



GRANT YEAR 2013 ANNUAL REPORT

VIRGINIA ENTERPRISE ZONES

Virginia Department of Housing and Community Development



Commonwealth Laminating and Coating Inc. was the recipient of a Grant Year 2013 Job Creation Grant and Real Property Investment Grant for the expansion of their facility in the city of Martinsville. Commonwealth Laminating and Coating Inc. is a manufacturing company with a strong emphasis on solar-control window films and precision, high-performance coatings. While CLC maintains operations in eight locations and five countries around the world, their sole manufacturing facility is in Martinsville.

Virginia Enterprise Zones



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

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REQUEST FOR INCENTIVES

4 applications for pre-2005 tax credits

220

Enterprise Zone grants awarded

203

businesses and investors received grant incentives

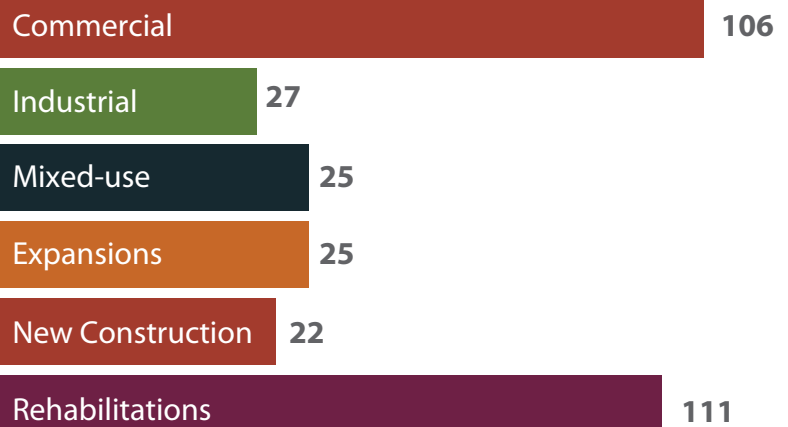
REAL PROPERTY INVESTMENT GRANT

158

Zone Investors received \$11,256,295

\$204,030,270.61

in qualified real property investments were spent on the following properties



JOB CREATION GRANT



62 businesses received \$2,893,705



1,076 net new full-time jobs were created

GENERAL INCOME TAX CREDIT



businesses received \$737,149.80

ENTERPRISE ZONE PROGRAM OVERVIEW

The Virginia Enterprise Zone (VEZ) Program is a partnership between state and local government that promotes economic development and revitalization through job creation and real property investment. When used in conjunction with other local, state, and federal programs, enterprise zones can leverage substantial private sector investment in targeted areas throughout Virginia.

The VEZ program was first established in 1982 and has undergone several amendments over the years. The most significant was in 2005 when the General Assembly passed the Enterprise Zone (EZ) Grant Act. It provided for the implementation of specific community economic development policies: targeting zone designations to distressed localities, gradually reducing the number of zones statewide for deeper impact, and providing incentives for the creation of higher paying jobs with benefits. The 2005 EZ Grant Act also replaced the former tax credit incentives with the Real Property Investment Grant (RPIG) and the Job Creation Grant (JCG). These grants are performance-based; firms must create jobs and/or invest in real property before applying for grant awards. However, the 2005 Act also continued access by grandfathered firms to the former General Income and Investment Tax Credit incentives. The tax credit program officially sunsets in 2019, however, each year the number of firms applying for tax credits continues to decline due to the expiration of firms' 10-year qualification periods.

The grant incentives are explained in greater detail below and are the focus of this report.

Real Property Investment Grant (RPIG) awards up to 20 percent of the total amount of qualified real property investments made to a building or facility, 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 projects, a zone investor must spend at least \$100,000 in qualified real property investments to be considered eligible for the RPIG. New construction projects require zone investors spend at least \$500,000 to qualify for the grant. The 20 percent grant award is based on the amount of investment made in excess of the \$100,000 and \$500,000 eligibility thresholds, respectively.

In grant year 2013, the typical RPIG grantee invested in the rehabilitation of an existing commercial building that they owned and occupied. The typical RPIG grantee invested approximately \$678,808 in the project and received an average grant award of \$75,928. Across all RPIG grantees the average investment was \$1,291,330 and the average grant award was \$71,242. It should be noted that in Grant Year 2013 RPIG awards were pro-rated at 91 cents on the dollar.

Job Creation Grant (JCG) awards up to \$500 per year for each net new, permanent full-time position created above a four-position threshold. The job must pay at least 175 percent of the federal minimum wage (\$12.69/hour) and offer health benefits. Positions earning at least 200 percent of the federal minimum wage (\$14.50/hour) with offered health benefits are eligible for a grant of up to \$800 per year for each qualified position over the threshold. Eligible firms can receive grants for up to 350 positions per year for a period of five years. Retail, food & beverage, and personal service positions are not eligible for the JCG. As of 2010, firms in High Unemployment Areas (HUAs) may qualify for the JCG

at a reduced wage threshold. HUAs are localities with unemployment rates that are equal to or more than 150 percent of the state average. In such areas, the qualifying wage threshold is lowered to 150 percent of federal minimum wage (\$10.88) for the \$500 grant per eligible position. A list of the 2013 HUA zones is included in the Appendix E.

In grant year 2013, the average JCG grantee created 17 jobs; grants averaged \$46,672.

LEGISLATIVE OVERVIEW

The 2013 General Assembly passed legislation to allow for the re-designation of certain joint enterprise zones in cases where an additional locality was added during the term of an existing enterprise zone. The intent was to ensure that all localities within a joint zone would have access to the full 20-year designation period. This legislation affected just two enterprise zones, the Joint Zone between the City of Richmond and Henrico County (zone 28) and the Joint Zone serving the City of Franklin, Southampton County, and Isle of Wight County (zone 18).

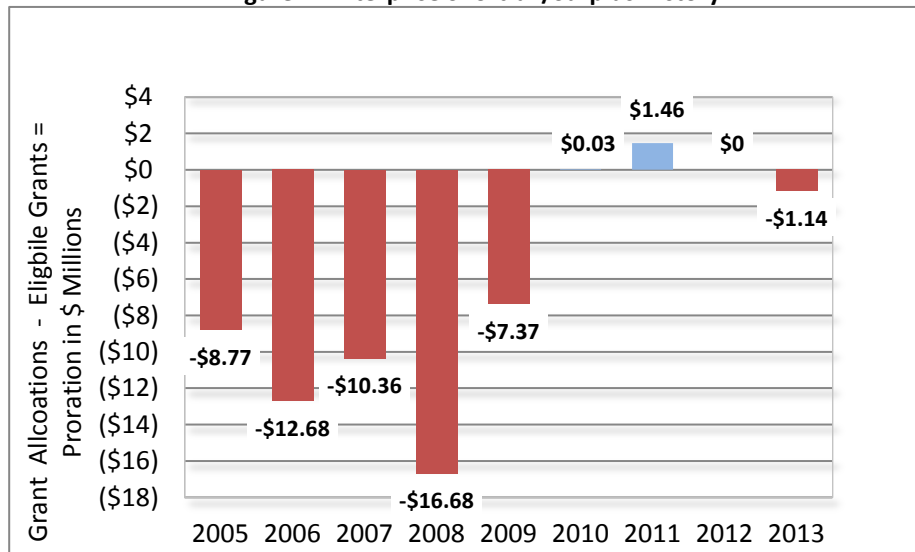
ENTERPRISE ZONE GRANTS – 2013 USAGE OVERVIEW

For the 2013 qualification year, a total of 207 businesses and zone investors qualified for Enterprise Zone incentives including Job Creation Grants, Real Property Investment Grants, and pre-2005 tax credits. Cumulatively, 203 businesses and zone investors received a total of 220 state enterprise zone grants and four applicants qualified for the pre-2005 tax credits.

Enterprise zone incentive usage since 2005 generally mirrors the conditions of the national and Virginia economy. The number of applications and total value of grant requests in grant years 2010-2013 are notably lower than grant years 2005-2009. The first five years of the program coincided with the build-up of the real estate boom. During that period, businesses were eligible for grants that far exceeded the funding allocation, leading to annual proration. Lagging a year or so behind the onset of the Great Recession due to the program’s application deadlines, incentive usage dropped in 2010. This decline also reflects the impact of 2009 legislation that raised the RPIG qualification threshold to help address growing concerns about proration. Grant Year 2013 is the first time since GY 2009 that proration has been necessary (Figure 1).

Despite being far below the pre-recession submission levels, the number of grant applications has increased continuously over the past four years. Grant Year 2013 saw an 8 percent increase in grant applications over the previous year for a total increase of 29 percent since GY 2010. This is due to an increase in both JCG and RPIG applications; however, because RPIG applications make up such a large proportion of annual grant requests, any slow-down or increase in construction activity will have an impact on the total number of grant requests. A 2010 legislative change protects the JCG awards from proration by giving them payment priority. The 2010 change has led to a proration of 91 cents on the dollar in GY 2013 for RPIG awards.

Figure 1: Enterprise Shortfall/Surplus History



2013 REAL PROPERTY INVESTMENT GRANT

Since the inception of the grant program in 2005, the RPIG has consistently been used more heavily than the JCG. It represents the largest percentage of the requested amounts. After a period of steady decline in total RPIG requests from GY 2006 (94 percent) through GY 2010 (78 percent), GY 2013 RPIG requests increased to 79.5 percent of the total number of grant requests, a 1.5 percent increase from GY 2012.

