant (JCG) and Real Property Investment Grant (RPIG). In addition to supporting the overall policy shift for the program, the new incentives also reflect changes in business practices and development trends over the past decade. There are also provisions allowing firms to continue to receive tax credits under specific and limited conditions. The tax credits will sunset the end of fiscal year 2019.

This report reflects activity generated by the JCG and RPIG under the Act as it stood in 2009. Additional changes were made by the General Assembly in 2010 in an effort to address lingering high unemployment levels. These changes will be in effect for job creation occurring during calendar year 2010. The changes will make it easier for more firms operating in high unemployment areas to qualify for the JCG. High unemployment areas are those with unemployment rates that are equal to or more than one and one-half times (150 percent) the state average. In such areas, the qualifying wage threshold will be lowered to 150 percent of federal minimum wage (\$10.88) versus the 175 percent (\$12.69), which is required for firms outside designated high unemployment areas in the state. The changes also give funding priority to JCGs in order to hold them harmless from pro-ration. RPIGS will be paid from funds remaining after the JCG payout and will be pro-rated should the RPIG requests exceed the remaining funds.

2009 INCENTIVE REPORT

Businesses and qualified zone investors requesting state incentives in 2009 accessed two grants, the JCGs and RPIGs. As discussed on the previous page, businesses grandfathered by statute can continue to access the Pre-2005 incentive package. This report discusses the use of both the new incentives and the Pre-2005 incentives.

For the 2009 qualification year, a total of 295 businesses and zone investors qualified for Enterprise Zone incentives. A total of 255 businesses and zone investors received the new grant incentives in 2009 and 40 applicants received the Pre-2005 incentives. A brief summary of the two incentive packages is provided below.

2009 Grant Incentive Package

1. A **Real Property Investment Grant (RPIG)** of up to 20 percent of the total amount of qualified real property investments made to a building or facility in an Enterprise Zone, not to exceed \$100,000 within a five consecutive year period for investments of less than \$5 million. For qualified real property investments of \$5 million or more, the grant is capped at \$200,000 per building or facility. For rehabilitation and expansion a zone investor must spend at least \$100,000 in qualified real property investments and for new construction, a zone investor must spend at least \$500,000 to qualify for the grant. The 20 percent grant is based on the investment over the \$100,000 and \$500,000 eligibility thresholds respectively.

2. A **Job Creation Grant (JCG)** of up to \$500 per year for each net new permanent full time position created above a four position threshold and earning at least 175 percent of the Federal minimum wage (\$12.69/hour) with health benefits. For positions earning at least 200 percent of the Federal minimum wage (\$14.50/hour) with health benefits the grant amount is up to \$800 per year for each position. Eligible firms can receive grants for up to 350 positions per year. These grants are available for a five-year qualification period. Retail, food and beverage and personal service positions are not eligible for JCGs.

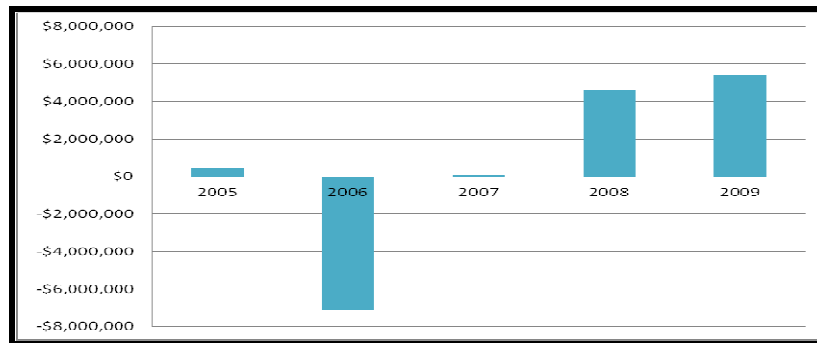
Pre-2005 Incentive Package (Sunset FY 2019)

The Pre-2005 state enterprise zone incentives available to firms meeting the conditions described earlier are:

1. A ten-year **General Income Tax Credit** against a business's state tax liability in an amount up to 80 percent for year one and 60 percent for years two through ten.
2. An **Investment Tax Credit** equal to a negotiated amount not to exceed five percent of qualified zone investments, that may be taken until the negotiated credit amount is fully used.

Figure 1 shows a decline in tax credit usage since 2007. The decline is to be expected as more businesses' qualification periods expire. In addition, many businesses may not have chosen to apply for 2009 because of lower tax liability due to the recession. Another factor in the reduced usage is that no firms with investment tax credits applied in either 2008 or 2009.

Figure 1: Annual Tax Credit Surplus/Deficit Totals 2005 – 2009



Source: Enterprise Zone Administrative System

ENTERPRISE ZONE GRANTS – 2009 USAGE

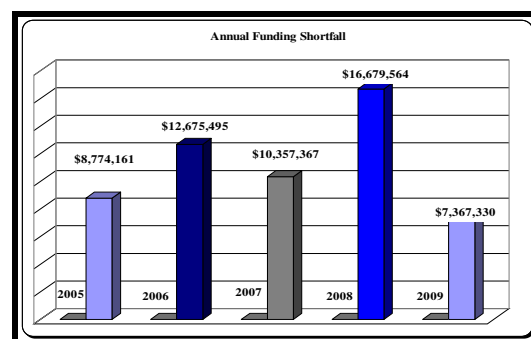
The JCG and RPIG have now been in effect for five years. Several consistent patterns have emerged during this time. One is that RPIG uses approximately 90 percent of the funds allocated to the grant incentives every year. Seventy-one (71) percent of real property requests are for commercial projects while mixed use projects represent 16 percent and industrial projects represent the remaining 13 percent of the grant requests. Thirty-eight (38) percent of the real property grants are spent on new construction and 62 percent is spent on expanding existing buildings or rehabilitating structures. New construction grants on average are 40 percent larger than grants for rehabilitation of a building.

Every year since 2005, high investment and usage levels have resulted in funding requests that surpassed funding allocations. The VEZ program is performance-based and any qualified investor or business meeting program requirements is eligible to receive a grant. When requests exceed allocated dollars, proration is applied as required by statute to all grant requests equitably. Last year (2008 qualification year), the pro-ration was \$.46 cents on the dollar. This was the deepest pro-ration to date.

In an effort to reduce pro-ration and align grant demand with program funding the 2009 Virginia General Assembly passed legislation to change the parameters of the RPIG. The new parameters, which took effect for qualification year 2009, raised the investment eligibility thresholds and based the calculation of the grant awards on 20 percent of the **investment in excess** of the thresholds up to a maximum award of \$100,000 (previously \$125,000) for investments of less than \$5 million and up to \$200,000 (previously \$250,000) for investments of \$5 million or more. The eligibility investment thresholds are now at least \$100,000 (previously \$50,000) for rehabilitation and expansion projects and at least \$500,000 (previously \$250,000) for new construction projects.

Even with these changes in effect requests again exceeded funds available. In total \$19,267,330 was requested, far exceeding the \$11,900,000 allocated by the General Assembly. The requested amount rendered proration at 62 cents on the dollar for qualification year 2009 (paid from FY 2010 allocation). Figure 2 below shows the funding shortfalls the Program has experienced since its inception in 2005.

Figure 2: Funding Shortfalls by Grant Year



Source: Enterprise Zone Administrative System

Real Property Investment Grant

Figure 3: Real Property Investment Grant Allocation Summary

<i>2009 Real Property Investment Grant Summary</i>		
	Requested	Issued
RPIG	\$17,196,723	\$10,621,139

Source: Enterprise Zone Administrative System

The volume of RPIG applications is much higher than JCG applications. A total of 214 RPIG applications and 40 JCG applications qualified for incentives. As a result, the majority of allocated funds were dedicated to grants for real property investments. Figure 3 shows that for the 2009 qualification year requests for RPIGs totaled \$17,196,723. This accounts for roughly 89 percent of total grant program requests.

The 2009 cycle saw individual investments that ranged from a low of \$122,671 to a high of over \$100 million with the median investment being \$630,000. The increase in the median investment was significant in comparison to the 2008 grant year. The legislative changes raising the minimum investment threshold from \$50,000 to \$100,000 is responsible for much of the increase. There was a substantial decrease in the number of applicants. There were 111 (34 percent) fewer requests than from the 2008 cycle. Although the total number of requests were down the total reported real property investment increased \$92,934,780 over last year for a record total of \$500,435,202.

