



Virginia Enterprise Zone Program

BOUNDARY
& INCENTIVE
AMENDMENTS



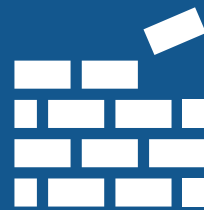
**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities



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

AMENDMENT REQUIREMENTS



–A locality may amend boundaries and/or local incentives **once every twelve months** from the date of the last amendment.

-**Local annual reports must be current** in order for DHCD to approve and amendment application.

-Once DHCD approves an amendment, the modifications to the zone are **retroactive back to January 1st** of the calendar year in which the amendment was approved.

-Amendments **are accepted on a rolling basis** throughout the year, but in order to be considered for the current calendar year, amendment applications should be submitted in CAMS by **November 1st** of that calendar year.

AMENDMENT REQUIREMENTS



LZAs must meet (virtually) with DHCD staff to receive approval **BEFORE** the public hearing process.

-This will allow EZ staff to identify any issues or concerns, reducing the possibility of significant revisions to the final draft and the need for an additional public hearing.

-The virtual meeting:

- will be with one of the program administrators;
- will include a discussion of any changes to incentives, including the reasoning for the changes; &/or
- will include a review of the GIS mapping of the locality's zone boundaries and a discussion of any deletions or amendments, including the reasoning for the changes.





AMENDMENT APPLICATION MANUAL

ZONE AMENDMENTS

In instances in which a local zone would like to modify the zone boundaries or local incentive package, the locality can submit an Enterprise Zone Amendment Application. These applications can be submitted once every 12 months from the date of the locality's last zone amendment. Joint zones may amend their zones in one application or independently so long as each locality amends their portion of the zone only once every 12 months from the date of the locality's last amendment.

Enterprise Zone amendments are now submitted through the [Centralized Application Management System \(CAMS\)](#). Localities must be up to date on their annual reports before they may submit an amendment application. Please contact DHCD at ezone@dhcd.virginia.gov to discuss any planned amendment application so the proper form may be added to your CAMS profile.

Requirements for the amendment procedures are outlined in the [Enterprise Zone Amendment Manual](#).

[2024 Enterprise Zone Boundary and Incentive Amendment Training](#)

ANNUAL REPORT

For the purpose of program monitoring and evaluation, each locality with an enterprise zone is required to submit annual reports to DHCD by July 15 of each year. These reports include information on major announcements and projects within the local zone, local incentive utilization, job creation, public and private investment levels, and up-to-date marketing materials. Beginning with the 2015 annual reports, localities must submit their annual report Form EZ-3-AR through the [Centralized Application Management System](#). Hard-copy or emailed reports using templates from previous reporting periods will not be accepted.

- [Local Annual Report Webinar Training](#)
- [Local Enterprise Zone Annual Report Instructions](#)
- [Local Zone Utilization Template](#)
- [Local Annual Report Presentation - GY2024](#)

businesses and local government. Each zone locality must also submit an annual report of zone activity to DHCD.



RESOURCES

[Commonwealth of Virginia W-9](#)

[Job Creation Grant \(JCG\) Manual](#)

[JCG Worksheets](#)

[Real Property Investment Grant \(RPIG\) Manual](#)

[RPIG Supplemental Forms](#)

[RPIG Awards: Last 4 Years](#)

[CPA Agreed Upon Procedures](#)



HELPFUL LINKS

[Virginia's Economic Development Incentives](#)

[Virginia Enterprise Zone Grant Matrix](#)

[Virginia Enterprise Zone Program, Code of Virginia Citations](#)

[Virginia Enterprise Zone Program Regulations](#)

[Virginia Enterprise Zone Map](#)

[High Unemployment Areas](#)

REQUIREMENTS FOR SUBMISSION

- ☐ Meeting with DHCD staff **BEFORE** public hearing to approve incentives and/or boundary additions/deletions

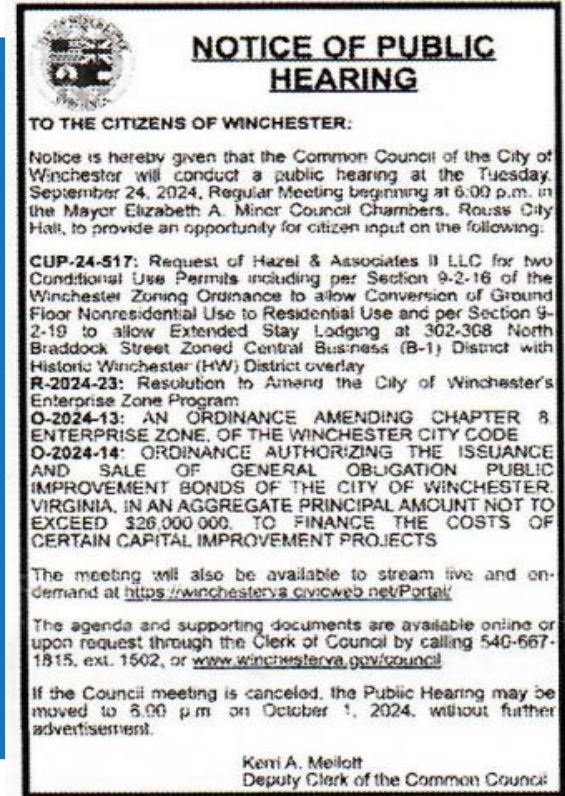
*All submissions below are uploaded into CAMS.