There was a positive trend in GY 2013 with the total dollar amount of real property investment increasing by nearly \$30 million over the previous grant year. GY 2013 was the first year since 2009 showing a significant net increase in real property investment from the previous grant year. The total reported real property investment in GY 2013 was \$204,030,271, an increase of approximately \$25,271,333 from the previous year. While this increase is a positive indicator, investment levels still remain \$296 million below the program's peak of \$500 million of private investment in GY 2009. GY 2009's extraordinary investment levels can likely be attributed to the completion of projects started before the onset of the recession as RPIG requests tend to follow larger economic trends, but typically lag these trends by one or more years due to the performance-based nature of the grant. Therefore, VEZ activity does not necessarily coincide with current development conditions. It is likely that the GY 2013 numbers represent a positive trend in years to come with real property investment numbers slowly increasing back to pre-recession numbers.

Qualified Real Property Investment Ranges

The 2013 grant round encompassed individual investments ranging from a low of \$129,306.50 to a high of \$17.63

million for the expansion of a biotechnology research facility in Richmond. This represents an increase from GY 2012's highest individual investment of \$10.65 million. Below, Figure 2 shows the distribution of the investment ranges for RPIG applicants between 2009 and 2013. Changes in the distribution from one year to the next often reflect changes in

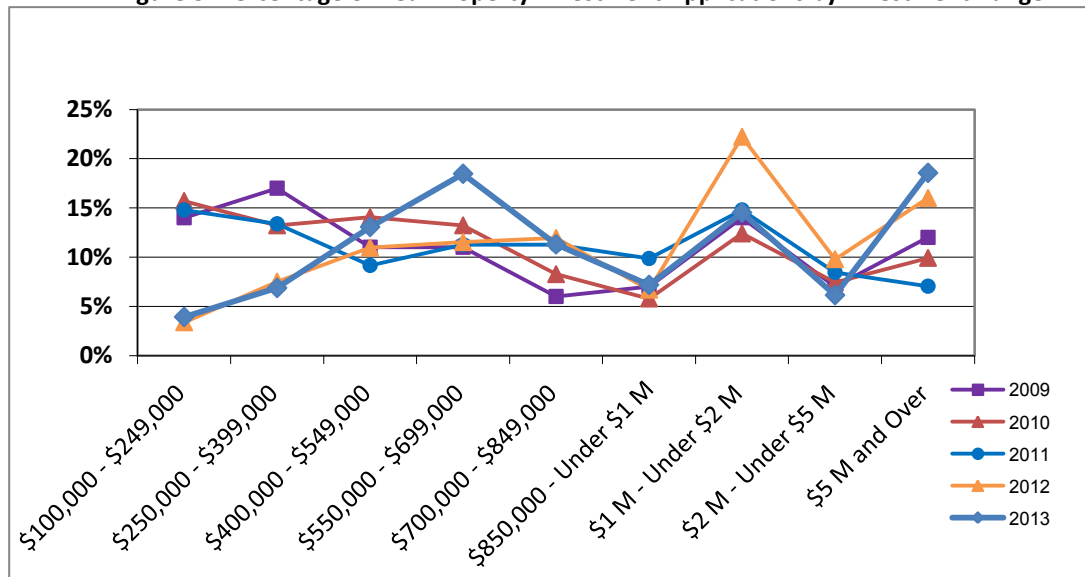
Figure 2: Qualified Real Property Investment Ranges

<i>Qualified Real Property Investment Ranges</i>					
Investment Range	2009*	2010*	2011*	2012*	2013*
\$100,000-\$2 49,000	14%	16%	15%	3%	4%
\$250,000-\$399,000	17%	13%	13%	8%	7%
\$400,000-\$549,000	11%	14%	9%	11%	13%
\$550,000-\$699,000	11%	13%	11%	12%	18%
\$700,000-\$849,000	6%	8%	11%	12%	11%
\$850,000- Under \$1 M	7%	6%	10%	7%	7%
\$1 M – Under \$2 M	14%	12%	15%	22%	15%
\$2 M – Under \$ 5 M	7%	7%	8%	10%	6%
\$5 M – and Over	12%	10%	7%	16%	19%
Total	100%	100%	100%	100%	100%
* Grants are no longer available on less than \$100,000 of investment					

eligibility thresholds or other parameters based on General Assembly action. For example, there is no data between 2009 and 2013 for projects in the \$50,000-100,000 range because the 2009 amendment disqualified projects of this size from eligibility. The legislation increased the minimum eligibility threshold from \$50,000 to \$100,000 and introduced the current practice of calculating grant awards based on the investment made in excess of the minimum eligibility thresholds.

Annual fluctuations complicate the effort to predict trends. GY 2013 saw an even distribution of investment amounts with the exception of projects over the \$5 million. Specifically, during Grant Year 2013, 19 percent of all RPIG exceeded the \$5 million threshold. However, below, Figure 3 indicates that outside of legislative changes there is still relative consistency in the distribution of RPIG investment amounts over time. It shows that over the past five years, all levels of zone investment have experienced economic peaks and valleys in the same way, albeit with differing magnitudes. There is one specific trend to note, during the past two grant years there has been very few smaller RPIG submissions (\$250K or less). That trend will be monitored over the course of the next few grant years to discern the impact and policy implications.

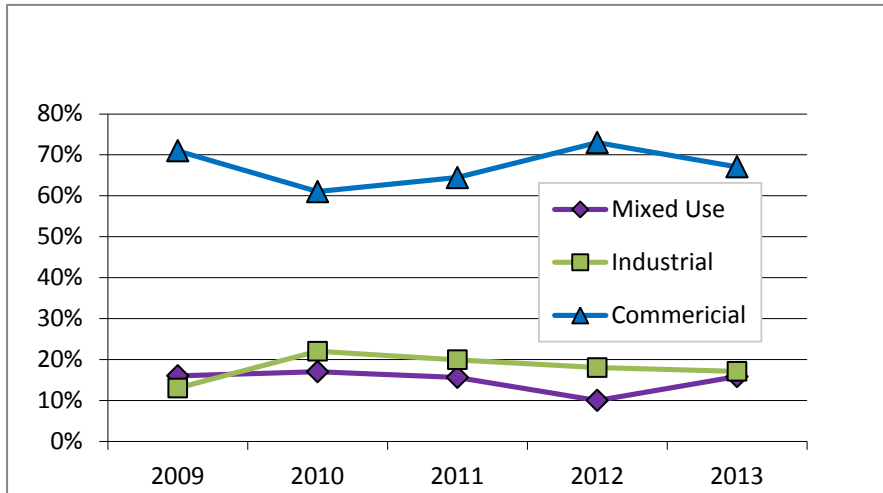
Figure 3: Percentage of Real Property Investment Applications by Investment Range



Type of Qualified Real Property

The RPIG is available for investments made to commercial, industrial or mixed use properties. Improvements made to office space falls under the commercial category. As seen in Figure 4, commercial projects are consistently the largest proportion of RPIG applications. Grant years 2011 and 2012 saw net increases in the percentage of commercial RPIG. However, in 2013 the percentage of commercial projects began to slide again resulting in a net decrease in RPIG requests.

Figure 4: Applications by Use of Real Property 2009 – 2013



Although there were significantly more applications submitted for commercial projects (106) compared to industrial (27) and mixed-use projects (15), the average GY 2013 grant awards were similar regardless of the uses. Industrial projects led with the highest average grant award of \$77,636 followed by

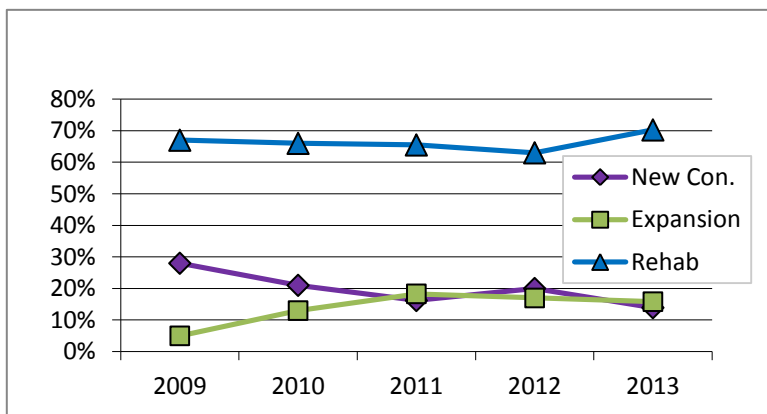
mixed-use project awards with an average of \$74,420. The average annual award for commercial projects is the lowest of the three categories with an average grant award of \$68,864.

Figure 4 also shows that after a return to pre-recession levels in GY 2010, the number of applications for industrial projects has continued to decline in GY 2013. Mixed use, on the other hand, was able to rebound after GY 2012. Incremental growth in these categories can be anticipated with increases in economic certainty.

Applications by Type of Real Property Investment

RPIGs are available for new construction, rehabilitation and expansion activities. Figure 5 illustrates the rates per type of real property investment made between 2009 and 2013. As seen, the trends of requests by type have remained relatively consistent since 2009. For GY

Figure 5: Request Amount by Real Property Investment Type



2013, rehabilitation projects accounted for a majority of RPIG applications (70 percent) and 62 percent of the grant funds awarded. Expansion followed with 16 percent of the applications, and 18 percent of funds awarded. In GY 2013, expansion projects accounted for 14 percent of the total number of applications and 20 percent of awarded grant funds.

