



Virginia Enterprise Zone Program

Zone Renewal Training

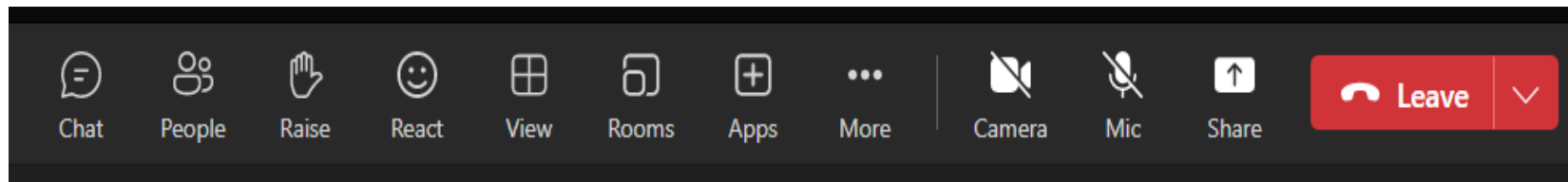


**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities



INTRODUCTION

- Please mute yourself and turn off your camera.
- The session is being recorded.
- There will be time for questions at the end of the presentation; please do not submit questions during the presentation.



Submit Questions
on Chat feature

Attendees

Turn camera
on or off

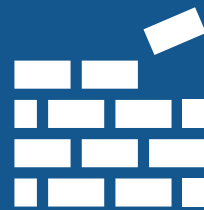
Turn microphone
on or off



36

Job Creation
Grants
awarded

GY2024 Summary Data



117

Real Property
Investment
Grants
awarded

>\$1.82M

JCG Funds
Awarded

>\$13.68M
Total
Disbursed

>\$11.86M

RPIG Funds
Awarded

2,957

Net New Jobs
Created

>\$231.24M

Private Investment
Leveraged

ANNUAL TIMELINE

Grant eligibility
determination &
application prep

How to Qualify
Workshops

Grant Application
Reviews

Renewal
Applications due
from LZAs

Amendment
Applications due
from LZAs

April 1st

July 15th

October

December

January-March

April-June

October 1st

November 1st

Grant Applications
DUE

Annual Reports
due from LZAs

State Annual Report
Due to General
Assembly

End of Grant Year

RENEWAL INFO

ALL ZONES

Designated for initial **10-year period**

DESIGNATED
BEFORE JULY 1, 2005

Up to **2 five-year renewal periods**

DESIGNATED
AFTER JULY 1, 2005

Up to **4 five-year renewal periods**

ALL ZONES

Extended for additional **4 years**

RENEWAL BASIS

1. **Performance** of EZ responsibilities
2. Continued **need**
3. **Effectiveness** creating jobs & QRPI

EVALUATION



NARRATIVE

(200 points)



IMPACT

(100 points)



TOTAL

(400 points+75 bonus)



DISTRESS

(100-point scale)



ADDITIONAL

(75 points)



REQUIREMENT

(250 points)



VIRGINIA DEPARTMENT OF HOUSING
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ZONE ADMINISTRATION INFO

1. Highest Elected Official for locality

May be different than the organization that administers the program locally

2. Chief Administrative Officer for locality

May be different than the organization that administers the program locally

3. Local Zone Administrator

Person responsible for EZ operations & certifying state applications

4. Zone Description

Include amendments made in the last 12 months

ZONE CHARACTERISTICS

1. Zone Size Guideline Utilized

Indicate the zone size guidelines utilized to establish zone size

2. Zone Acreage

- 3. Acreage of Area 1
- 4. Acreage of Area 2
- 5. Acreage of Area 3

List acreage for each noncontiguous area. If locality=less than 3 areas, enter "0" in amount.

6. Total Locality Land Area

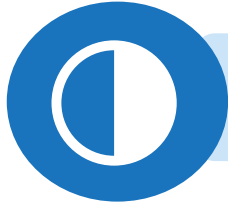
Required only if zone size is based on 7% of Total Land Area.

7. Zone Population

8. Total Locality Population

Required only if zone size is based on 7% of Total Population.