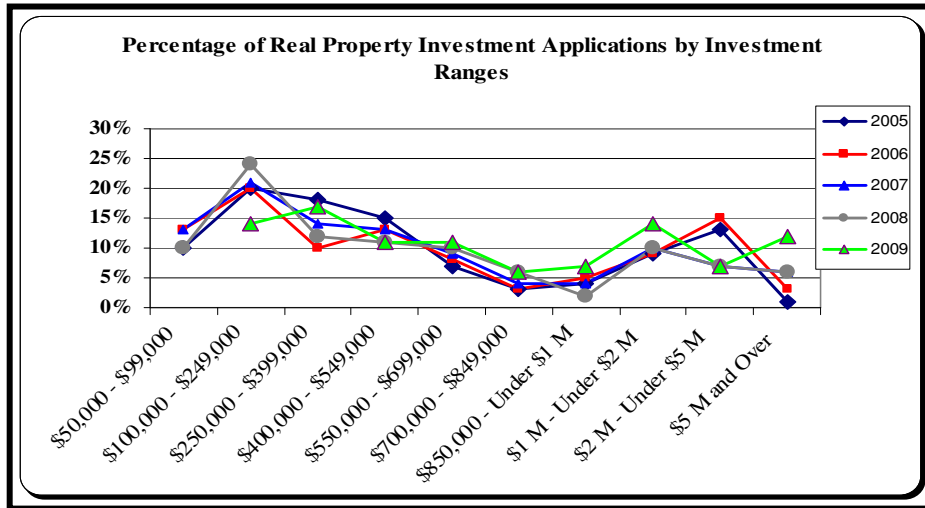
Figure 4: Qualified Real Property Investment Ranges

<i>Qualified Real Property Investment Ranges</i>					
	2005	2006	2007	2008	2009
\$50,000 - \$99,999	10%	13%	13%	10%	--
\$100,000 - \$249,999	20%	20%	21%	24%	14%
\$250,000 - \$399,999	18%	10%	14%	12%	17%
\$400,000 - \$549,999	15%	13%	13%	11%	11%
\$550,000 - \$699,999	7%	8%	9%	10%	11%
\$700,000 - \$849,999	3%	3%	4%	6%	6%
\$850,000 - \$999,999	4%	5%	4%	2%	7%
\$1 Million - \$2 Million	9%	9%	10%	10%	14%
\$2 Million - \$5 Million	13%	15%	7%	7%	7%
\$5 M and Over	1%	3%	6%	6%	12%
<i>Total</i>	100%	100%	100%	100%	100%

Source: Enterprise Zone Administrative System

Figure 4 shows that the percentage of zone investors within each grant request category has varied more in 2009 than in recent years. The variations were mostly attributable to the new minimum thresholds which were intended to leverage larger investments. The effect of the legislative changes can more readily be seen in Figure 5.

Figure 5: Real Property Investment Applications by Investment Range



Source: Enterprise Zone Administrative System

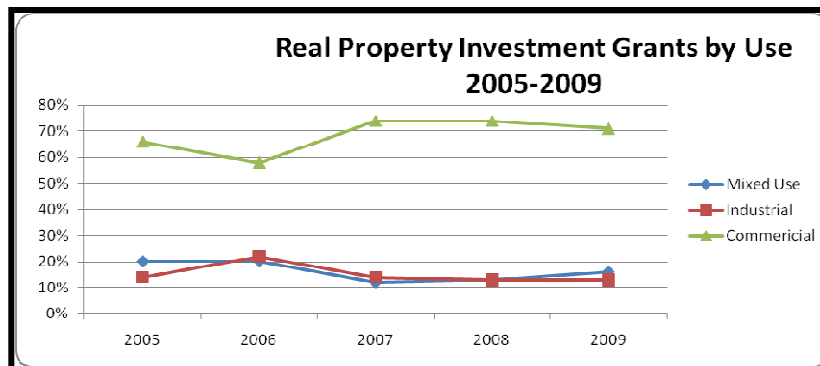
There is no data in 2009 for projects in the \$50,000 - \$100,000 range because these projects no longer qualify for the RPIG based on the 2009 legislation.

Type of Qualified Real Property

The RPIG is available for investments made to commercial, industrial, or mixed-use buildings. (Improvements made to office space fall under the commercial category.) Mixed use projects continue to grow and remain a popular and effective method of revitalizing city centers. For the purposes of this program, mixed-use is defined by statute as “a building incorporating residential uses in which a minimum of 30 percent of the useable floor space will be devoted to commercial, office, or industrial use.”

Under the grant program, commercial projects have continually been the largest users of the RPIG (see Figure 6). In 2007, 2008, and 2009 commercial projects using Program funds reached a plateau and is starting to decline. Given the decrease in commercial construction, as a result of the recent recession, a return to the pre-2007 levels is likely.

Figure 6: Type of Real Property 2005 – 2009



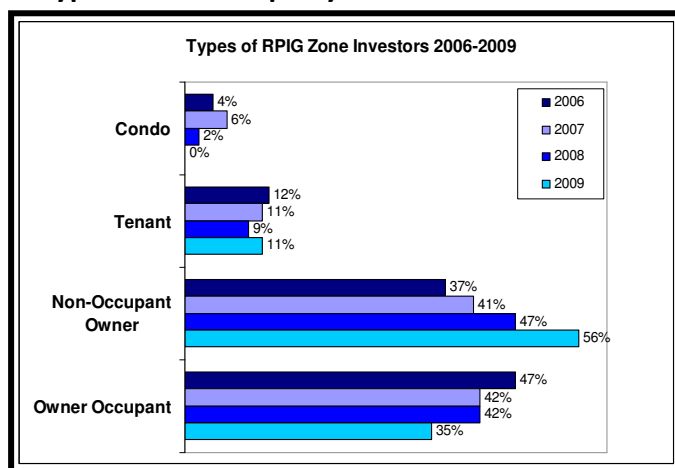
Source: Enterprise Zone Administrative System

Type of Zone Investor

One of the major changes under the 2005 statute was removing the occupancy requirement for building owners to be eligible for the RPIG. This change reflects the common business practice of establishing a legal entity separate from the operating company to hold a business' real estate. Thus a company that creates an LLC to make the improvements to the building it operates from can now participate in the program. Applicants owning space in a building, tenants who have capitalized their own improvements, owner occupants, and developers are the other eligible types of Zone investors.

Non-occupant owners were the largest group of investors during 2009 (see Figure 7). This category experienced 19 percent increase since 2006 and has replaced owner occupants as the leading investor type. Owner occupants were the second largest category of investors in 2009 followed by tenants. The 2009 qualification year did not have any condo projects.

Figure 7: Types of Real Property Investment Grant Zone Investors



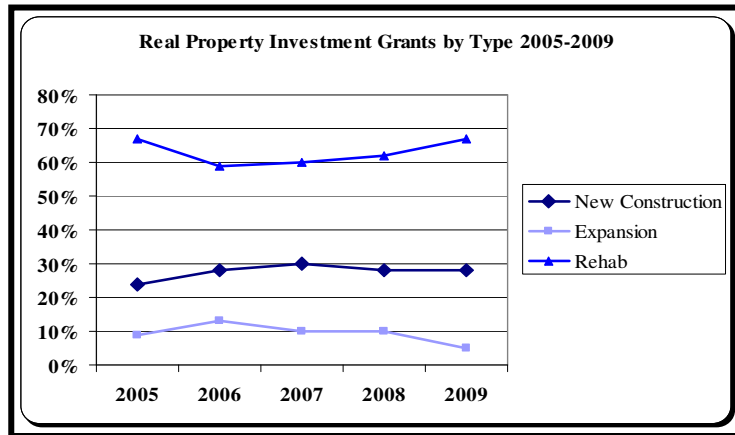
Source: Enterprise Zone Administrative System

Type of Real Property Investment

Figure 8 illustrates the nature of the real property investments made between the 2005 and 2009 grant years. The types of projects that are eligible for grants are new construction, rehabilitation, and expansion.

The percentage of grant dollars awarded to each category of real property investment has remained consistent since 2005. New construction projects account for the majority (greater than 60%) of the RPIG grant awards annually. Rehabilitation projects follow at 30 percent and expansion projects generally receive 10 percent or less.