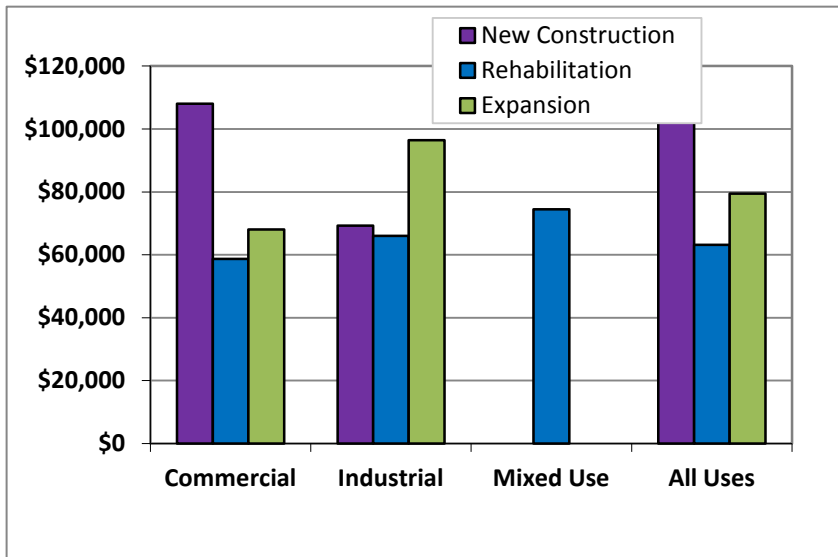
Despite the relative consistency among these categories, Figure 5 also displays the impact of

the recession on new construction projects, which the sharp decline between 2009 and 2013 reflects. GY 2013 saw a slight decrease in the number of new construction projects and demonstrates the still sluggish new construction market. Expansion projects still seemed to have stalled since GY 2012. For the most part, these trends match national trends of slow, incremental growth in the years after the recession.

Average Award Based on Type of Real Property Investment

As seen in Figure 6, the type of real property investment has a more significant impact on the

Figure 6: Average RPIG Award by Type and Use 2013



size of the average grant award than the category of real property. Across all applications, new construction projects had the highest average award of \$102,755. Expansion projects had an average grant award of \$79,439, and rehabilitation projects had the lowest average award with \$63,150. The average new construction grant award was nearly 39 percent larger than the average rehabilitation

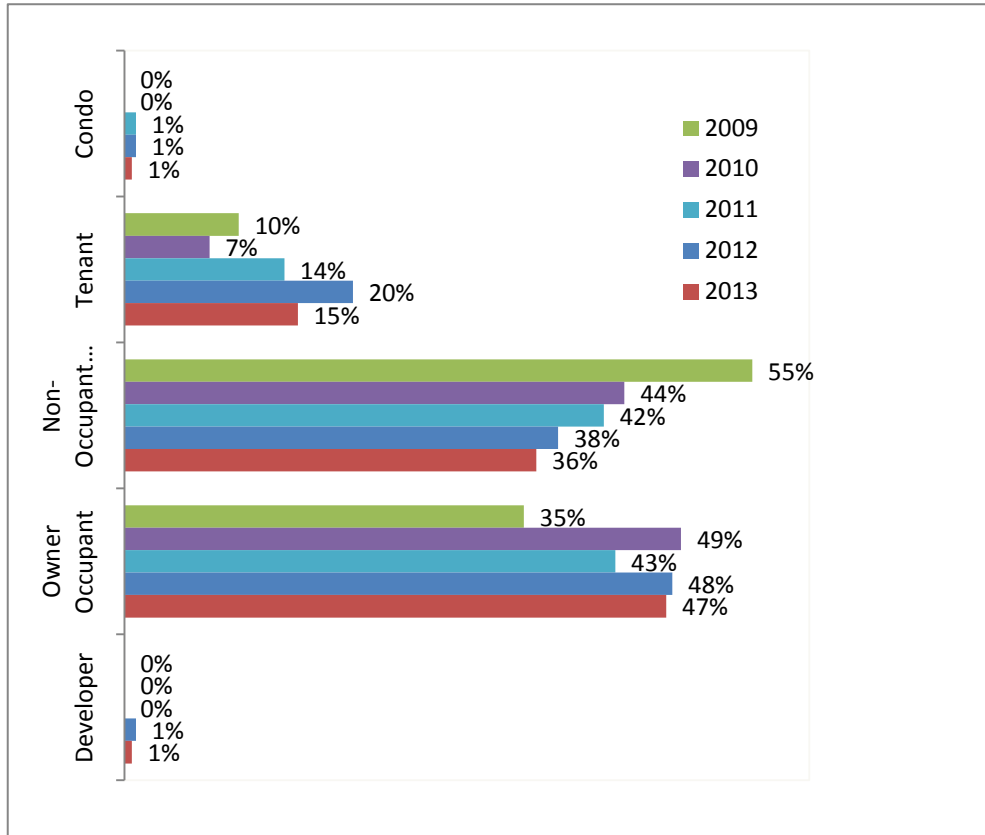
grant. Thus, on average, the state received fewer but larger grant requests for new construction and expansion projects (52 total), and more frequent but smaller requests for rehabilitation projects (106 total). Applications for the new construction of commercial properties received the largest average grant award of \$108,000. This was followed by expansion of industrial properties with an average grant award of \$96,480. The average grant awards for rehabilitation applications were fairly similar across all three uses, hovering around \$63,000, with the rehabilitation of mixed-use projects being slightly higher than the other uses. In GY 2013, all mixed use projects involved the rehabilitation of existing buildings.

Qualified Zone Investors

Eligible zone investors may be property owners (occupant or non-occupant), owners of space in a building (condo), tenants who have capitalized their own improvements, or developers. Although there has been some slight variation over the last three years, owner-occupant applicants continue to be the largest group of grantees, accounting for 47 percent of GY 2013 RPIG applications. Non-occupant owners came in second for the third year in a row with 36 percent of GY 2013 applications. The owner-occupant category experienced a 1 percent

decrease from GY 2012 to GY 2013 while non-occupant owner applications fell two percent in the last year (Figure 7). The overall increase in investments to owner-occupied property could reflect a cautious approach by financial institutions to providing capital to real estate projects as well as the fact that the supply of pre-recession general commercial real estate is still being absorbed by the market. It should also be noted that the role of non-occupant owner investors has declined steadily since 2009; their share of RPIG investors has fallen nearly 20 percentage points over the past five years.

Figure 7: Types of RPIG Zone Investors 2009-2013



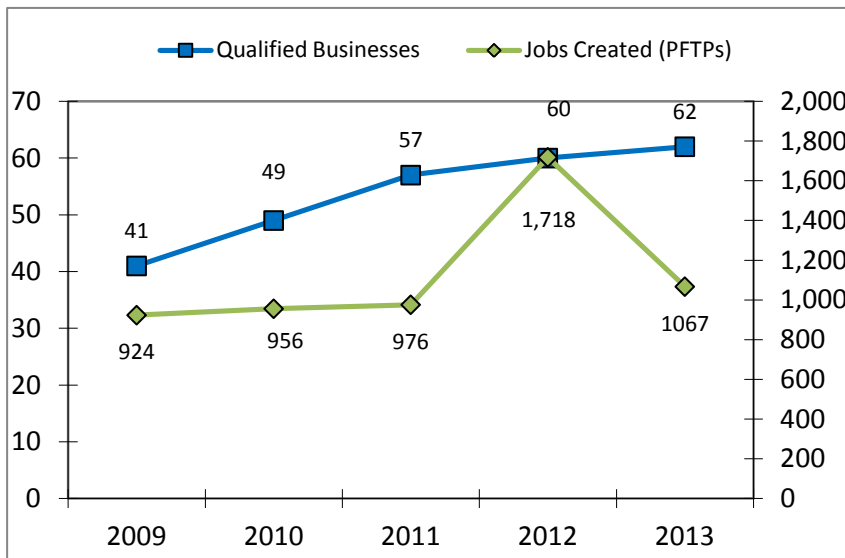
2013 JOB CREATION GRANT

The Department received 62 applications for Job Creation Grants (JCG) in GY 2013, accounting for \$2,904,269 in JCG awards and representing approximately 20.5 percent of overall grant requests. Figure 8 shows that the number of JCG applications has steadily increased since 2009.

**62 businesses created
1,067 net new jobs and
received over \$2.89
million in grants.**

GY 2013 saw 1067 net new jobs created, which is in line with the overall five-year trend. The large decrease in net new jobs from GY 2012 is likely a result of one firm which accounted for

Figure 8: Qualified Job Creation Grant Activity 2009-2013



nearly 500 net new jobs in 2012 and the loss of 65 jobs in GY 2013. Without that one company along GY 2012 and GY 2013 would have very similar net new job creation. It is expected that as the economy grows there will be a continued trend in the positive direction. Figure 9 shows the list of HUA zones

that had firms qualify for the JCG under the reduced wage-rate threshold in GY 2013.

Payout by Wage Rates

JCG award amounts are based on wages paid to each grant eligible position. A grant award of \$500 per position is available for employees earning between 175 and 199 percent of the federal minimum wage (\$12.69 or higher). Positions earning 200 percent or more of the federal minimum wage (\$14.50 or higher) are eligible for a grant of \$800.