NARRATIVE SECTION



200 points out of total 400 points

Questions based on local need, zone impact, & locality's capacity to implement



Opportunity for locality to discuss factors (+ & -) that may have influenced past performance & opportunities for improvement

Localities will receive excel spreadsheets with state incentive utilization data to be utilized for report





LOCALITY NEED

1. Key Economic Conditions & Ongoing Need

What are the key economic conditions/challenges in the locality as a whole? How do these conditions/challenges demonstrate the locality's continued need for the EZ designation?

Examples of conditions/challenges:

- unemployment rates
- distress score
- workforce
- poverty level
- main employers
- recent closures/openings/expansions
- loss of industry
- aging population
- infrastructure
- education
- average wage earnings





LOCALITY NEED

2. Community & Economic Development Goals

What are the locality's current economic/community development goals & business/industry targets?

Examples of goals/targets:

- increasing business retention and expansion
- attracting a specific industry
- improving infrastructure
- investment in a specific area of the zone/locality
- improving site readiness
- upcoming development



LOCALITY NEED

3. Changes to Community Goals since Designation Application

Are the goals and targeted businesses that were identified in the locality's designation applications still priorities? If not, please describe how the local program has evolved to meet the changing needs.

Examples:

- focus shifted from one part of the zone to the other due to challenges
- development of new industrial parks
- development of new business ready sites
- targeted businesses changed due to arrival of business xyz that affected the local development of other businesses



LOCALITY NEED

4. Boundary Amendment History

5. Incentive Amendment History

How has the zone evolved to meet the locality's changing needs & development? Include an overview of what was achieved with each amendment, & why. Provide boundary & incentive amendment history.

Examples:

- In 2020, deleted acreage to remove residential properties, which gave us ability to add acreage to utilize for xyz.
- In 2022, locality purchased land to use for xyz & land was added to the zone.
- In 2022, removed incentive abc because it was no longer utilized & replaced it with xyz.



ZONE IMPACT

1. Conditions within Enterprise Zone Boundaries

How have conditions within the zone boundaries evolved over the past 5-10 years?



Examples:

- The road was built for access into our new industrial park, which will lead to further development in the park.
- Previously, the area on route 15 in the northwest part of town was the hub for commercial development, but development has moved further south on route 15 on the southwest part of the town, which includes development of xyz.

ZONE IMPACT

2. Local Incentive Utilization & Impact

Describe local incentive utilization during the past 5 years. What has been the impact of offering local Enterprise Zone incentives?

Examples:

- Property tax savings for company xyz totaled \$ in five years & was imperative to their development.
- The façade grant offered by the locality has helped to improve the overall look and feel of our downtown commercial area.





ZONE IMPACT

3. Economic Development Announcements

Describe any local announcements that may have occurred in the zone boundaries. Announcements should be within the last 5 years.
Upload copies in the additional attachments section.

6/23/23, 11:47 AM

Fire Station No. 1, downtown Roanoke historic landmark, has new calling



Titur, a Roanoke-based furniture manufacturer, reopens historic Fire Station One as a furniture showroom, restaurant and boutique hotel on Church Avenue Friday, Sept. 23, 2022, in Roanoke.

Scott P. Yates

For a solid century, Fire Station No. 1 in downtown Roanoke was an epicenter of activity.

The station, the first ever built in the city, made its debut in 1907 with a set of horse-drawn fire wagons. It evolved over the decades, keeping pace with the introduction of the combustion engine and the shift to full-time, paid staffing.

But, slowly but surely, modern demands began outstripping what the Georgian Revival structure — whose architecture has been described as reminiscent of 18th-century British town halls — could offer for emergency responders.

Retired Deputy Fire Chief Ralph Tartaglia, who fought fires for 37½ years before retiring in 2013, recalled spending sweltering summer nights sitting outside in front of the truck bays to escape the heat inside the air-conditioner-less station.

“We’d sit out here on the wall until one o’clock in the morning when it cooled off enough to sleep,” he recalled.





ZONE IMPACT

4. Governor Announcements

Have there been or will there be any announcements within the Enterprise Zone from the Governor's Office? If so, provide the details, timeline, and a copy of the press release (if possible). Please indicate where confidential.

Upload files if applicable.