- ☐ Advertisement #1 for public hearing (submit proof of publication)
- ☐ Advertisement #2 for public hearing (submit proof of publication)
- ☐ Public Hearing (submit official minutes & comments from meeting)
- ☐ Resolution (passed by local governing body, certified, & submitted)
- ☐ Local Assurances (completed, signed, & submitted)
- ☐ Joint Zone Amendment Agreement (amending localities that are in joint zones only)(completed, signed & submitted)
- ☐ Maps (3) (boundary amendment only) (submitted in CAMS)
- ☐ Incentive Chart (incentive amendment only) (submitted in CAMS)



PUBLIC HEARING REQUIREMENT

- Public Hearings are a **required component of ALL** amendment applications.
- The local governing body must hold a public hearing on the proposed amendment(s) prior to passing the resolution authorizing submission of the application.
- The public hearing can be held **during the same meeting** in which the resolution is adopted, or it can be held as a **special meeting** separately.
- Must not be held more than six months prior to the amendment application submission.
- Advertising:
 - ☐ First notice must be no more than 28 days before the hearing
 - ☐ Second notice must be no less than 7 days before the hearing
 - ☐ Notices must list the time, date, and location of the hearing



PUBLIC HEARING REQUIREMENT

- Must be open to the public and allow time for comment & if received, public comments must be submitted to DHCD.
- Application must include an official copy of the public hearing minutes.
- For joint zones, the only locality that is required to have a public hearing is the locality amending their portion of the zone.
- All localities in the joint zone, however, must sign the Joint Zone Amendment Agreement.



*Helpful timeline for the process, including advertising & the public hearing, is in the Amendment Manual!





RESOLUTION REQUIREMENT

- A resolution from the local governing body approving the amendment must be submitted.
- For joint zones, the only locality that is required to pass & submit a resolution is the locality amending their portion of the zone.
- Resolutions should indicate that the local governing body:
 - ☐ Is applying for an EZ amendment;
 - ☐ Authorizes the Chief Administrator acting as the LZA to submit all information needed to apply for a zone amendment;
 - ☐ Authorizes the Chief Administrator to meet other administrative & reporting requirements throughout the life of the zone; &
 - ☐ If in a joint one, indicates that each locality must complete the Joint Zone Amendment Agreement authorizing the application prior to the submission to DHCD.



*Sample Resolution located in the Amendment Manual!



LOCAL ASSURANCES

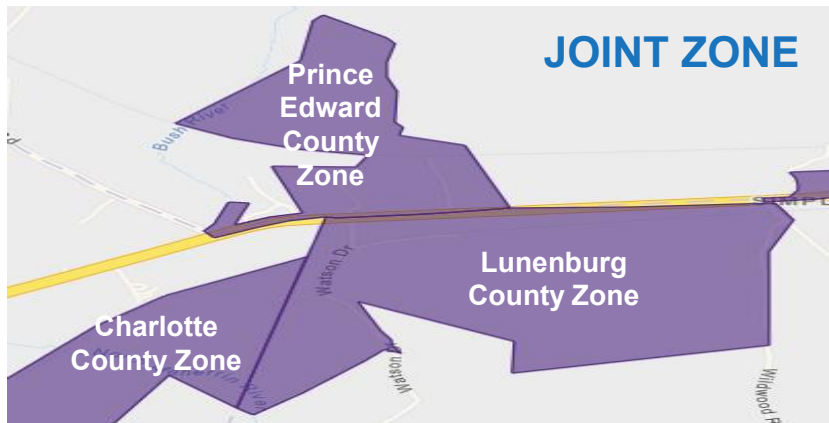
- The Local Assurances document is used to authorize and certify the accuracy of the information provided by the applicant and to ensure that program regulations will be met.
- In addition, it states that if at any time the locality is unable or unwilling to fulfill a commitment to provide local EZ incentives, or if no state incentives have been utilized within a 5-year period, the zone shall be subject to termination.
- The locality completing the amendment is the only locality required to sign & submit the document.