GY 2013 was the third year of the HUA designation. As mentioned earlier, firms located in HUAs are able to qualify for the \$500 per position grant based on wages equal to 150 percent of the federal minimum wage, or \$10.88 per hour. In GY 2013, 29 percent of the 17 enterprise zone localities with an HUA designation had firms apply for the JCG. Fourteen firms from the following five HUA localities qualified for the JCG based on the reduced wage-rate threshold: the City of Danville, Halifax County, Henry County, Brunswick County and the City of

Martinsville. Nine of the fourteen firms were expanding existing operations in Virginia and five were start-ups. Refer to Appendix E for the complete list of GY 2013 HUA zones.

Figure 9: Firms in HUA Localities Qualifying Under the Reduced Wage-Rate Threshold

<i>Qualifying Firms in HUA Localities</i>		
HUA Locality	Applicant Firms	Percent of total HUA Applications
Brunswick County	1	7%
City of Danville	5	36%
Halifax County	4	29%
Henry County	3	21%
City of Martinsville	1	7%

Usage by Sector

The status quo persisted in GY 2013 in the number of JCG applications for the majority of business sectors. In GY 2013 the only significant changes to note were that *Information* and *Professional and Scientific Services* decreased to a 13 percent share of all JCG firms and the *Manufacturing* sector increased to 60 percent of JCG grantees.

Figure 10: Sector Type of Qualified Job Creation Grant Firms

<i>Job Creation Grant Qualified Firms</i>										
<i>Type of Business Firm</i>	2009		2010		2011		2012		2013	
	#	%	#	%	#	%	#	%	#	%
Construction	0	0%	2	4%	1	2%	1	2%	1	2%
Health Care/Social Assistance	3	7%	5	10%	3	5%	3	5%	3	5%
Information	2	5%	3	6%	2	4%	3	5%	2	3%
Manufacturing	25	61%	22	45%	30	53%	32	53%	38	61%
Other Services	0	0%	0	0%	3	5%	2	3%	0	0%
Professional/Scientific Services	5	12%	9	18%	9	16%	12	20%	8	13%
Transport/Warehousing	1	2%	1	2%	3	5%	3	5%	4	6%
Wholesale Trade	4	10%	5	10%	5	9%	2	3%	2	3%
Admin. & Support and Waste Mgmt. & Remediation	1	2%	2	4%	1	2%	2	3%	1	2%
Utilities	0	0	0	0	0	0	0	0	1	2%
Accommodations and Food Services	0	0	0	0	0	0	0	0	1	2%
Management of Companies and Enterprises	0	0	0	0	0	0	0	0	1	2%
Total	41		49		57		60		62	

* % equals the ratio of firms by business type to the total number of qualified firms for each year

LOCAL ENTERPRISE ZONES

The Commonwealth's 57 enterprise zones encompass approximately 260 square miles and include boundaries in over 70 different localities. During GY 2013, 19 of the 57 are joint zones (i.e. zones composed of two or more localities), 13 localities have two Enterprise Zone designations and two localities have the statutory limit of three Enterprise Zone designations.

Four enterprise zones reached their expiration dates on December 31, 2013. Zones in the City of Alexandria, Chesterfield County (one of two county zones), the Town of Rocky Mount and Pulaski County reached the end of their original 20-year designation period.

In cases of zone expiration and termination the available zone designations are filled through a competitive application process conducted by DHCD. DHCD held Designation How-to-Apply workshops for interested localities in March 2013 and applications were due June 28th, 2013. Staff from DHCD and the Virginia Economic Development Partnership (VEDP) reviewed the submitted applications and made recommendations to the Governor to designate zones in the City of Winchester, City of Portsmouth, Scott County, and the joint zone of the City of Radford and Pulaski County. The designation of these four zones brought the total number of zones designated since the passage of the 2005 Act to 21, leaving nine zone designations available under the Act's 30-zone limit.

Looking ahead, five zones will expire at the end of 2014, and 14 zones will expire in 2015. The 30-zone cap (established under the 2005 EZ Grant Act) will be reached during the 2016 designation round that will be held in calendar year 2015. Under the 2005 EZ Act, zones are designated for an initial 10-year period with the possibility for two five-year renewal periods. No zone shall be designated for more than 20 years.

Unless noted otherwise, all data used in this report is generated from the Enterprise Zone Administration Database and is based on information reported by businesses and investors on the incentive applications.

The following sections of the annual report are a series of appendices that provide the details of how our local partners are contributing to the success of the program.

- Appendix A: Zone Highlights
- Appendix B: State Incentive Usage by Zone 2009-2013
- Appendix C: Report on Local Incentives
- Appendix D: Enterprise Zone Maps
 - GY 2013 Enterprise Zones
- Appendix E: 2013 High Unemployment Areas

APPENDIX A: ZONE HIGHLIGHTS

Accomack County/Northampton County

- Bayshore Concrete products announced a \$4,000,000 expansion resulting in a net increase of 135 jobs in Cape Charles, Virginia.

Alleghany/Clifton Forge/Covington

- MeadWestvaco Corporation completed a \$285M expansion of its paper mill operations in Covington.
- Balchem Incorporated, the areas first new industry in 20 years opened its doors beginning in January 2013.

Charlotte County/Prince Edward County/Lunenburg County

- In 2013 Helton House, LLC completed a major expansion to its facility in the Rice Community of Prince Edward County, resulting in the addition of 28 new healthcare related jobs and \$1,025,000 in new investment. Helton House, LLC provides assisted living and day programs for the area's mentally challenged individuals.

Chesterfield County

- *Air, Water & Soil Laboratories, Inc.* has located at 1941 Reymet Rd. AWS Labs, Inc. provides comprehensive state and region-wide analytical testing services with commitment to quality and project requirements. The company invested \$1.5 M with 28 new employees.
- *Sabra Dipping Co.* – The country's leading hummus manufacturer will invest \$86 million to further expand its manufacturing capacity in the county. As a result, the company will add 140 new jobs over the next several years.
- *Medline Industries* – located at the Enterchange @ Walthall. The company has leased 116,000 sq ft of warehouse space. They invested \$5.6 million and projected 25 new employees.

Danville, City of

- AllergEase located its warehouse and distribution operations in the City of Danville creating 150 jobs and a \$7.5 million investment over three years.
- Zeyuan Flooring International Corporation will open its first U.S. manufacturing facility in Danville. The company has committed to investing \$15 million in the project and plans to hire 100 people in three years.

Franklin, City of/Southampton County /Isle of Wight County

- Green Mountain Coffee Roasters added 236 new full-time jobs with plans to add another 400 by September 2014.
- ST Tissue hired a total of 66 full-time employees. Co-located, International paper hired 212 full-time workers and invested over \$100 million in repurposing its former paper mill into a state-of-the-art fluff pulp manufacturing facility.
- Franklin Lumber, LLC opened its doors with a \$14.8 million dollar investment expected to employ 72 full-time employees.

- Hampton Farms acquired an older International Paper facility and converted it into a peanut butter production facility. The project includes a \$6 million investment and the hiring of 60 new full-time employees.
- Enviva wood pellet manufacturing finished construction of a \$91 million upgrade which currently employs 80 individuals.

Halifax County

- NOVEC Energy Production/Halifax County Biomass opened its doors and is expected to hire 26 employees.

Hampton, City of

- Faneuil Inc. invested \$100,000 to expand its facilities to include a satellite customer service center which will create an additional 170 new jobs.
- Bay Disposal and Recycling company invested \$1.5 million to expand its facility by 24,000 square feet and created 32 new full-time jobs
- The Cosentino Group invested \$2,298,000 to open a 161,985 square foot distribution facility which led to the creation of 17 new full-time jobs.

Henry County/Martinsville, City of

- CPFilms, Inc., a subsidiary of Eastman Chemical Company, Inc. announced it would make investments of 40 million dollars in machinery, equipment, and real property and hire 25 additional employees in Henry County over the next three years.

James City County

- 2013 projects included 11 local businesses' approval for State Enterprise Zone Incentives for projects completed in 2012. The firms' collective investment was \$5.2 Million and created 106 new jobs. These Enterprise Zone recipients were ARI Real Estate, LLC, Tienda Inc, Leebcor Properties at McLaws (430), Leebcor Properties at McLaws (432) Owens Brockway Class Container, Inc., Gilco Restoration Inc., dba Peerless Restoration Services, and Smithfield Packing Company Inc.

Lynchburg, City of

- Tessy Plastics completed a \$1.6 million capital investment and created 23 new jobs. The Tessy Lynchburg facility will accommodate its newest product lines and attendant growth in the physical plant and workforce.
- JCREW completed the expansion of its Lynchburg fulfillment center with a capital investment of over \$20 and 177 new full-time jobs.

Newport News, City of

- Liebherr Mining equipment announced the expansion of their facility creating a \$45 million capital investment and creating 174 new jobs within the next three years.

- The City, the Newport News Economic Development Authority and the Commonwealth worked with High Liner Foods to facilitate the announcement that the company will invest \$6.6 million, create 57 new jobs and retain more than 400 existing jobs.

Norfolk, City of

- Bauer Compressors, Inc. Rehabilitation and expansion of their business in Norfolk Industrial Park continued in 2013. The project represents a \$15 million investment and will create over 130 new jobs when complete.
- Joan and Roy Kroc Center-Construction continued in 2013. The total project represents over \$80 million in investment for the 91,000 square foot education, creative arts and recreational community center in Broad Creek. The project expects to bring 150-200 jobs to the neighborhood.