ZONE IMPACT

5. State Incentive Effectiveness & Impact

What has been the state incentives' past effectiveness in encouraging job creation and private investment? What impact have the state incentives had on local economic conditions?

Examples:

- The opportunity to obtain an EZ grant was a strong consideration for company xyz to locate in our area and a major influence for the other companies receiving EZ grants over the last 5 years. Combined these projects have an investment of over \$\$\$ and a grant total of \$\$\$.
- The EZ grant was a critical component in securing xyz company to locate in our area.

**DHCD will provide the 5-year utilization data to help complete this question*



ZONE IMPACT

6. Business Recruitment, Retention & Expansion

How has the availability of EZ local incentives played a role in the locality's BRE efforts? Please identify specific businesses that have located or expanded or key projects that have been completed due to the availability of the incentives (state and local).

Examples:

- Xyz company used local and state EZ benefits for their phase one expansion and plan to utilize incentives in the future as they continue expansions for future development.
- Local incentives resulted in a value of \$\$ and investment of \$\$ over the last 5 years to assist with BR&E efforts.



ZONE IMPACT

7. Additional Community & Economic Development Resources

What other business or development incentives are available within the EZ? Describe any funding sources or programs (public/private) that the community has been able to leverage because of the EZ program.

Examples:

-The locality has been granted IRF & CDBG funds from DHCD that have been leveraged in the zone for xyz.





ZONE IMPACT

8. Areas of Growth & Investment

Where will the community make additional public improvements or experience ongoing growth (by location and industry)? Are these areas currently within the boundaries of the EZ? If so, how will the EZ affect those efforts? If not, why?

Examples:

- A major transportation project is in the works for area 2 of the zone, which will provide access to xyz.
- Renovations to the industrial park are almost complete & will take the park to a tier 4 ranking.



ZONE IMPACT

9. Opportunities for Improvement

What are the opportunities to increase effectiveness, and how will they be addressed should the zone receive a 5-year extension?

Examples:

- Planned further development of specific EZ areas, industrial parks, or specific sites
- Increased marketing through xyz



Capacity to Implement

1. Provide zone marketing description.
Attach zipped folder with media marketing materials

The screenshot displays the Norfolk Economic Development Department (VEDP) website. The header includes the Norfolk logo and navigation links: About, Site Selection, Target Industries, Grow Your Business, Resources, and Contact Us. The main content area is divided into three columns. The left column contains links for more information on local and state incentives, eligibility requirements, and the application process. The middle column details the application process, listing steps from applicant submission to final approval. The right column provides links and downloads for applicants, including local, real estate tax relief, and state enterprise applications, along with helpful guidelines for state application.

NORFOLK THE CITY OF
ECONOMIC DEVELOPMENT

About Site Selection Target Industries Grow Your Business Resources Contact Us

For more information on the local and state incentives, please click [here](#).

Eligibility Requirements

For the local and state eligibility requirements, please click [here](#). The Norfolk Economic Development Department must qualify businesses for local incentives

Application Process

- Applicant – Submits application to Enterprise Zone Administrator
- Economic Development
 - Confirms business is within the Enterprise Zone
 - Determines if project meets eligibility requirements
 - Review supporting documentation
- Treasures Office
 - Confirms business is in good standing (i.e. all taxes are paid)
- Commissioner of Revenue
 - Reviews supporting documentation
 - Determines relief amount (Utility Tax and Business License Tax Relief)
- Finance Department
 - Approves and sends out refund or approves permit reduction

VEDP Find an Enterprise Zone, Opportunity Zone, property, or address

Enter text here

Ohio Pittsburgh Altoona Harrisburg Reading

The business must continue to file each year during the planned period or forfeit the tax reduction for that year only.

Links and Downloads for Applicants

- [Local Enterprise Zone Application](#)
- [Real Estate Tax Relief Program](#)
- [State Enterprise Application](#)

Helpful Guidelines for State Application

When completing **Part 1: Background Information** on either the **Enterprise Zone Job Creation Grant** or **Real Property Investment Grant Application**, please use the following information for #11-15 on the Job Creation Grant Application and #9-13 on the Real Property Investment Grant Application:

- Zone Name: Norfolk
- Zone #: 7
- Zone Designation Date: 01/01/2010
- Signature of Local Zone Administrator: Once completed, please email the application to [our office](#) for a signature.