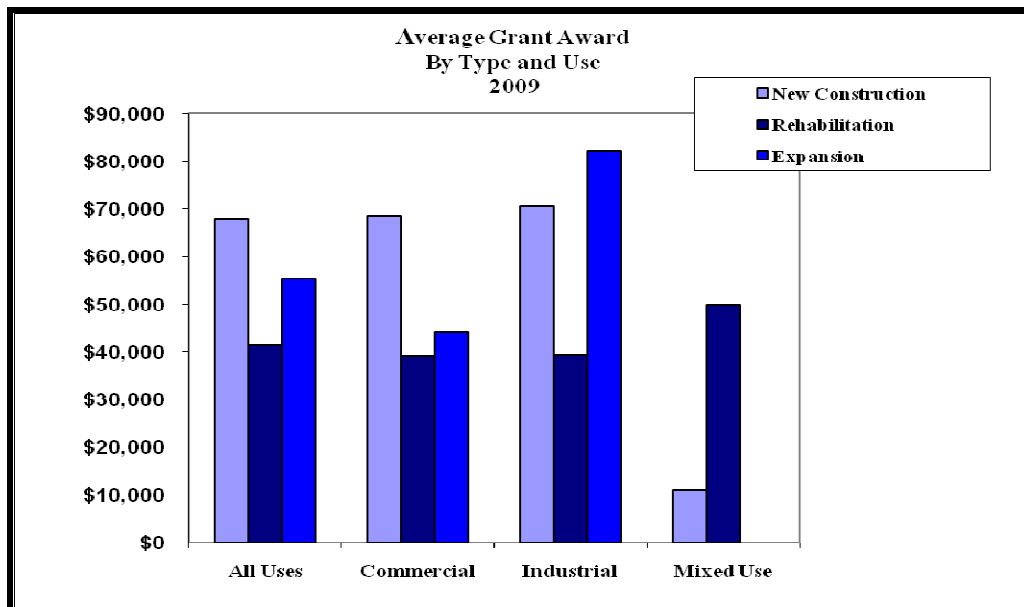
Figure 8: Type of Real Property Investment



Source: Enterprise Zone Administrative System

Figure 9 shows the average RPIG award by type and use for 2009. New construction received the highest levels of investment considering all property uses. An average new construction grant was 63 percent larger than the average rehabilitation grant.

Figure 9: Average RPIG Award by Type and Use 2009



Source: Enterprise Zone Administrative System

Job Creation Grant

Figure 10: 2009 Job Creation Allocation Summary

2009 Job Creation Grant Summary		
	Requested	Issued
JCG	\$2,070,607	\$1,278,860

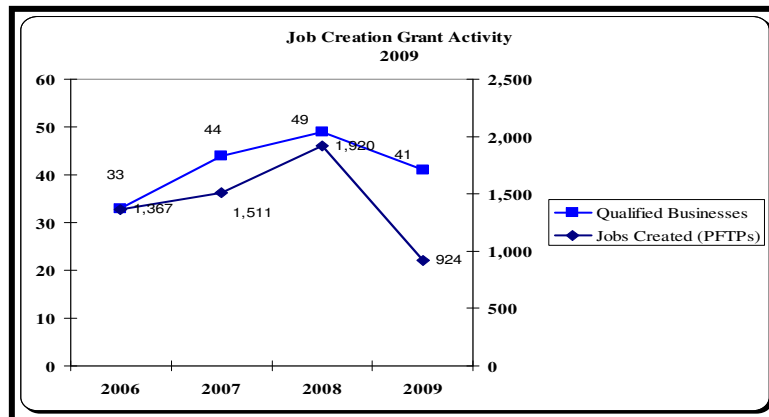
Source: Enterprise Zone Administrative System

Figure 10 shows that for the 2009 qualification year, requests for JCGs totaled \$2,070,607. This accounts for roughly 11 percent of total grant program requests. JCGs are issued to companies that create net new, permanent full-time positions over a four job threshold. New employees must be paid at least 175 percent of the federal minimum wage and have 50 percent of their health insurance premium paid by the company. Any positions that are not permanent, full-time, do not meet the wage and insurance provisions, or that fall under the NAICS codes assigned to retail trade, personal services and food services are not eligible for program funding as specified by statute. JCGs are limited to 350 positions.

The amounts of the JCG awards are based on the wages paid. For positions earning between 175 percent and 199 percent of the Federal minimum wage, the grant is \$500. For positions earning 200 percent or more of the Federal minimum wage, the grant is \$800. In 2009 the qualifying wages were \$12.69 and \$14.50 respectively.

The number of JCG applications had steadily increased since the inception of the VEZ grant program until 2009. Figure 11 shows that the recession has had an effect on the number of JCGs. In 2009 there were 22.54 net new full time positions created for each new business in the Program. This number, down from more than 30 in 2008, can be attributed to the state of the economy and the fear that the recession may not be over. In the coming years, an increase in JCG applications is expected as a result of the 2010 legislative changes that fully fund JCG requests and increase eligibility in high unemployment areas.

Figure 11: Qualified Job Creation Grant Activity 2005 – 2009



Source: Enterprise Zone Administrative System

Usage by Sector

Figure 12 compares the 2007 and 2008 qualification year's job sector data with the data collected on job sectors in 2009. The slowdown in the economy is evident by the decrease in the number of JCG applicants, particularly in the construction and manufacturing areas.

Figure 12: Qualified Job Creation Grant Firms

Job Creation Grant Qualified Firms						
Type of Business Firm	2007		2008		2009	
	#	%	#	%	#	%
(2005 and 2008)						
Construction	1	2%	3	6%	0	0%
Health Care/Social Assistance	3	7%	1	2%	3	7%
Information	1	2%	2	4%	2	5%
Manufacturing	30	68%	29	59%	25	61%
Other Services	2	5%	1	2%	0	0%
Professional/ Scientific Services	1	2%	4	8%	5	12%
Transport/Warehousing	0	0%	2	4%	1	2%
Wholesale Trade	4	9%	5	10%	4	10%
Waste Management & Remediation	0	0%	2	4%	1	2%
Total	42		49		41	

Source: Enterprise Zone Administrative System

LOCAL ENTERPRISE ZONES

As mentioned earlier, there are currently 57 Enterprise Zones in the Commonwealth encompassing a little over 250 square miles and including parts of 69 different localities. Of the 57 zones, 19 are joint zones (i.e. zones composed of two or more localities) and 10 localities have two Enterprise Zone designations and two have the statutory limit of three Enterprise Zone designations.

In addition to the filling the vacancies created by the expiration in 2009 of the four Zones mentioned earlier, a competitive application process is being held in 2010 as well. Pursuant to statutory provisions two zones, Lee County and the Town of Narrows, were terminated in June of 2010 for lack of activity. Designation of two Zones to fill those vacancies should occur by the end of the 2010 or in early 2011. Zones designated under the 2005 Act are designated for a 10-year period with two possible five-year renewal periods

The following sections of the Annual Report are a series of appendices that share a sense of what our local partners in the VEZ Program are contributing to the success of the program. In addition to providing the information on what zones received incentive awards, we have included highlights of activities in the zones, a summary of the local incentives offered, and a map showing the locations of the Enterprise Zones.

APPENDIX A: ZONE HIGHLIGHTS

Accomack/ Northampton

- The Northrop Grumman Building at Wallops Research Park was completed during the year. About 50 employees will work at the site and this is the first building in the area since the Park was created.
- Several new buildings for the Marine Science Consortium are under construction at Wallops Research Park.

Chesterfield County (Jefferson Davis)

- Hill Phoenix invested \$9.3 million for a tenant up fit and new machinery and tools to increase production of their refrigerated display cases. They currently have over 950 employees at two locations.
- Virginia T's Inc relocated its warehousing operation. This new capacity allowed them to hire 26 new employees.

Chesterfield (Walthall)

- Crosland Investments, LLC invested \$13.7 million into transforming the Cloverleaf Mall into Stonebridge, a new mixed-use development on their 82-acre site.
- Church and Dwight Co, Inc. is expanding equipment and machinery at their existing facility. The company manufactures personal care products. Their projected investment is \$7 million with 240 additional employees.

Danville

- Donnachaidh Associates, LLC announced the location of their research facility. The research facility will be built in Cyber Park and will create 25 jobs and have a capital investment of \$7 million.
- White Mill Development, LLC purchased the former Dan River, Inc. Number 8 Mill. The sale culminates efforts to develop this facility into a high-technology center that will transform the downtown sector of Danville. The developers committed to bring \$400 million in capital investment and create 400 jobs with an annual payroll of at least \$16 million plus benefits when the development is complete.
- Japanese Tobacco International announced plans to establish a tobacco processing facility in Riverview Industrial Park. The company will invest \$19.5 million, employ 39 full-time people and create 150 seasonal jobs.

Hopewell

- Butterworth's Lofts, an adaptive reuse of the former Butterworth's Furniture Store, is a mixed use development of 24 residential units and three retail storefronts.
- Osage Bio-Energy is nearing completion of the Appomattox Bio-Energy Facility which will produce ethanol. The project will create an estimated 45 jobs and represents an investment of \$180 million.