Portsmouth, City of

- Mason Construction Co., a national maritime construction company based in Seattle, leased office space Downtown. This completes a 5-year goal of attracting 2 marine and logistics offices to the VEZ.
- The Kroger Company purchased 13 acres at the former I.C. Norcom School site in Midtown and broke ground for its new 124,000 square foot Kroger Marketplace. It will invest \$21.5 million there and create as many as 340 jobs. The balance of the 21 acre site will be developed for in-line retail by CRES-EG Development LLC.

Prince George County

- In December 2013, Rolls-Royce, Crosspointe Center, completed construction on a second advanced manufacturing facility. The new facility cost \$136 million and is expected to create 140 new jobs.
- Service Center Metals began expansion of a compact remelt plant in 2013 at a cost of \$17 million and is expected to create 20 new jobs.

Pulaski County

- Red Sun farms announced a \$40 million expansion to its facilities.

Richmond

- Hardywood Park Craft Brewery invested \$711,000 dollars and created 12 new full-time jobs

Roanoke, City of

- Fedex Ground completed its new 150,000 square foot building in the Roanoke Centre for Industry and Technology bringing 108 positions to the city.

Staunton, City of

- Carded Graphics - Began an expansion project in September 2012. The company committed to create at least 34 new jobs within 36 months and by the end of 2013 had already hired 22 jobs. In 2012, Carded Graphics committed to investing \$7.05 million within 36 months, and by the end of 2013 the company had already invested \$7.2 million in new equipment. It is well on track to exceeding both job creation and investment.
- Cadence expanded operations resulting in 76.83 new permanent, full-time jobs, with 48.82 of those jobs earning at least 200% of the federal minimum wage and offered health care benefits, and 13.83 new permanent, full time jobs earning at least 175% of the federal minimum wage (but less than 200%) and offered health care benefits.

APPENDIX B: STATE INCENTIVE USAGE BY ZONE 2009-2013

Zone Information					Number of Incentives					Summary of 2013 Grants	
Zone #	Community	Acreage	Designation	Expiration	2013	2012	2011	2010	2009	\$ Amt.	% of Total
19	City of Richmond (South)	3368	1993	2012	6	3	3	5	11	\$491,566.00	3%
20	City of Alexandria	690	1994	2013	0	0	0	0	1	\$0.00	0%
21	Chesterfield County (Jefferson Davis)	3840	1994	2013	2	1	2	2	2	\$156,906.67	1%
23	Town of Rocky Mount	632	1994	2013	1	0	0	3	3	\$90,795.31	1%
25	Pulaski County (Zone 1)	3586	1994	2013	4	5	4	1	3	\$199,714.75	1%
26	Accomack County	3659	1995	2014	4	2	2	4	7	\$436,357.51	3%
	Northampton County	2765									0%
27	Carroll County	3828	1995	2014	0	1	0	0	0	\$0.00	0%
	Town of Hillsville	315									0%
29	City of Richmond (East)	3133	1995	2014	7	5	5	29	8	\$335,942.35	2%
30	Newport News (Mid-City)	3149	1995	2014	6	4	7	4	8	\$379,296.10	3%
31	Newport News (North)	3214	1995	2014	1	1	6	1	3	\$72,610.78	1%
32	Brunswick County	2738	1996	2015	1	2	0	0	0	\$2,580.00	0%
	Town of Lawrenceville	273									0%
33	Chesterfield County (Walthall)	3820	1996	2015	7	6	6	6	6	\$671,185.04	5%
34	Greensville County		2013	2022	3	n/a	n/a	n/a	n/a	\$337,664.09	2%
	City of Emporia										
35	City of Hampton (Hampton Roads)	3636	1996	2015	4	4	4	12	7	\$197,660.61	1%
36	Henry County	3840	1996	2015	9	6	6	5	3	\$537,835.31	4%
	City of Martinsville	630									0%
37	James City County	3832	1996	2015	9	8	3	0	1	\$506,120.88	4%
38	Mecklenburg County	2486	1996	2015	0	0	2	0	0	\$0.00	0%
	Town of South Hill	1527.6									0%
	Town of LaCrosse	556									0%
39	Town of Orange	582	1996	2015	0	1	2	1	0	\$0.00	0%
40	Pulaski County (New River)	3719	1996	2015	0	0	3	1	1	\$0.00	0%
41	Town of Pulaski	319	1996	2015	0	0	1	0	0	\$0.00	0%
42	City of Roanoke (Zone 2)	1372	1996	2015	5	4	3	4	4	\$315,827.05	2%
44	Tazewell County	3504	1996	2015	2	3	3	0	0	\$181,642.75	1%
45	Warren County	2074	1996	2015	1	0	0	0	0	\$16,559.10	0%
46	City of Lynchburg (Lynchpin)	2171	1996	2015	5	4	2	4	0	\$425,085.50	3%

Zone Information					Number of Incentives					Summary of 2012 Grants	
Zone #	Community	Acreage	Designation	Expiration	2013	2012	2011	2010	2009	\$ Amt.	% of Total
47	Dinwiddie County	3029	1998	2017	0	1	2	1	1	\$0	0%
	City of Petersburg	704									0%
48	Charlotte County	772	2000	2019	5	3	4	2	2	\$204,255	1%
	Lunenburg County	404									0%
	Prince Edward County	2609									0%
49	Dickenson County	3654	2000	2019	1	0	0	0	1	\$90,821	1%
	Town of Clintwood	238									0%
	Town of Haysi	162									0%
50	Warsaw	903	2000	2019	3	3	4	0	2	\$97,029	1%
	Lancaster County	3021									0%
	Northumberland County	2471									0%
	Richmond County	946									0%
	Westmoreland County	2826									0%
	Town of Kilmarnock	213									0%
51	Smyth County	3572	2000	2019	0	7	4	3	4	\$0	0%
	Washington County	2876									0%
	Town of Chilhowie	505									0%
	Town of Glade Spring	289									0%
53	Alleghany County	3608	2001	2020	2	0	2	0	1	\$68,767	0%
	Town of Clifton Forge	246									0%
	City of Covington	639									0%
54	Henry County	2934	2001	2020	1	0	0	2	0	\$32,445	0%
	City of Martinsville	527									0%
55	Lunenburg County	364	2001	2020	0	0	1	0	0	\$0	0%
	Town of Kenbridge	310									0%
	Town of Victoria	220									0%
56	Mecklenburg County	1931	2001	2020	0	0	0	0	1	\$0	0%
	Town of Clarksville	1344									0%
57	Pittsylvania County	3428	2001	2020	5	7	4	6	5	\$255,719	2%
	City of Danville	1700									0%
22	Patrick County	3563	2002	2021	0	0	0	1	0	\$0	0%
	Town of Stuart	176									0%
28	City of Richmond (North)	3840	2003	2022	28	21	30	26	44	\$2,384,933	17%
	Henrico County	3643									0%

APPENDIX B: STATE INCENTIVE USAGE BY ZONE 2009-2013

Zone Information					Number of Incentives					Summary of 2012 Grants	
Zone #	Community	Acreage	Designation	Expiration	2013	2012	2011	2010	2009	\$ Amt.	% of Total
1	City of Danville	1916	2004	2023	5	4	4	8	9	\$199,990.64	1%
2	City of Lynchburg (Downtown 1)	2216	2004	2023	13	6	6	19	20	\$827,514.56	6%
3	Newport News (South)	3741	2004	2023	13	21	16	17	19	\$734,830.60	5%
5	City of Roanoke (Zone 1)	1922	2004	2023	15	11	23	8	19	\$928,761.65	7%
6	Smyth County	619	2004	2019	0	1	0	0	0	\$0.00	0%
	Town of Saltville	351									0%
8	City of Hampton (Urban)	3233	2005	2014	15	17	3	7	16	\$1,361,253.12	10%
9	City of Hopewell	2082	2005	2014	2	0	0	0	0	\$113,461.00	1%
10	City of Petersburg	922	2005	2014	2	2	2	3	4	\$104,299.27	1%
11	Wythe County	1622	2005	2014	0	0	2	2	3	\$0.00	0%
12	City of Bedford	244	2005	2014	0	2	0	0	0	\$0.00	0%
13	City of Galax	619	2008	2017	0	0	0	0	1	\$0.00	0%
14	City of Waynesboro	608	2008	2017	1	3	5	0	4	\$18,024.00	0%
15	Halifax County/South Boston	2853	2008	2017	7	5	2	4	5	\$296,739.56	2%
52	Wise County	3808	2008	2017	1	2	0	0	0	\$90,821.38	1%
18	Franklin	878	2010	2019	3	4	1	1	N/A	\$336,113.00	2%
	Southampton	3412									0%
	Isle of Wight	2438									0%
4	City of Portsmouth	1468	2010	2019	3	5	2	7	NA	\$39,203.14	0%
16	Prince George County	3754	2010	2019	1	0	2	3	5	\$8,683.20	0%
17	City of Staunton	699	2010	2019	6	5	5	3	6	\$308,118.29	2%
7	City of Norfolk	2384	2010	2019	15	13	11	14	33	\$1,030,016.75	7%
24	Pittsylvania County	3,132	2010	2019	0	0	0	0	N/A	\$0.00	0%