IMPACT SCORE



100 points out of total 400 points
Evaluated based on the population of the zone locality



-2020 population estimates & Census Bureau definitions utilized

-The median state incentive utilization for each classification during the past 5 years will be calculated by DHCD & sent to each locality. Scoring:

- Above the median=100 points
- Median achieved=50 points
- Below the median=25 points
- No utilization=0 points

CENSUS BUREAU DEFINITIONS

Metropolitan	≥ 50,000
Micropolitan	10,000-49,999
Rural	< 10,000

IMPACT SCORE



100 points out of total 400 points

Evaluated based on the population of the zone locality

	A	B	C	D	E	F	G	H	I	J	K	L	M
									5 year	5 year	Median of 5	IMPACT	
	Locality	Population	Classification	GY201	GY202	GY202	GY202	GY2023	total	average	year average	SCORE	IMPACT
2	James Co.	6,602	Rural	0	1	0	1	1	3	0.6	0.6	50	median achieved
3	Johnson Co.	2,262	Rural	0	0	0	0	0	0	0		0	no utilization
5	Smith Co.	1,369	Rural	0	0	0	0	0	0	0		0	no utilization
8	Irving Co.	8,217	Rural	1	0	2	0	2	5	1		100	above median
9	Archer Co.	6,656	Rural	0	3	0	0	0	3	0.6		50	median achieved
10	McGowan Co.	2,019	Rural	0	1	1	0	0	2	0.4		25	below median

DISTRESS SCORE



100 points out of total 400 points



Calculated for each locality by DHCD based on:

- locality's fiscal stress ranking
- unemployment rate
- median household income

(Same criteria used to evaluate zone designation requests.)

REMINDER: ADDITIONAL POINTS



Up to 75 additional points

Recent or upcoming
announcements within the
zone boundaries from the
Governor's office will be
considered

For Immediate Release: September 23, 2024

Contacts: Office of the Governor Peter Finocchio, Peter.finocchio@governor.virginia.gov | Virginia Economic Development
Partnership Contact: Pryor Green | Email: pgreen@vedp.org VFP Inc. Contact: Scott File Email: sfile@vfpinc.com



VFP Inc. to Expand Scott County Manufacturing Facility

Custom building solutions manufacturer will create 50 new jobs in Southwest Virginia

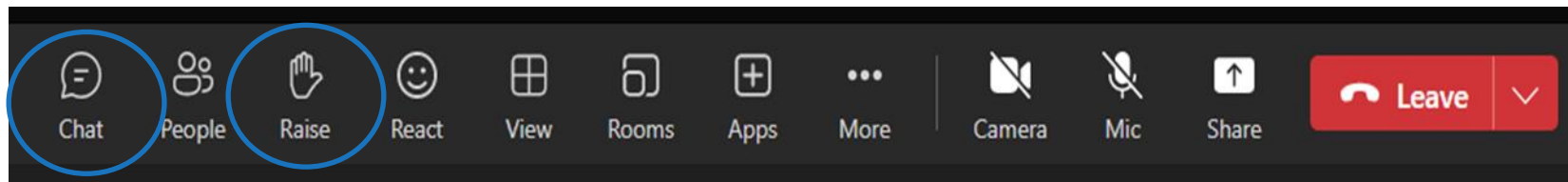
RICHMOND, VA — Governor Glenn Youngkin today announced that VFP Inc., a producer of custom-designed enclosures used to protect critical infrastructure for telecommunications, public safety radio, data centers, and utility projects, will invest \$5 million to expand its facility in Scott County. The expansion will help VFP better serve the growing data center market. Virginia competed successfully with Louisiana and Missouri for the project, which will create 50 new jobs.

"The success of long-term corporate partners like VFP Inc. is a prime example of what can be accomplished in Virginia," **said Governor Glenn Youngkin**. "Virginia's robust data center industry relies on manufacturers like VFP, and those synergies have created a robust ecosystem of partners and suppliers."



What questions do you have?

Type your question in the chat or use the “raise your hand” button to be called on.



CONTACTS

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