Newport News

- The Rouse Tower building renovations provided temporary office space for AREVA and will permanently house Newport News Energy, a wholly owned subsidiary of Northrop Grumman Shipbuilding to supply engineering services to the nuclear power industry. The anticipated job creation is 188 new jobs.
- Custom Vinyl Products has been progressing on the construction of a new production plant within Oakland Industrial Park. Custom Vinyl will own and operate a 40,000 sq ft manufacturing facility. The project will bring \$3 million investment and create 10 additional jobs.

Norfolk

- Fort Norfolk Plaza is a \$70 million waterfront development with 19,000 square feet of retail space, and 200,000 square feet of medical office space. This area will be served by Light Rail Transit. Fort Norfolk Plaza will be the first new medical office building built in downtown in 40 years.
- Old Dominion University Innovation Research Park is building the second building. This \$22 million facility will house the Frank Reidy Center for Bioelectric Research, IP Configure, video surveillance software and systems developer and MASA group, a modeling and simulation artificial intelligence developer.

Prince George County

- Introduced a wired fiber broadband internet service into their VEZ.
- Crosspointe Centre Industrial Park has created a shovel ready park.

Prince Edward

- Luck Stone is moving forward with the establishment of a new 325 acre stone quarry which represents a \$20 million investment and 35 new positions.
- Granite Falls Hotel/ Conference and Workforce Training Center continues to move forward. This project represents a \$50 million investment and 100 new jobs with an additional 100 jobs to be created during construction.

Richmond/Henrico Zones

- The Rocketts Landing development, which includes the Boathouse Restaurant, is a part of a developing mixed use community. The total investment was \$4 million and created 80 new jobs.
- Goodwill Industries invested \$7.5 million to expand its headquarters, and training facilities to accommodate the existing employees as well as house an expected increase in clients.

Roanoke

- The city's old Fire House #3 was sold to Interactive Achievement, an architecture/engineering firm that has completed renovations to the building.

Rocky Mount

- TSG Empire Foods announced a \$3 million investment to create 84 new jobs in the joint Rocky Mount – Franklin County Industrial Park.

Staunton

- The Mockingbird Artisan Fare and Roots Music Restaurant & Music Hall, completed renovation of a formerly underutilized anchor building devastated by fire.

Washington County / Smyth County / Chilhowie / Glade Springs

- Universal Fibers announced an expansion in the Bristol-Washington County Industrial Park. This investment of \$13 million will create 84 new jobs.
- OWL Leasing purchased 20 acres in Highlands Business Park. There are plans for a 60,000 square feet manufacturing facility in 2010 to expand General Engineering, a local manufacturing plant located on Hillman Highway, in the county.

APPENDIX B: SUMMARY OF STATE INCENTIVE USAGE BY ZONE 2005-2009

<i>Zone Number</i>	<i>Community</i>	<i>Acreage</i>	<i>2009</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>	<i>2005</i>	<i>Designation</i>	<i>Expire</i>
26	Accomack County	3659	7	15	7	16	20	1995	2014
	Northampton County	3402							
20	City of Alexandria	690	1	0	0	0	0	1994	2013
53	Alleghany County	3712	1	2	1	0	1	2001	2020
	Town of Clifton Forge	177							
	City of Covington	320							
12	City of Bedford*	248	0	5	3	1	1	2005	2014
32	Brunswick County	2565	0	2	0	0	0	1996	2015
	Town of Lawrenceville	268							
27	Carroll County	3828	0	0	1	1	2	1995	2014
	Town of Hillsville	315							
48	Charlotte County	772	2	5	9	16	11	2000	2019
	Lunenburg County	404							
	Prince Edward County	1121							
21	Chesterfield County (Jefferson Davis)	3840	2	8	7	8	9	1994	2013
33	Chesterfield County (Walthall)	3840	6	9	4	13	9	1996	2015
1	City of Danville	1894	9	17	18	22	20	2004	2023
49	Dickenson County	3654	1	0	0	0	1	2000	2019
	Town of Clintwood								
	Town of Haysi								
47	Dinwiddie County	1884	1	2	1	1	2	1998	2017
	City of Petersburg	697							
13	City of Galax*	598	1	3	N/A	N/A	N/A	2008	2017
34	Greensville County	2640	0	1	1	0	0	1996	2015
15	Halifax County*	2926	5	9	N/A	N/A	N/A	2008	2017
	Town of South Boston*								
8	City of Hampton (Urban)*	3163	16	22	20	11	16	2005	2014
35	City of Hampton (Hampton Roads)	3642	7	11	16	13	22	1985	2015
36	Henry County	3840	3	11	11	12	10	1996	2015
	City of Martinsville	492							
54	Henry County	2934	0	6	0	0	0	2001	2020
	City of Martinsville	527							

<i>Zone Number</i>	<i>Community</i>	<i>Acreage</i>	<i>2009</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>	<i>2005</i>	<i>Designation</i>	<i>Expire</i>
9	City of Hopewell*	1992	0	1	1	0	2	2005	2014
37	James City County	3456	1	0	5	4	4	1996	2015
7	Lee County*	1440	0	0	0	0	0	2005	2014
55	Lunenburg County	364	0	0	0	2	2	2001	2020
	Town of Kenbridge	310							
	Town of Victoria	220							
2	City of Lynchburg (Downtown 1)	2234	20	28	18	16	18	2004	2023
46	City of Lynchburg (Lynchpin)	926	0	2	3	6	3	1996	2015
38	Mecklenburg County	2825	0	3	3	2	2	1996	2015
	Town of South Hill	319							
	Town of LaCrosse	128							
56	Mecklenburg County	1931	1	0	1	1	1	2001	2020
	Town of Clarksville	191							
24	Town of Narrows	189	0	0	0	0	0	1994	2013
30	Newport News (Mid-City)	3189	8	7	10	12	9	1995	2014
31	Newport News (North)	3149	3	9	4	7	5	1995	2014
3	Newport News (South)	3741	19	11	5	7	9	2004	2023
4	City of Norfolk	6080	33	37	47	43	54	1984	2009
	City of Portsmouth								
50	Warsaw	903	2	2	9	5	5	2000	2019
	Lancaster County	3696							
	Northumberland County	2471							
	Richmond County	946							
	Westmoreland County	2826							
	Town of Kilmarnock	213							
39	Town of Orange	582	0	3	2	0	0	1996	2015
22	Patrick County	3563	0	4	1	2	9	2002	2021
	Town of Stuart	176							
10	City of Petersburg*	922	4	7	7	8	6	2005	2014
57	Pittsylvania County	3428	5	7	13	9	7	2001	2020
	City of Danville	1700							
16	Prince George County	3754	5	5	8	12	10	1990	2009
40	Pulaski County (New River)	1669	1	3	3	2	1	1996	2015

<i>Zone Number</i>	<i>Community</i>	<i>Acreage</i>	<i>2009</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>	<i>2005</i>	<i>Designation</i>	<i>Expire</i>
25	Pulaski County (Zone 1)	1564	3	5	3	3	1	1994	2013
41	Town of Pulaski	319	0	2	3	0	0	1996	2015
29	City of Richmond (East)	3840	8	10	5	11	16	1995	2014
28	City of Richmond (North)	7268	44	67	55	44	46	1995	2014
	Henrico County	3319							
19	City of Richmond (South)	3133	11	19	12	22	19	1993	2012
5	City of Roanoke (Zone 1)	1870	19	17	22	17	6	2004	2023
42	City of Roanoke (Zone 2)	1615	4	6	2	3	5	1996	2015
23	Town of Rocky Mount	632	3	3	7	4	7	1994	2013
6	Smyth County	619	0	0	1	2	0	2000	2019
	Town of Saltville	351							
43	Scott County	3840	0	0	0	1	1	1996	2015
51	Smyth County	3363	4	6	9	6	6	2000	2019
	Washington County	2876							
	Town of Chilhowie	505							
	Town of Glade Spring	289							
17	City of Staunton	699	6	14	13	9	8	1990	2009
18	City of Suffolk	3749	20	15	11	24	23	1990	2009
44	Tazewell County	3598	0	1	1	1	2	1996	2015
45	Warren County	1200	0	1	1	0	1	1996	2015
14	City of Waynesboro*	608	4	4	N/A	N/A	N/A	2008	2017
52	Wise County*	3808	0	0	N/A	N/A	N/A	2008	2017
11	Wythe County*	1622	3	2	5	1	1	2005	2014

* Denotes designation since 2005 legislative changes.