JOINT ZONE AMENDMENT AGREEMENT

- In the case of a joint zone, **each locality** participating in the joint zone (regardless of whether they are amending their portion of the zone) **must sign a Joint Zone Amendment Agreement**.
- This form certifies that the other participating jurisdictions support the filing of the request.
- This document is signed by the **Chief Administrator** of the locality.



- **DHCD does NOT require the localities to have a meeting for the local governing body to approve this document**, but localities may do so if they choose.
- We recommend ensuring that the localities in your joint zone are aware of your intentions to amend **BEFORE** your public hearing to ensure agreement



BOUNDARY AMENDMENTS: SIZE LIMITS

SIZE LIMITS FOR ZONES IN COUNTIES

MINIMUM | 1/2 square mile (320 acres)

MAXIMUM | 6 square miles (3,840 acres)

SIZE LIMITS FOR ZONES IN COUNTIES

Zones in cities where the present boundaries have been created through the consolidation of a city and county (Chesapeake, Hampton, Newport News, and

Virginia Beach) or the consolidation of two cities (Suffolk and Richmond), must use the minimum and maximum size guidelines for zones in unincorporated areas of counties described above.

SIZE LIMITS FOR ZONES IN TOWNS & CITIES

MINIMUM | 1/4 square mile (160 acres)

MAXIMUM | 1 square miles (640 acres)

EXCEPTION | May be larger than one square mile provided it does not exceed seven percent of the locality's land area or it does not encompass more than seven percent of the locality's total population. To calculate the population exception, use the Weldon Cooper Center's most recent final (not provisional) population estimates for the locality. The following is a link to the Weldon Cooper Public Service Center:

<http://demographics.coopercenter.org/virginia-population-estimates/>





BOUNDARY AMENDMENTS

ADDING ZONE ACREAGE

- Cannot consist of a single site for a single business firm
- Cannot be less than a total of 10 acres in size
- In a joint zone, the portion of the zone in each locality must meet the minimum and maximum size requirements as outlined in the program regulations

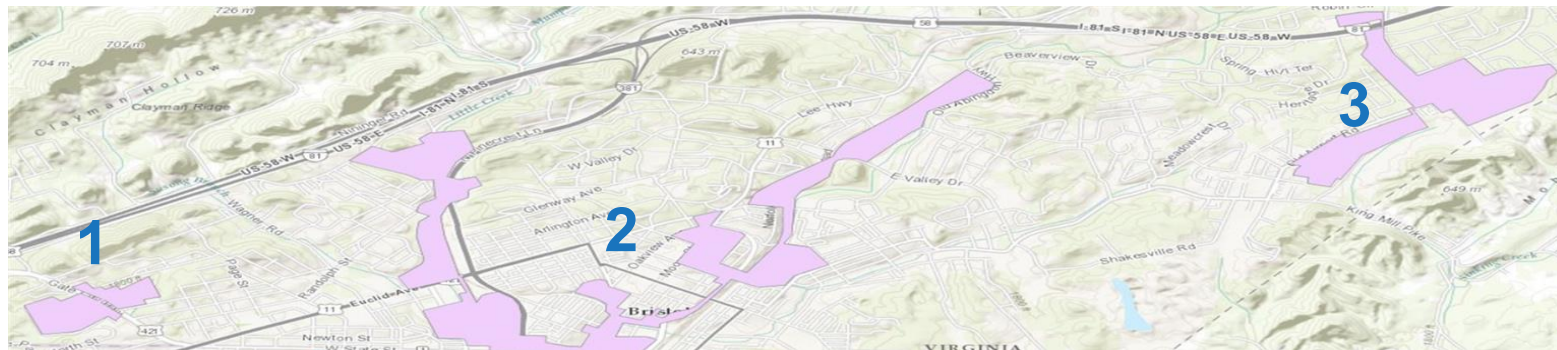
DELETING ZONE ACREAGE

- Must notify each property owner and business located within the proposed deletion 2 weeks prior to PH
- LZA must demonstrate that the deletion will not have a negative impact on businesses and properties





BOUNDARY AMENDMENTS



ADDING OR REMOVING NON-CONTIGUOUS AREAS

- Each EZ may have up to 3 non-contiguous areas
- The total acreage of the combined non-contiguous areas cannot be greater than the maximum zone size as outlined in the program regulations
- Each participating jurisdiction in a joint zone is allowed to establish up to 3 non-contiguous areas



MAP REQUIREMENTS

Map 1: Map of the locality indicating the current and amended boundaries of the enterprise zone area. Please indicate the amended zone boundaries using the key below. All required features listed in the charts must be included on each map and clearly visible. All maps should indicate the acreage of additions, deletions, and total zone acreage.