APPENDIX C: REPORT ON LOCAL INCENTIVES

Locality	Zone #	Local Incentives
Accomack County	26A	<ul style="list-style-type: none"> • Waiver of zoning fees • 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)
		•
Alleghany County	53A	<ul style="list-style-type: none"> • Utility consumer tax reduction • Business license tax reduction • Real estate tax reduction • Machinery and tools tax reduction • Rezoning fees reimbursement • Building permit fee reimbursement
Bedford, City of	12	<ul style="list-style-type: none"> • 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 connection fees • 5-year business, occupational, license (BPOL) fee rebates
Brunswick County	32A	<ul style="list-style-type: none"> • Fast-track permitting • Waiver of building permits for business renovation and rehabilitation, new business construction, or 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, rehabilitation of vacant structures, residential rehabilitation/renovation, new business construction, businesses locating in Brunswick County Industrial Park • Machine and tool tax waiver for new businesses or industry park businesses • Local assistance/coordination with local banking • Low or no interest fixed asset loans
Carroll County	27A	<ul style="list-style-type: none"> • Water and sewer rate credits (five-year decreasing credit on water and sewer rates to qualified businesses) • Waiver of building permit fees • A grant of \$250 per job created for qualifying new or expanding businesses • Machinery and tool tax incentive • Real property tax incentive
Charlotte County	48A	<ul style="list-style-type: none"> • Site purchase discounts • Fast-track permitting • Machinery & tools tax reinvestment grant • Workforce training assistance to help businesses prepare employees for career advancement • Technology assistance to address the needs of companies locating in the industrial park
Chesterfield County	& 33	<ul style="list-style-type: none"> • Real estate tax exemption • Machinery and tools rebate • Business tangible personal property rebate • Business, professional, and occupational license fee exemption • Utilities connection fee credit • Waiver of building permit fees • Waiver of land disturbance permits • Waiver of zoning, site plan, or sign permits for projects that are in compliance with the county's comprehensive plan.
Chilhowie, Town of	51C	<ul style="list-style-type: none"> • 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 • Building permit fee waiver • Business, professional and occupational license tax credit for businesses creating new jobs in zone

Clarksville, Town of	56B	<ul style="list-style-type: none"> • \$400 job grant per full-time position created by qualified businesses • 6-year economic stimulus grant for qualified businesses based on the machinery and tools tax • Industrial real estate discount for businesses creating 75 jobs over 30 months and locating in the Lake Country Industrial Park • Waiver of zoning permit fees and expedited zoning approval • Wavier of water/sewer connection fees • Central Business district stimulus grant based on BPOL tax • Central Business District tax assessment exemption for business renovations of at least \$20,000
Clifton Forge, Town of	53C	<ul style="list-style-type: none"> • Utility consumer tax reduction • Business license tax reduction • Real estate tax reduction • Machinery and tools tax reduction • Rezoning fees reimbursement • Building permit fee reimbursement
Clintwood, Town of	49B	<ul style="list-style-type: none"> • Waiver of water and sewer connection fees for qualified businesses • Targeted workforce training grants
Covington, City of	53B	<ul style="list-style-type: none"> • Utility consumer tax reduction • Business license tax reduction • Real estate tax reduction • Machinery and tools tax reduction • Rezoning fees reimbursement • Building permit fee reimbursement • Small business loan program
Danville, City of	1 & 57B	<ul style="list-style-type: none"> • Reimbursement of water, sewer and gas tap fees • Assistance from the Dan River Businesses Development Center • Assistance from the Regional Center for Applied Technology and Training • Real estate tax abatement for targeted historic structures • Local Job Creation Grant • Exemption from City permit fees • 50% BPOL fee rebate • EZ Industrial Investment Grant (Machinery and Tools Grant) • Discounts on the price of targeted development sites
Dickinson County	49A	<ul style="list-style-type: none"> • Waiver of water and sewer connection fees for qualified businesses • Targeted workforce training grants • An annual industrial development grant for up to 5 years based on the amount of county real estate tax • Rehabilitated real estate tax exemption • 5-year machinery and tools tax grant • Waiver of building and permit fees for new and expanding businesses
Dinwiddie County	47B	<ul style="list-style-type: none"> • Expedited permit review process for new construction/expansion projects • Building Permit/Site review fee waiver • Water/Sewer fee reduction • Code enforcement • 7-year grant based on the value of a business's certified recycling equipment • Full or partial exemption of BPOL fees
Franklin, City of	18A	<ul style="list-style-type: none"> • Discounted purchase of city/county-owned industrial land • Partial exemption from real estate taxes for qualifying rehabilitated structures • 50% rebate on machinery & tools taxes paid for a period of five years • Electric utility tax rebate • Rebate of building code permit fees • Fast track permit processing • 10% rebate on annual electric bill (not to exceed 10 years and not to exceed \$20,000) • Free temporary office space for administrative staff up to five persons • Franklin's Paul D. Camp Community College's Regional Workforce Development Center's One-Stop Job Center will provide complimentary assistance in hiring personnel • Qualified companies may take advantage of a reduced rate in conducting a jobs skills assessment and jobs skills need

		<ul style="list-style-type: none"> Local organizations and businesses will offer complimentary or discounted services to new businesses locating in an Enterprise Zone
Galax, City of	13	<ul style="list-style-type: none"> Rehabilitated real estate tax exemption Building, zoning and sign permit fee waivers Water and Sewer line connection fee waivers Retail business, wholesale business, and professional occupational license tax credits
Glade Spring, Town of	51D	<ul style="list-style-type: none"> Real estate rehabilitation tax exemption in the increased assessed property value resulting from the rehabilitation of commercial or industrial real estate that is 25 years or older 5-year declining BPOL tax credit
Greensville County	34	<ul style="list-style-type: none"> Building/Zoning permit fee rebate Utility service improvements Waiver of water and sewer tap fees Real estate & Machinery and tools tax rebate Land buy down- county owned land may be sold to a client with continued investment/job creation with continued operations over a five year period.
Halifax County	15	<ul style="list-style-type: none"> Sales tax exemption Employment training for new and existing zone employees with the local community college Local sales tax exemption on all items purchased or leased for conduct of trade or business within the zone Partial reduction in water and sewer connection fees Lake Country Development Corporation loan priority Flexible zoning for lot sizes, parking ratios, and residential densities Labor pool information Crime prevention program
Hampton, City of	8 & 35	<ul style="list-style-type: none"> Capital investment grant Business license and utility tax refunds Enterprise zone revolving loan program- low interest financing for expansions and new business development Access to the Hampton University Small Business Incubator Access to the Hampton Technology Incubator
Henrico County	28B	<ul style="list-style-type: none"> Accelerated development processing 7-year rehabilitation real estate tax exemption Commercial/industrial rehabilitation grant Plan review and permit fee waivers Architectural assistance design program Off-site improvement grants (off-site drainage, water and sewer improvements) Fire safety seminars for businesses. Crime prevention through environmental design analysis Employment and training assistance Commercial revitalization staff assistance Training seminars for EZ businesses Paving and parking lot sealing grant Landscaping grant
Henry County	36A & 54A	<ul style="list-style-type: none"> Real estate tax grant for new investments in commercial and industrial projects Machinery and tools tax grant Business furniture, fixtures, and equipment tax grant Waiver of building permit fee Water and sewer connection fee waiver
Hillsville, Town of	27B	<ul style="list-style-type: none"> Waiver of water and sewer hook-up fees 50% reduction of water and sewer charges for six months Waiver for one year of inspection fees for building permits issued 50% reduction of zoning permit fees for one year
Hopewell, City of	9	<ul style="list-style-type: none"> Waiver of building, plumbing, electrical, and mechanical permit fees Land development fee waiver Business professional occupational license fee exemption/reduction Commercial real estate rehabilitation tax exemption Fire safety education seminars Crime prevention education and security risk assessments

		<ul style="list-style-type: none"> • Sewer tap connection fee waiver • Accelerated development processing for major development activities • Public facility and infrastructure enhancement
James City County	37	<ul style="list-style-type: none"> • Rehabilitated real property tax exemption • Property tax incentive of up to \$400 per zone resident employee and \$200 per county employee • EDA grant based on an increase in assessed value in real estate improvements and machinery and tools • Waiver of county permit fees • Reduction of sewer transmission fees • Matching grant of up to \$25,000 to qualified businesses for the establishment or enhancement of a daycare or preschool facility in the zone • Waiver of consumer utility tax • Expedited processing and/or fast track permitting
Kenbridge, Town of	55B	<ul style="list-style-type: none"> • Reduced/waived land cost in county industrial parks • Reduced/waived cost of water and sewer extension and connection fees • Waiver of all building permits and fast tracking permit processing • Waiver of business license fees • Workforce training and recruitment • Issuance of tax-exempt industrial revenue bonds to assist in financing projects
Kilmarnock, Town of	50A	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses • Financial inducement for job creation for new and existing businesses • Kilmarnock Business and Technology Park exemptions (BPOL tax, zoning permits, water/sewer connections, auto decal fees, subdivision permit fees)
La Crosse, Town of	38A	<ul style="list-style-type: none"> • Waiver of water and sewer connection fees • Waiver of building permit fees • Reduced water and sewer charges • Waiver of business license tax for businesses that create at least 10 full-time jobs • Decreasing payment over a four-year period based on the machinery and tools taxes paid • Payment of \$400 per job for a zone business creating 15-50 jobs within a 30 month period • Waiver of building permit fees • Coordination with local banks
Lancaster County	50B	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses • Financial inducement for job creation for new and existing businesses • Façade improvement grants • Micro-enterprise loan pool • Rehabilitated property tax credits
Lawrenceville, Town of	32B	<ul style="list-style-type: none"> • Fast-track permitting • Waiver of real estate taxes for existing business renovation/expansion, rehabilitation of vacant structures, residential rehabilitation/renovation, or new construction • Waiver of business, professional, and occupation licensing tax • Waiver of water and sewer connection fees for qualified structures
Lunenburg County	48B	<ul style="list-style-type: none"> • Site purchase discount for businesses investing at least \$7 million and creating at least 75 full-time jobs • Real estate tax grant equal to a percentage of real estate taxes paid • Fast-track permitting • Machinery & tools tax rebate • Workforce training assistance • Technology assistance
Lunenburg County	55A	<ul style="list-style-type: none"> • Reduced/waived land cost in county industrial parks • 5-year industrial/commercial development grant (based on real estate taxes incurred by new/expanding industrial/commercial businesses) • 5-year industrial/commercial property tax grant (based on real estate taxes incurred by new/expanding industries) • Waiver of all building permits • Fast track permit processing • Waiver of business license fees • 5-year industrial/commercial equipment investment grant • Workforce training and recruitment