** Towns may no longer apply for separate designation from counties.

APPENDIX C: SUMMARY OF GRANT AWARDS BY LOCALITY 2005-2009

Locality	# of Grants	\$ Amount of Grants	% of Total Allocation
Accomack	5	\$145,391	1.22%
Alexandria	1	\$24,572	0.21%
Chesterfield County	7	\$379,937	3.19%
Clarksville	1	\$123,525	1.04%
Clifton Forge	1	\$6,832	0.06%
Clintwood	1	\$123,525	1.04%
Danville	10	\$347,082	2.92%
Dinwiddie County	1	\$10,019	0.08%
Galax	1	\$26,043	0.22%
Halifax County	2	\$129,524	1.09%
Hampton	20	\$649,995	5.46%
Henrico	15	\$879,686	7.39%
Henry	1	\$13,129	0.11%
James City County	1	\$123,525	1.04%
Lancaster County	1	\$61,763	0.52%
Lynchburg	11	\$531,345	4.47%
Newport News	26	\$1,367,932	11.50%
Norfolk	15	\$845,763	7.11%
Northampton County	2	\$178,171	1.50%
Patrick County and Stuart	1	\$10,274	0.09%
Petersburg	4	\$159,349	1.34%
Portsmouth	10	\$409,448	3.44%
Prince George County	4	\$115,652	0.97%
Pulaski County	4	\$171,291	1.44%
Richmond City	46	\$2,127,868	17.88%
Richmond County	1	\$50,234	0.42%
Roanoke	23	\$996,996	8.38%
Rocky Mount	2	\$72,764	0.61%
Smyth County	4	\$165,558	1.39%
South Boston	2	\$185,288	1.56%
Staunton	6	\$189,731	1.59%
Suffolk	18	\$853,117	7.17%
Waynesboro	4	\$179,926	1.51%
Wythe County	3	\$244,748	2.06%
Totals	254	\$11,900,000	100.00%

The following localities had no state incentive usage in 2009: Brunswick County, Town of Lawrenceville, Carroll County, Town of Hillsville, Lunenburg County, Town of Kenbridge, Town of Victoria, Mecklenburg County, Town of South Hill, Town of La Crosse, Lee County, Town of Narrows, Town of Orange, Greensville County, Town of Pulaski, Scott County, Tazewell County, Warren County, Wise County, Town of Saltville, City of Hopewell, City of Bedford.

APPENDIX D: LOCAL INCENTIVES IN ENTERPRISE ZONES, 2009

Locality	Zone #	Incentives
Cities		
Alexandria	20	<p>Accelerated development processing. Small business financing. Marketing assistance. Business assistance (in obtaining financing and ID lease or purchase space for expansion). Technical assistance. Capital Improvements (street beautification, installation of street benches and street signs, under grounding of overhead utilities). Removal of blight (remove blight, unsanitary and dangerous housing conditions within EZ). Availability of home rehabilitation loans (enables low income homeowners to correct code violations and structural deficiencies in their homes). Targeted employment training/placement services (address EZ businesses employment and training needs). Crime prevention and security audits.</p>
Bedford City	12	<p>Waiver of zoning and sign permit fees. Accelerated development processing for businesses and industries within zone. 5-year rehabilitated real estate tax exemption. Utility service improvements and reduction of availability/connection fees. 5-year business, occupational, license (BPOL) fee rebates. Right now sites and shell building programs. Main street design services, technical assistance, and matching façade grant. Local personal liaison to act as resource coordinator/clearinghouse for City planning, zoning and permitting, SBDC, etc.</p>
Danville	1	<p>Exemption from City permit fees (plumbing, building, sign, driveway connection, electrical, erosion, and sediment control permits). Discount on purchase price of site(s). Reimbursement of water and sewer connection fees. Real estate tax program for substantially rehabilitated residential, multi-family commercial, industrial, multi-family structures. One year match with state job creation grant. 50% grant of machinery and tools tax grant. 50% Partial Refund of business & professional license fee. Economic & community development fund (UDAG Repayment Funds) used to fund various development programs within zone. Historic building loan fund (below market rate financing to property owners/ tenants of historic structure within zones). Architectural assistance program. Façade program (financial assistance for restoration of building facades within area). Housing assistance programs. Main Street/Craghead Streetscape improvements (trees, lighting, signs, etc.). Main Street program. Regional Center for Applied Technology (10% discount on tuition fees for programs). State and federal Historic Tax Credits. Crossings at the Dan (large multi-phase rehabilitation project). Long Mill Project (additional promotion and revitalization efforts). North Main Commercial Revitalization Project.</p>
Danville	57	<p>Reimbursement of water & sewer connection fees. Exemptions from City permit fees. Discount on purchase price of site(s). Job creation grant. Machinery and tools tax rebate. Businesses and professional license fee rebate. Shell building program (both zones). Dan River Business Development Center (Incubator). Regional Center for Applied Technology and Training (EZ businesses employee tuition discount).</p>
Galax	13	<p>Real estate tax abatement on rehabilitated commercial or industrial real estate. Waivers of permit fees for building, zoning and sign permit fees.</p>

		Waiver of cost associated with connection of new businesses to water and sewer lines. BPOL tax abatement for jobs creation.
Hampton (Zone 1)	8	Real property rehabilitation tax credit. EZ businesses loan program. Downtown Hampton and Phoebus Loan Assistance. Phoebus Rehabilitation Loan Program. 5-year business license tax refund. 5-year refund of local utility taxes. 3-year capital investment grant. Coliseum central security improvement grant program. Coliseum central cooperative advertising grant program (Limited to Coliseum Central Business District). Coliseum physical improvement grant program. Redevelopment cost write-down. Retail revitalization program.
Hampton (Zone 2)	35	Enterprise zone loan program. Defense conversion assistance/technology transfer. Hampton small business incubator. Design assistance for firms to minimize costs of site plan and landscape plan development. Infrastructure improvements (to facilitate the use of underdeveloped properties). Employment training. Marketing within Hampton Roads center EZ.
Hopewell	9	Waivers of City permit fees. Waiver of land development fees (rezoning, zoning ordinance, subdivision, site plan, land disturbance review fees). 5-year commercial rehabilitation real estate tax exemption. Waiver of sewer tap connection fee. Accelerated development processing. Exemption/reduction of business and professional occupational license fees (BPOL)--new firms. Exemption/reduction of business and professional occupational license fees (BPOL)--existing firms. Public infrastructure enhancement (streetscape improvements to downtown). Crime prevention and security risk assessments. Fire safety education seminars. Public facility enhancement (construction of new headquarter library).
Lynchburg (Zone 1)	2	5-/10-year exemption of real estate taxes for qualified rehabilitated residential, commercial, and industrial real estate. Land acquisition program. Availability charge for sewer and water service. 5-year machinery and tools grant. 5-year business license fund. Loan pool program. Utility line improvements. Industrial training programs.
Lynchburg (Zone 2)	46	Extended payment of sewer and water availability fees. 5-year decreasing refund of classified business and professional license fees. 5-year decreasing refund on machinery and tools tax. Enterprise Zone Loan Pool. Negotiable Incentive contracts for large zone investments.
Martinsville	36	Real Estate tax refund for new investments for commercial and industrial projects. Building permit fee waiver. Water and sewer regulations waived for multiple service on one meter. Machinery and tools tax refund. Low cost loan program. VA Main Street Program. Marketing, advertising, and promotional program. Enterprise zone workshop. Landfill tipping fee refund.
Martinsville	54	Real estate tax refund. Water and sewer regulations waived for multiple service on 1 meter.

		<p>Building permit fee waiver. Machinery & tools and business equipment tax refund. Landfill tipping fee refund.</p>
Newport News (Zone 1: South)	3	<p>Expansion/re-location cost reduction (land price discount, site work cost contribution, building cost contribution, job creation credit, etc.). Commercial rehabilitation: 5-year real estate property tax abatement. Abatement of business license fee. Refund of local utility taxes. Targeted financing programs (low-interest loans and TA). Blight removal/physical beautification. Crime reduction program. Redevelopment cost write-down. HUB zone application assistance. Southeast community revitalization strategy.</p>
Newport News (Zone 2: Middle)	30	<p>Expansion/re-location cost reduction. Commercial rehabilitation property tax abatement. Waiver of building permit and development fees. Business license fee abatement. Local utility tax refund. Visual improvements program (improve visual appearance of commercial areas within EZ). Improved parking access--Hilton village and River Mont commercial districts. Title 36 District: City seek designation of a Title 36 District CPA Pool (to EZ businesses).</p>
Newport News (Zone 3: North)	31	<p>Expansion/re-location cost reduction. Business license fee abatement. Local utility tax refund. Funding and construction of industrial infrastructure improvements (streets and extension of water, sewer, etc.).</p>
Petersburg	10	<p>Waivers of building permit fees, zoning filing fees, and land disturbing fees. Real estate rehabilitation tax exemption plus. Waiver of water and sewer permit fee. Reduction of tap fee for water and sewer connections. Discount on purchase price of city-owned sites. Local EZ development fund (grants for developers' large reconstruction projects in zone). Façade improvement grant. Architectural assistance grant. 5-year machinery and tool tax reduction (50%). Federal historic district expansion.</p>
Petersburg	47	<p>Exemption from building permit fees, zoning, filing fees, land disturbing permit fees. Exemption from water and sewer privilege connection fees. Extension of water and sewer lines. 5-year exemption on BPOL tax. Establishment of local enterprise zone development fund. Zone infrastructure improvements (bridge construction to eliminate at-grade rail crossing).</p>
Richmond (South)	19	<p>Development fee rebate. 15-year real estate tax abatement. Machinery and tools grant. Business enterprise zone loan (BEZL)--small business short and long-term financing. Public loan financing fee rebate. Employment assistance grant. Business relocation grant.</p>
Richmond (North)	28	<p>Development fee rebate (permits associated with renovation/ construction of commercial facilities). 15-year real estate tax abatement. Public loan financing fee rebate. Machinery and tools tax grant. Business enterprise zone loan. Employment assistance and Business relocation grant</p>