Proposed Deletions – Red fill with bold red dashed border



Proposed Additions – Green fill with bold green dashed border



Existing Zone Boundaries – Blue fill with bold blue solid border



Existing Zone Boundaries – Contiguous Areas of other localities in a Joint Zone

Required Zone Features Included on Map:

- Major Streets/Roads/Highways Labeled (Dark Gray Lines; Only Major Labels) 
- City/County/Town Limits (Bold Blue Solid Lines) 
- Key Businesses/Employers
- Key Properties/Revitalization Project Areas/ Developable Land
- Airports/ Ports of Entry
- Major Railways
- Office or Industrial Parks
- Special Districts

Map 2: Map of the modified enterprise zone boundary indicating the existing land use characteristics. Please utilize the land use classifications below and provide a key. Indicate on this map the total zone acreage and the approximate number of acres devoted to each type of use.

PRIVATELY HELD LAND

Business/commercial
Industrial
Institutional
Single-family Residential
Multi-family
Agricultural
Parking
Mixed-use

PUBLICLY HELD LAND

State/federally owned land
Local publicly owned & used land
Unused publicly owned land
Parks & recreational areas
Parking

Map 3: Map of the modified enterprise zone showing the boundaries of existing Zoning Districts. Please provide a key of the zoning districts shown. If the area is not zoned, this map is not required.



LOCAL INCENTIVES



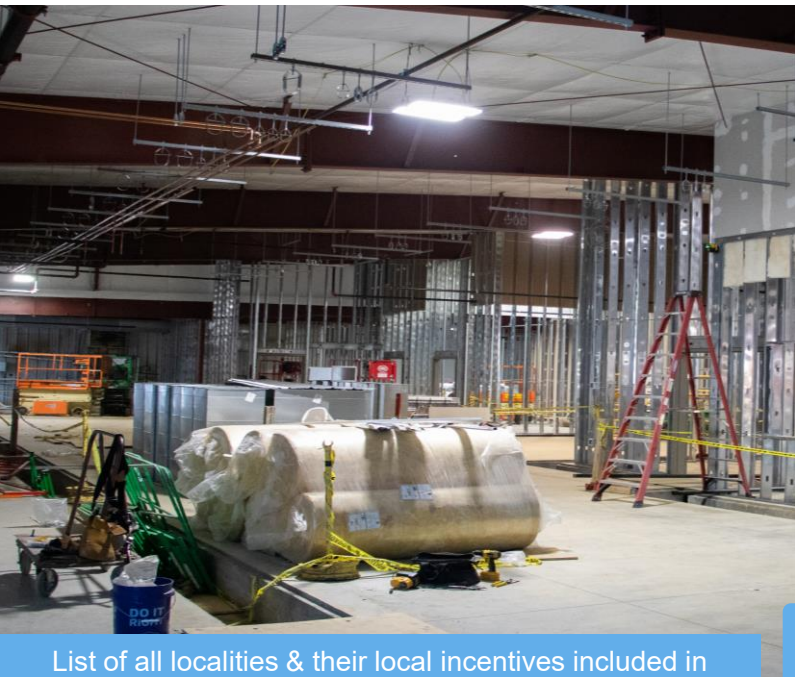
- Localities should **regularly monitor the usage and effectiveness** of their local incentives.
- Localities should amend their incentive package if certain incentives are not being utilized or as conditions in the zone change.
- **New incentives** may be added to the package and existing incentives may be **adjusted or replaced**.
- DHCD will only approve the deletion of a local incentive if the proposed replacement is equal or superior to the incentives previously offered.
- **The package of local EZ incentives is determined by the local governing body.**

INCENTIVE AMENDMENTS

- A locality may set whatever **conditions** it considers appropriate, provided there is no conflict with federal or state law.
- A business should **NOT** be required to qualify for state incentives to be eligible for local incentives.

TYPES OF LOCAL INCENTIVES

- real property tax exemption
- fee waivers
- local tax rebates
- machinery & tools tax
- public improvements
- business loans
- workforce services
- BPOL exemption
- non-financial incentives



List of all localities & their local incentives included in appendices of Statewide Annual Report.



INCENTIVE AMENDMENTS

CONDITIONS OF INCENTIVES

- Placed on the period the incentive is available
- Placed on the period in which businesses can qualify
- Eligibility criteria to receive incentives

GUIDELINES FOR DEVELOPING LOCAL INCENTIVES

- use incentives to accomplish a plan & consider desired outcomes
- consider return on investment
- establish performance baselines for qualification
- monitor incentives regularly



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QUESTIONS?



| CONTACTS |

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AND COMMUNITY DEVELOPMENT**

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