		<ul style="list-style-type: none"> • Issuance of tax-exempt industrial revenue bonds to assist in financing projects
Lynchburg, City of	2 & 46	<ul style="list-style-type: none"> • Business and professional license tax refund of 100% in years 1-3, 50% in years 4-5 based on net new gross receipts • Machinery and tools tax refund based on net new capital investment • Enterprise Zone loan pool program
Martinsville, City of	36B & 54B	<ul style="list-style-type: none"> • Business professional occupation license fee rebate • Real estate tax exemption • Real estate tax grant based on the increase in real estate tax for qualified projects • Machinery and tools tax grant • Business furniture, fixtures, and equipment tax grant • Waiver of building permit fees for qualified zone businesses • Water and sewer connection fee waiver for new and expanding qualified businesses
Mecklenburg County	38C	<ul style="list-style-type: none"> • Decreasing payment over a four-year period based on the machinery and tools taxes paid • Payment of \$400 per job for a zone business creating 15-50 jobs within a 30 month period • Waiver of building permit fees • Coordination with local banks • Industrial real estate discount for industries locating in the Airport Industrial Park
Mecklenburg County	56A	<ul style="list-style-type: none"> • \$400 job grant per full-time position created by qualified businesses • Four-year economic stimulus grant for qualified businesses creating 50 full-time jobs over 30 months based on machinery and tools tax • Industrial real estate discount for businesses locating in the Occoneechee Commerce Park
Newport News, City of (Zone 1: South)	3	<ul style="list-style-type: none"> • 10-year decreasing rebates on business license fees • Industrial infrastructure improvements to the Oakland Industrial Park, Carleton Farm Industrial Park, and other industrial land owned by the EDA • Reduction in target industry occupancy costs • 10-year decreasing rebate of local utility tax
Newport News, City of (Zone 2: Middle)	30	<ul style="list-style-type: none"> • 5-year tax exemption on the increase in assessed property value resulting from certain rehabilitation of commercial or industrial real estate • 10-year decreasing rebate on business license fees • Waiver of city fees for building permits, site plans, land disturbance permits, and sewer connection/sewer system development • 10-year decreasing rebates of locality utility tax • \$5,000 annual appropriation to pay 50% of CPA attestation costs for EZ applications capped at \$250 per investor • Reduction in target industry occupancy costs
Newport News, City of (Zone 3: North)	31	<ul style="list-style-type: none"> • 5-year tax exemption of the increase in assessed property value resulting from certain rehabilitation of commercial or industrial real estate • 10-year decreasing rebates on business license fees • Low-interest and gap financing loan programs and waiver of application fees • 10-year decreasing refunds of local utility tax • Loan package assistance for obtaining public and private sector loans and loan guarantees • Assistance with general business counseling and referral to regional agencies offering intensive business planning and market determination assistance • Reduction in target industry occupancy costs • Acquisition of industrial and commercial sites by the City to be sold at or below market rates
Norfolk, City of	7	<ul style="list-style-type: none"> • Building permit relief • Business license tax relief • Local utility tax relief • Commercial/industrial real estate relief program • Free consultation with a tax specialist • Free formal training (EZ incentive workshops, writing a business plan, marketing assistance, how to do business with federal, state and local government, and how to use technology based tools in business) • Complementary marketing for business districts • Norfolk Redevelopment Housing Authority technical and research assistance • Norfolk Redevelopment Housing Authority meeting space
Northampton County	26B	<ul style="list-style-type: none"> • Microenterprise loan program to aid small business expansion/start-ups • Rehabilitated real estate tax exemption on the increase in assessed property value resulting

		from rehabilitation of commercial or industrial real estate
Northumberland County	50C	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses • Financial Inducement for job creation for new and existing businesses
Patrick County	22A	<ul style="list-style-type: none"> • 3-year machinery and tools tax grant based on the increase in assessed machinery and tools taxes • Rehabilitated real estate tax exemption • Building permit fee waivers
Petersburg, City of	10	<ul style="list-style-type: none"> • Waivers of building permit fees, zoning filing fees, and land disturbing fees • Real estate rehabilitation tax exemption plus • Waiver of water and sewer permit fees • 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
Petersburg, City of	47A	<ul style="list-style-type: none"> • 5-year, 100% exemption of business, professional, and occupational license tax • Waiver of permit fees for building, zoning, and land disturbance permits • Waiver of water and sewer connection fees • No cost extension of water and sewer lines when a qualified business acquires a site from the city
Pittsylvania County	57A	<ul style="list-style-type: none"> • Site purchase discount of sites owned or controlled by the County • \$250 job grant per qualified job • Machinery and tools investment tax grant • Dan River Business Development Center incubator space available for technology based businesses, light manufacturing, and service related businesses • Workforce training • Shell building program to construct shell buildings for targeted businesses
Pittsylvania County	24	<ul style="list-style-type: none"> • Site Discount • Job creation compensation • Local sales tax refund • Building permit fee waiver • Dan River Business Development Center (incubator) • Regional Center for Applied Technology and Training (RCATT)
Portsmouth, City of	4	<ul style="list-style-type: none"> • Business personal property investment grant (cash grant equal 50% of net increase in business personal property taxes) • Machinery and tool investment grant (50% cash grant of net increase in machinery and tool taxes and are paid over five years) • Development fee rebate (rezoning, use permits, mixed-use housing permits, subdivision applications and site plan reviews, building plan reviews and building permit fees) • Commercial façade loan program • Corridor streetscape improvement incentive • Mixed-use development incentive • Tax exemption for rehabilitated structures
Prince Edward County	48C	<ul style="list-style-type: none"> • Labor pool information • Crime and fire prevention education • Marketing assistance • Business development services • Business security audits • Business workshop training programs • Waiver of building permit fees • Site purchase discount (Prince Edward Business Park) • Machinery and tools investment grant (Prince Edward Business Park/Farmville Industrial Park) • Fast track permitting • Waiver of 25% or \$1,000 of water/sewer tap fees* • 5-year real estate tax investment credit on 100% of the value of improvements resulting from renovation work*