Richmond (East)	29	Development fee rebate (permits for renovation or construction). (East) 15 year real estate tax abatement. Machinery and tools grant. Public loan financing fee rebate. Business enterprise zone loan (BEZL)--small business short and long-term financing. Employment assistance grant. Business relocation grant.
Roanoke (Zone 1)	5	Grant for fees for new construction & rehabilitation of existing buildings. Partial real estate tax exemption. Development fee rebates. Façade rebate grants to IDA of City of Roanoke for renovations Neighborhood and parks grant. Business security grant (for businesses to enact security measures). Job training grants. Fire suppression retro-fit grant and fire hookup rebate.
Roanoke (Zone 2)	42	Rehabilitation of existing structures tax abatement. (Zone 2) Building permit fees and comprehensive development plan reviews fee rebate for new building construction and the rehabilitation of existing buildings. Job training grants. City rebates of water, fire, and sewer hookup fees for new building and construction. Water and sewer line extensions. Fire suppression retro-fit grant and fire hookup rebate. Parking lot and landscaping grant. Mini-grants for education classes. Street lights. Neighborhood sidewalks and curbs. Neighborhood organizations mini-grants. Central heating for 5 housing units. Residential home rehabilitation and sewer hook ups for specific properties.
Suffolk	18	Exemption from local real estate tax. First year 50% reduction of building permit fees. 5-year Reduction of machinery and tool tax. 5-year Reduction of local utility tax. 5-year Reduction of local business, professional, and occupational license (BPOL) tax. City funding for Streetscape Improvement Plan. Quarterly trash and litter clean-up campaigns. Crime prevention assistance and free industrial security audits. Flexible public transit operations (to accommodate employees and customers). City improvement of public parking directional signage. Incorporation of EZ in City's Economic Development marketing material. Consideration of extension of 3-year CBD special taxing district. Encouragement of state to construct Route 58 southern bypass.
Staunton	17	5-year deferral of increased assessed property value. Permit fee waivers (building and renovation, plumbing, electrical, mechanical, sign, special use, rezoning, and water and sewer connection fees). 5-year business grant. 5-year 50% grant on machinery and tools tax. 5-year Business grant with job creation emphasis. Award programs for business owners. Provision of free horticulture advice to businesses. Sponsorship of seminars for zone businesses (business finance, adaptive reuse, etc.). Professional job recruitment committee. Assistance to businesses in determining training needs. Development of long-term low interest loan pool for physical improvements. Implement landscaping and beautification program for publicly-owned land. Implementation of coordinated crime prevention program within zone. Zoning modifications to compliment industrial, commercial, and residential areas. Initiate outreach effort to inform businesses of Shenandoah Valley Private Industry Council.

Waynesboro	14	<p>Partial property tax exemption. Landscaping, sidewalk and facade grants.</p> <p>Job creation grants. Customized incentive grants for manufacturing expansions / locations. Free and confidential business counseling. Commitment to fund targeted EZ infrastructure and development projects. Implementation of adopted downtown plan. Maintaining total commitment to construction funding and scheduling of all capital improvement projects. Establish a community watch program, including crime analysis. Provide employment and training services directly through community college. Establish EZ marketing and promotion program. Undertake signalization and directional sign improvements.</p>
Counties		
Brunswick County	32	<p>Fast-track permitting. Waiver of building permits for business renovation and rehabilitation. Waiver of building permits for new business construction. Waiver of building permit fees for newly constructed residential property. Discount on site purchase costs. Waiver of water and sewer connection fees. Waiver of real estate taxes for existing business renovation/expansion. Waiver of real estate taxes for rehabilitation of vacant structures. Waiver of real estate taxes for residential rehabilitation/renovation. Waiver of real estate taxes on new business construction. Waiver of real estate taxes for businesses locating in Brunswick County Industrial Park. Machine and tool tax waiver for new business or industry. Machine and tool tax waiver for industrial park businesses. Local assistance/coordination with local banking. Low or no interest fixed asset loan.</p>
Chesterfield (Zone 1)	21	<p>5-year real estate rebate on improvements to structure (at least 15 years old) with improvements leading to at least 15% increase in value. County incur some costs of connecting commercial and industrial businesses to public water and wastewater systems. 5-year, 100% exemption of machinery and tool tax. 5-year exemption of business, professional and occupational license fees. Business tangible personal property tax incentive. Develop a business loan program. Initiate public improvement projects that provide physical evidence of revitalization effort. Provide housing rehabilitation loans and grants as part of comprehensive housing and neighborhood revitalization strategy. Develop a marketing, public relation strategy for zone. Fund Revitalization Coordinator position. Undertake an incubator/marketing study for the area. Implementation of Jefferson Davis Corridor Plan. Proactive code enforcement issues.</p>
Chesterfield (Zone 2)	33	<p>5-year 100% tax credit on increased assessed real property value from rehabilitation work. County incur some costs of connecting commercial and industrial businesses to public water and wastewater systems. County incur cost of site plan review fees, land disturbance permit fees, sign fees, and building permit fees. Business Loan Program. Business Tangible Personal Property Tax Incentive. 5-year 100% exemption of machinery and tool tax. 5-year 100% exemption of business, professional and occupational license fees. Initiate public improvement projects that provide physical evidence of revitalization efforts. Provide housing rehabilitation loans and grants as part of comprehensive housing and neighborhood revitalization strategy.</p>

		Use of an incubator/marketing study. Fund Revitalization Coordinator position. Implement marketing, public relations strategy for zone.
Dinwiddie County	47	5-year 1 00% tax deferment on increased assessed real property. Shared costs of connecting commercial and industrial businesses to public water and wastewater systems. County covers cost of site plan review fees, land disturbance permit fees, sign fees, and building permit fees. 5-year 1 00% exemption of business, professional occupational license fees (BPOL). 7-year grant based on value of business's certified recycling equipment. Proactive code enforcement issues (to enhance area's economic viability).
Greensville	34	Waiver rebate of building permit and zoning fees. Utility service improvements for industry or commercial establishment. Land buy down. Real estate and machinery and tools tax rebate. Rebate of business and professional occupational license. Waiver of water and sewer tap fees. Rehabilitated HUD Section 8 standard or home ownership opportunities for LMI families. Home ownership opportunities. Adult education and employee training. Transportation improvements for EZ business. Enhanced code enforcement. Real estate sales commission policy.
Halifax	15	Real estate discounts on publicly owned lands sold in the enterprise zone. Real Property Improvement Grants. Waivers of business & professional license fees. Hospitality stimulus grant. Partial exemption if building permit fees. Litter clean up campaigns. Employment training programs. Crime prevention programs. Enterprise Zone workshop. EZ advertising and promotion. Provision of labor pool information.
Henrico	28	Accelerated development processing. 7-year rehabilitation real estate tax exemption. Commercial/industrial rehabilitation grant. Plan review and permit fee waivers. Architectural assistance program. Off-site improvement grants (off-site drainage, water and sewer improvements). Fire safety seminars for businesses. Crime prevention through environmental design. Employment and training assistance. Commercial revitalization staff. Training seminars for EZ businesses.
Henry	36	Real estate tax refund for new investments for commercial and industrial projects. Fees waived for water and sewer connections. Building permit fee waiver. Machinery and tools tax refund. Business furniture, fixtures, and equipment tax grant/refund. Marketing, advertising, and promotional program. Enterprise zone workshop.
Henry	54	Fees waived for water and sewer connections. Building permit fee waived. Real estate tax refund for new investments for commercial and industrial projects. Business furniture, fixtures, and equipment tax grant/refund. Machinery and tools tax refund.
James City	37	Industrial Development Authority (IDA) grant based on assessed value of improvements. Permit fee waivers for site plans, subdivisions, erosion, sediment controls, land disturbing, building, electrical, plumbing, and HVAC. 5-year 50% reduction in sewer transmission fees. Permission to use water from permitted wells for businesses in EZ.

		<p>Fee waivers for Industrial Development Authority Administration fees. 5-year 100% Waiver of consumer utility tax.</p> <p>2 -year property tax rebate per zone resident (\$400) and county resident (\$200) employees. Renovation of Grove Neighborhood Park. Employee training and education. Assistance (publicizing of job opportunities and application support) in ID local residents who meet State's criteria of low income. Development of marketing plan for EZ by county. Formation of Local Enterprise Zone Association. Development of James River Commerce Center. Grant for establishment/enhancement of day-care/pre-school facilities in zone.</p>
Lee	7	<p>Real estate tax performance grant (based on job creation and wage rate). Building permits fee waivers. Reduction in per-acre land price. Machinery and tool tax performance grant. Building construction direct loan. Prepared building sites.</p>
Mecklenburg	38	<p>Industrial real estate discount (Airport Industrial Park and Interstate Park). Waivers of building permit fees. Local assistance/coordination with local banking. Economic stimulus grant (based on machinery and tools tax) and Job Grant Advertising and promotion to zone (on federal and state agencies involved in economic development).</p>
Mecklenburg	56	<p>Industrial real estate discount (50%). Waivers of building permit fees. 4-year Economic stimulus grant (based on machinery & tools tax paid). Job grant for each full-time permanent job created. Advertising and promotion.</p>
Patrick	22	<p>3-year real estate rehabilitation tax waiver and Building permit waiver Accelerated local permitting. Below market value sale of IDA land. Extension of water and sewer utilities through eastern section of Joint Zone along U.S. Route 58. 3-year machine and tool tax waiver. Employment training and educational attainment assistance (Specific to business) Transfer station tipping fee reduction. Rich Creek Corporate Park Development Initiative.</p>
Pittsylvania	57	<p>Discount of sites. Water and sewer connection reimbursement. Building permit fee waiver. Partial rebate of machinery and tool tax. Job creation grant. Local sales tax refund. Pittsylvania County Chamber of Commerce membership.</p>
Prince Edward	48	<p>Site purchase discounts. Real estate tax investment grant. Fast-track permitting. Waivers of county building permit fees. Machinery and tools investment grant. Business development. Training assistance (labor pool info, crime and fire prevention education, marketing assistance, business development services, and business security audits).</p>
Prince George	16	<p>Water and sewer connection fee waiver. 5-year economic stimulus grant. 5-year rebate on business and occupational tax. Marketing assistance for property owners within zone.</p>

Pulaski (Zone 1)	25	Expedited permitting procedures (subdivision, zoning, and erosion control). Financing of 250 acres of publicly owned land and \$2,000 per job credit. Rebate of water and sewer hook-up fees. Off-balance sheet financing (for building and equipment costs). Construction of shell buildings. Reduced water and sewer charges for use of over 1,000,000 gallons per month. Issuance of industrial revenue bonds.
Pulaski (Zone 2)	40	Rebate of water and sewer hook-up fees. (Zone 2) Expedited permitting procedures. 10-year rebate of 1/2 of real property and machinery and tools taxes (based on employment increase 50+ persons). Reduced water and sewer charges for use of over 1,000,000 gallons per month. Off-balance sheet financing (for building and equipment costs). Issuance of industrial revenue bonds. Seek foreign trade zone designation. Local U.S. Customs office.
Scott	43	Real estate tax exemption (based on average wage of employees). Building permit fee waiver. Reduction in asking price on a per acre basis of industrial real estate for basic employment firms. Machinery tool tax exemption (based on average wage of employees). Customized training along with regular courses for study. Inclusion of any release-time or monies spent on education/training in average wage rate of successful participants. Waiver for all installation charges for Mountain.Net (internet access) for EZ businesses. Organization of any Industrial leagues or positive outlets for stress management.
Smyth	6	Building permit fee waiver.
Smyth	51	Building permit fee waiver for industrial and commercial buildings 9-year real estate rehabilitation tax exemption. 3-year economic stimulus grant. Targeted technical assistance for apparel companies.
Tazewell	44	3-year annual industrial development grant based on County real estate tax for new/expanding EZ businesses. 3-year rehabilitated real estate partial tax exemption for new/expanding EZ businesses. 3-year annual industrial development grant based on County machinery and tool tax for new/expanding EZ businesses.
Warren	45	5-year real estate tax exemption. 50% reductions on building permit fee and planning and zoning fees. Accelerated review and approval process. 5-year business and occupational license fees exemption. 5-year machinery and tool tax exemption. Technical assistance to businesses for financing applications. Labor pool information provided to qualified business firms.
Washington	51	Building permit and rezoning fee waiver. 9-year real estate rehabilitation tax exemption. Reduction in purchase price of IDA Land. Waiver of application fees for industrial revenue bond financing.
Wise	52	5-year real estate tax exemption. 5-year machinery and tool tax grant. Reduction in per-acre land cost tied to job creation. IDA discounted land.
Wythe	11	Discounted price per acre in Progress Park. Rebate of wastewater connection fees. Rebate of water connection fees. Waivers of building permit fees. Fast track permitting. Reduction of water usage rates. Reduction of wastewater usage rates. Joint IDA revolving loan fund interest rate reduction.

Towns		
Chilhowie	51	Water and sewer fee credits for new/expanding businesses. Water and sewer hook-up fee waivers for new businesses. 9-year real estate rehabilitation tax exemption. Business, professional and occupational license tax credit for businesses creating new jobs in zone.
Clarksville	56	Industrial real estate discount. Waiver of zoning permit fees. Waiver of water/sewer connection fees. 6-year economic stimulus grant. Job grant for each full-time permanent job created. 4-year central business district stimulus grant. Local assistance/coordination with local banks for industrial parks prospects (through Lake Country Development Corporation). Central business district tax assessment relief.
Farmville	48	25% or \$1,000 waiver for water and sewer availability. 5-year real estate tax investment credit. Accelerated development review process. Reimbursement (up to \$1,000) for architectural design fees for downtown façade improvements. Waiver of land disturbance/soil and erosion permit fees.
Glade Spring	51	9-year real estate rehabilitation tax exemption. Business, professional and occupational license tax credit for businesses creating new jobs in zone.
LaCrosse	38	Waiver of water and sewer connection fees. Waivers of building permit fees. Economic stimulus grant. Jobs grant. Reduced water and sewer charge. 3-year business license tax.
Lawrenceville	32	Fast-track permitting. Waiver of real estate taxes for existing business renovation/expansion. Waiver of real estate taxes for rehabilitation of vacant structure. Waiver of real estate taxes for residential rehabilitation/renovation. Waiver of real estate tax on new business construction. Waiver of business, professional, and occupation licensing tax.
Narrows	24	Waivers of building permit fees. Real estate tax exemption for certain rehabilitated commercial or industrial real estate. Municipal water, sewer, and other connection fees waiver. Utility fee reduction (%age based on # of jobs created). Retail business, wholesale business, and professional occupational license tax credit. Availability and use assistance of community design guidelines for EZ businesses. Dollar match for façade and outside building improvement (per business). EZ business loan pool for financing. EZ map and brochure. Enterprise zone signage. CPA accountant pool.
Orange	39	Permit fee waivers (Zoning, rezoning, and sign permits). Real estate tax abatement for rehabbed structures. Accelerated development processing—fast track review services. Case by case improvements to water/sewer lines to businesses. Architectural and landscaping design assistance. Marketing assistance. Coordinate business management program. Low interest loan programs for commercial, industrial, and residential façade improvements. Matching grants for commercial façade. Housing rehab assistance through HOME. Elimination of zoning provisions restricting upper story residential development in commercial property.