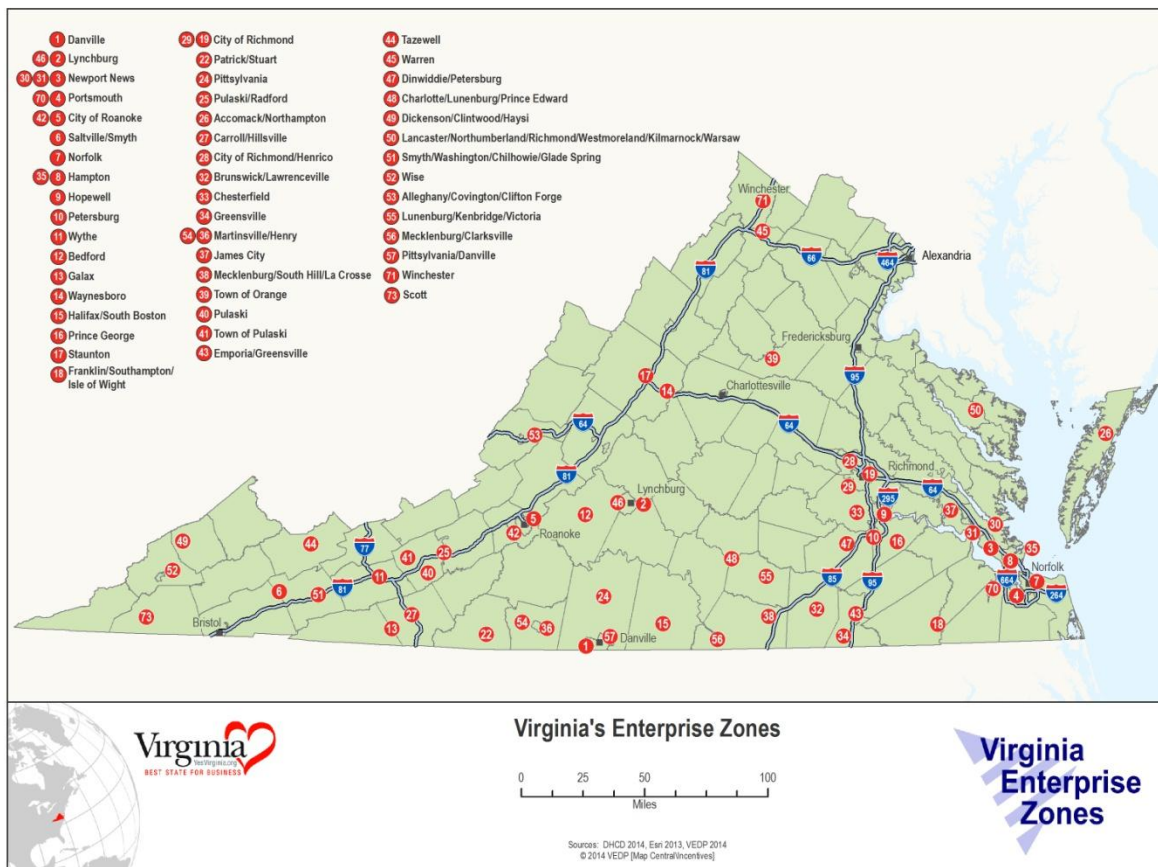
		<ul style="list-style-type: none"> • Accelerated development review process* • Architectural design fee reimbursement for historic district* • Waiver of land disturbance/soil and erosion permit fees (west Third St.) <p>* Exclusive to Farmville</p>
Prince George County	16	<ul style="list-style-type: none"> • Industrial machinery investment grant • Business license fee rebate for 5 years • Utility connection fee waiver • Rezoning fee waiver
		•
Pulaski County (Zone 2)	40	<ul style="list-style-type: none"> • Real property tax exemption • Machinery and tools tax incentive • Reduction of water and sewer charges per month • Rebate of water and sewer connection fees • Off-balance sheet financing • Industrial revenue bond financing • Accelerated development processing
Pulaski, Town of	41	<ul style="list-style-type: none"> • Rehabilitated real estate tax exemption on the increase in assessed property value resulting from the rehabilitation of commercial and industrial buildings • Machinery and tools tax incentive based on the increase in assessed machinery and tools taxes • 3-year, 50% new building tax exemption on the assessed value of a new zone building of \$50,000 or more • Business loan program to provide gap financing • Waiver of rezoning fees • Waiver of building permit fees • Temporary office space at the New River Valley Community College
Orange, Town of	39	<ul style="list-style-type: none"> • Waiver of city permit fees for zoning, rezoning, and sign permits • Accelerated development processing • Architectural and landscaping design assistance • Business management and promotional programs for all business properties in the Main Street district
Richmond, City of	19, 28 & 29	<ul style="list-style-type: none"> • Real estate tax abatement • EZ Brownfield rebate • Machinery and equipment rebate • Employment assistance grant equivalent to \$400 per new eligible position capped at \$7,500 • Loan fee rebate • Business relocation rebate • Development fee rebate
Richmond County	50E	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses • Financial inducement for job creation for new and existing businesses • Rehabilitated real property tax exemption
Roanoke, City of	5 & 42	<ul style="list-style-type: none"> • Parking lot/landscaping grant • Rehabilitated real estate tax exemption • Water, fire, and sewer hookup fee rebate • Development fee rebate • Fire suppression retro-fit grant and connection fee rebate • Neighborhood/parks and recreation grant • Business security grant • Job training grants
		•
Saltville, Town of	6A	<ul style="list-style-type: none"> • Rehabilitated real estate tax exemption • 3-year economic stimulus grant to companies that make new machinery and equipment investments and create new jobs • Water and sewer fee reduction • Loan assistance • Training assistance • Business professional and occupational license tax credits • Broadband access connection reimbursement • Tourism marketing mini-grant

		<ul style="list-style-type: none"> • Downtown revitalization grant/loan
Smyth County	6B	<ul style="list-style-type: none"> • Rehabilitated real estate tax exemption • 3-year economic stimulus grant to companies that make new machinery and equipment investments and create new jobs • Water and sewer fee reduction • Loan assistance • Training assistance
Southampton County	18B	<ul style="list-style-type: none"> • Discounted purchase of county owned industrial land with a minimum investment of \$500,000 in improvements and machinery & tools • Rehabilitation tax credit for renovation in excess of \$5,000 on structures over 15 years of age • 50% rebate of machinery and tools tax over 5 years • Electric utility tax rebate • Building code permit fee rebate • Fast track permit processing • Temporary office space • Workforce hiring and screening • Job profile assessment
South Boston, Town of	15	<ul style="list-style-type: none"> • Sales tax exemption • Employment training for new and existing zone employees with the local community college • Business license grant • Utility tax grant • Reduced permit fees
South Hill, Town of	38	<ul style="list-style-type: none"> • Decreasing payment over a four-year period based on the machinery and tools taxes paid • Payment of \$400 per job for a zone business creating 15-50 jobs within an 30 month period • Waiver of building permit fees • Coordination with local banks • Industrial real estate discount of 50% off the listing price of property for industries locating in the Interstate Industrial Park that invest at least \$10 million and create a minimum of 100 qualified jobs
Staunton, City of	17	<ul style="list-style-type: none"> • 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 • Provision of free horticulture advice to businesses • 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
Stuart, Town of	22B	<ul style="list-style-type: none"> • Water and sewer hookup fee reduction or waiver • Rehabilitated real estate tax exemption • 3-Year decreasing credit on business professional and occupational license tax • 2-year machinery and tools tax grant based on the increased assessment
Tazewell County	44	<ul style="list-style-type: none"> • 3-year annual industrial development grant of up to 100% of the real estate tax for new/expanding EZ businesses • 3-year rehabilitated real estate tax exemption for new/expanding EZ businesses • 3-year annual industrial development grant of up to 100% based on machinery and tool tax for new/expanding EZ businesses
Victoria, Town of	55C	<ul style="list-style-type: none"> • Reduced/waived land cost in county industrial parks • Reduced/waived cost of water and sewer extension and connection fees • Waiver of all building permits and fast track permit processing • Waiver of business license fees • Issuance of tax-exempt industrial revenue bonds to assist in financing projects
Warren County	45	<ul style="list-style-type: none"> • 5-year decreasing exemption of business and occupational license fees for qualified

		<p>businesses</p> <ul style="list-style-type: none"> • 50% rebate of all planning, zoning, and building permit fees for work done in the first five years of locating within the zone • Accelerated review and approval process for required permits • Financial packaging assistance • Labor pool information
Warsaw, Town of	50F	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses. • Financial Inducement for job creation for new and existing businesses • Façade improvements • Rehabilitated real property tax exemption • 3-year 50% tax incentive on the assessed value of a new building costing at least \$100,000
Washington County	51B	<ul style="list-style-type: none"> • Real estate rehabilitation tax exemption in the increased assessed property value resulting from the rehabilitation of commercial or industrial real estate that is 25 years or older • Building permit and rezoning fee waivers for commercial and industrial structures or Call IV construction • Waiver of application fees for industrial revenue bond financing • Reduction in purchase price of IDA land for businesses meeting certain hiring, wage rate, and investment levels
Westmoreland County	50D	<ul style="list-style-type: none"> • Financial inducement for capital investments for new and existing businesses • Financial inducement for job creation for new and existing businesses
Wise County	52	<ul style="list-style-type: none"> • Waiver of building permit fees to qualified businesses based on new job creation • Reduction in per-acre land price for property in the Business and Technology Park and the Toms Creek/Dale Ridge site based on job creation • Reduction in costs associated with preparing sites for construction at the Business and Technology Park and the Toms Creek/Dale Ridge sites • 10-year decreasing incentives against the real estate and machinery and tools taxes based on job creation • Customized training and regular course of study through UVA Wise and Mountain Empire Community College
Wythe County	11	<ul style="list-style-type: none"> • 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

APPENDIX D: ENTERPRISE ZONE MAPS

The map below shows the current list of Enterprise Zones as of January 1, 2014. Four enterprise zones reached their expiration dates on December 31, 2013. Zones in the City of Alexandria, Chesterfield County (one of two county zones), the Town of Rocky Mount and Pulaski County reached the end of their original 20-year designation period. The four zones were replaced by the City of Winchester, City of Portsmouth, Scott County, and the joint zone of the City of Radford and Pulaski County.



APPENDIX E: 2013 HIGH UNEMPLOYMENT AREAS

In 2010, the Virginia Enterprise Zone (VEZ) Job Creation Grant program was amended to change the eligibility threshold in areas with unemployment rates that are equal to or more than one and one-half times the state average. Previously, positions earning less than 175 percent of the federal minimum wage were not eligible for the job creation grant. The amendment to the statute allows otherwise eligible businesses in high unemployment areas paying 150 percent of the federal minimum wage to qualify for the \$500/position grant. In GY 2012, 150 percent of the federal minimum wage was \$10.88. High unemployment area zones that were authorized by this provision during GY 2013 are listed below.

<i>2013 Enterprise Zone High Unemployment Areas (HUAs)</i>	
Brunswick County – Zone 32	Haysi Town – Zone 49
Clarksville Town – Zone 56	Henry County – Zones 36 & 54
Clintwood Town – Zone 49	Lawrenceville Town – Zone 32
Covington City – Zone 53*	LaCrosse Town – Zone 38
Danville City – Zones 1 & 57*	Martinsville City – Zones 36 & 54
Dickenson County – Zone 49	Mecklenburg County – Zones 38 & 56
Emporia City – Zone 43	Petersburg City – Zones 10 & 47*
Franklin City – Zone 18*	South Boston Town – Zone 15
Greensville County – Zone 43	South Hill Town – Zone 38
Halifax County – Zone 15	
<p>*The following communities in joint zones are NOT HUAs: Alleghany County, Clifton Forge Town, Dinwiddie County, Isle of Wight County, Southampton County, and Pittsylvania County. Businesses in these communities are not eligible for the reduced wage threshold. Source: DHCD based on the LAUS Unit and Bureau of Labor Statistics 2012 Annual Virginia Unemployment Report</p>	