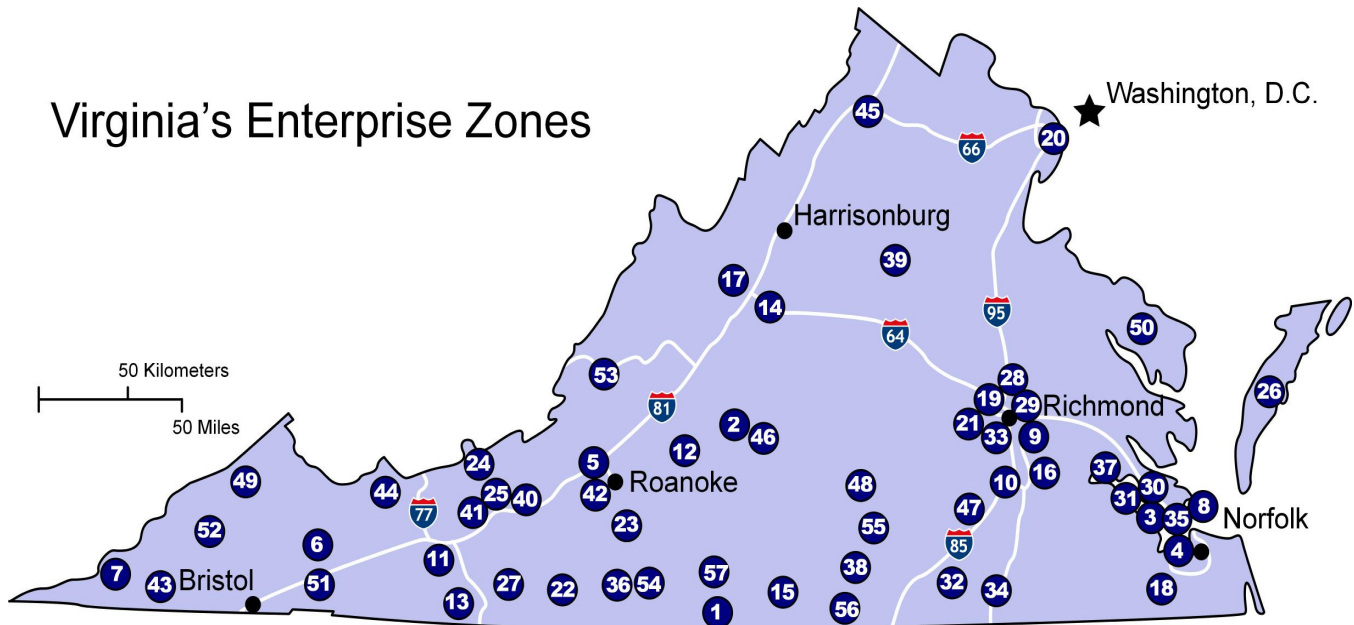
		<p>Targeted programs of improvements to public amenities (sidewalks, roadways, landscaping, lighting, and public signage).</p> <p>Crime Prevention Programs (Technical assistance with business security)</p> <p>Coordinated program of employee job training opportunities. Coordinate promotional program.</p> <p>Extended payment schedules for fees.</p>
Pulaski	41	<p>Rezoning and building permit fee waivers.</p> <p>Utility Improvements Support.</p> <p>Rehabilitated real estate tax abatement.</p> <p>Accelerated development assistance.</p> <p>Business occupation license fee rebate.</p> <p>Additional machinery and tools tax abatement.</p> <p>New machinery and tools tax abatement (50% tax exemption).</p> <p>New building tax abatement (50% tax credit).</p> <p>Business loan program (acquisition or renovation of buildings, purchasing machinery and equipment, working capital).</p> <p>Temporary office space.</p> <p>Economic development stimulus program (50% return on increase in real estate, machinery, and tools taxes over 10-year period).</p> <p>Architecture design assistance.</p> <p>Landscape design assistance.</p> <p>Housing and rehabilitation loan program. Housing rehabilitation tax abatement.</p> <p>Elderly and disabled citizen real estate tax relief.</p> <p>Crime prevention assistance and Fire prevention assistance.</p> <p>Labor pool and demographic information.</p> <p>Real estate market assistance (marketing booklet of available properties).</p>
Rocky Mount	23	<p>Water and sewer hook-up fees waiver.</p> <p>Waivers of town permit fees: building signs, special use zoning, variance rezoning.</p> <p>5-year rehabilitated real estate tax exemption.</p> <p>5-year personal property tax rebate on increase in assessed value.</p> <p>Business license rebate for existing businesses.</p> <p>Below market rate loans for façade renovation within zone.</p> <p>Below market rate loans for residential rehab within zone.</p> <p>Storm drainage improvements within zone.</p> <p>Expanding North Main Street to four lanes.</p> <p>Increased police protection and patrol in EZ.</p> <p>Special job training assistance to zone through use of educational channel and other available job training programs.</p> <p>Establishment of marketing strategy program to promote success of EZ.</p> <p>Establishment of organizations to provide private sector leadership and guidance throughout the zone.</p> <p>Renovation of existing train depot into welcome center and museum.</p> <p>Acquisition of vacant land for commercial and/or industrial development.</p>
Saltville	6	<p>5-year business, professional, and license tax credit.</p> <p>Downtown revitalization grant/loan (storefront improvements for downtown businesses).</p> <p>Tourism marketing mini-grant (for tourism-related businesses).</p> <p>Broadband access connection (50% reimbursement).</p>
South Boston	15	<p>Exemption from water and sewer connection fees.</p> <p>Exemption from real estate taxes of certain rehab properties.</p> <p>Exemption from all fees above minimum charge for building, electrical, plumbing, erosion, sediment control, and rezoning benefits.</p> <p>5-year business license fee rebate.</p> <p>5-year utility tax exemption.</p> <p>1% local sales tax exemption.</p> <p>Enterprise Zone advisory committee.</p> <p>Small business advisory.</p> <p>Hospitality stimulus program.</p> <p>Interest buy-down fund.</p> <p>Employment training programs.</p> <p>Free parking for short-term shoppers.</p> <p>EZ brochure.</p> <p>EZ workshops and meetings.</p>

South Hill	38	Waivers of building permit fees. Economic stimulus grant (based on machinery and tools tax). Jobs grant. Reduced water and sewer charges. 3-year business license tax.
Combined Areas		
Stuart/Patrick County	22	Small user water and sewer hookup fee waiver. Large user water and sewer hookup fee reduction or waiver. 3-Year real estate rehabilitation tax waiver. Waiver of deposit for water/sewer/trash pickup. Business, professional occupational license (BPOL) tax waiver. 2-Year Machine and tool tax waiver.
Accomack County / Northampton County	26	Waiver of zoning fee. Finance sewage connection fees for five years at 5% interest. Revolving loan fund. Reimbursement of machinery and tool tax. Business counseling. Technical Assistance for Crime Prevention program. Marketing plan (county promotion of participating businesses).
Charlotte County/ Lunenburg County	48	Site purchase discounts. Real estate tax rebate. Fast-track permitting. Machinery & tools tax rebate. Temporary office space. Technology assistance. Adult education. Workforce training assistance.
Alleghany County/ Covington County/ Town of Clifton Forge	53	Reduction of real estate tax. Zoning fee waiver. Building permit waiver. Reduction of machinery and tools tax. Reduction of utility consumer's tax. Reduction of business license tax. City of Covington small business loan. Virginia Main Street program technical assistance.
Danville/Pittsylvania	57	Regional Industrial Park Development (both zones).
Dickinson County/ Town of Clintwood	49	Annual industrial development grant based on amount of County real estate tax for new/expanding EZ businesses. Rehabilitated real estate partial tax exemption for new/expanding EZ businesses. Waivers of County building permit fees. Waiver of water and sewer connections fees. Annual industrial development grant based on annual amount of County machinery and tool tax for new/expanding EZ businesses. Targeted workforce training grants (priority workforce training grants to EZ businesses).
Lunenburg County/ Town of Kenbridge/ Town of Victoria	55	Reduced/waived land cost in County. Reduced/waived cost of water and sewer extensions. Waived water and sewer connection fees. 5-year Lunenburg County industrial/commercial development grant (based on real estate taxes incurred by new/expanding industry/commercial businesses). 5-year Lunenburg County industrial/commercial property tax grant (based on real estate taxes incurred by new/expanding industries). Waiver of all building permits and fast tracking permit processing. Waiver of Business license fees.
Lunenburg County/ Town of Kenbridge/ Town of Victoria (continued)	55	5-year Lunenburg County industrial/commercial equipment investment grant. Worker training and recruitment. Issuance of tax-exempt industrial revenue bonds to assist in financing projects.

Norfolk City / Portsmouth City	4	Permit fee reductions. Business license tax reduction. Business utility tax reduction.
Lancaster County/ Northumberland County/ Westmoreland County/ Kilmarnock/ Warsaw	50	Financial inducement for capital investments for new and existing businesses. Financial Inducement for job creation for new and existing businesses
Town of Saltville/ Smyth County	6	9-year real estate rehabilitation tax credit. Smyth County Water and sewer fee reduction. 5-year economic stimulus grant (based on machinery and tools taxes). Loan assistance. Training assistance (utilizing training and recruitment programs).

APPENDIX E: ENTERPRISE ZONES MAP

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 |

Zones #7 and #24 were terminated in 2010 due to inactivity.