



# Virginia Enterprise Zone Program

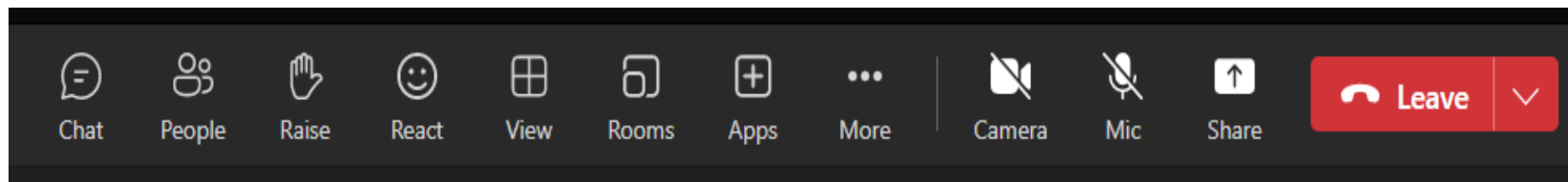
Zone Renewal Training



**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

# DATA

45

zones

20

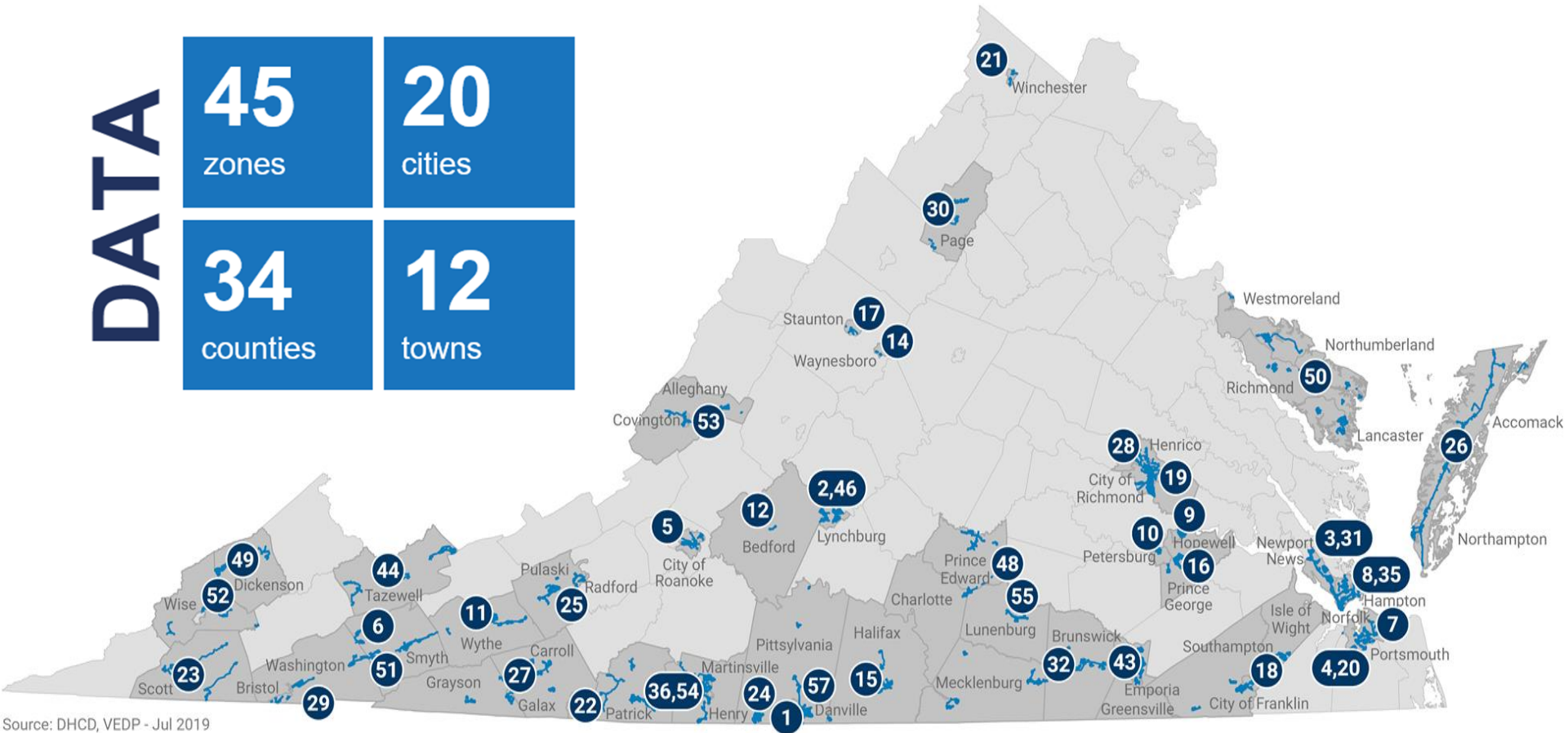
cities

34

counties

12

towns



Source: DHCD, VEDP - Jul 2019

# GY2023 Summary Data

**41** JCGs  
**142** RPIGs

**>\$15.21M**  
Total  
Disbursed

**28%**  
Increase in  
Applications

**3,274**  
Net New Jobs  
Created

**>\$295.97**  
Private  
Investment  
Leveraged

**36%**  
Increase In  
Fund  
Requests



# 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 1<sup>st</sup>

July 15<sup>th</sup>

October

December

January-March

April-June

September 30<sup>th</sup>

November 1<sup>st</sup>

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 & CapEx

# EVALUATION



**NARRATIVE**

(200 points)



**IMPACT**

(100 points)



**TOTAL**

(400 points+75 bonus)



**DISTRESS**

(100-point scale)



**ADDITIONAL**

(75 points)



**REQUIREMENT**

(250 points)

# 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

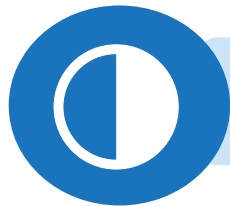
*Required only if zone size is based on 7% of Total Land Area.*

## 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



# NARRATIVE-Key Economic Conditions & 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



# NARRATIVE-Economic/Community Development

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



# NARRATIVE-Economic/Community Development

Over the last 5 years, have the goals & targeted businesses changed? If not, 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

# NARRATIVE-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.



# IMPACT SECTION



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-Evolving Conditions

How have conditions within the zone boundaries evolved over the past 5 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.



# IMPACT-Local Incentives

Describe local incentive utilization during the past 5 years. What has been the impact?

## 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.



# IMPACT-Economic Development Announcements

Upload copies of economic development announcements for the area within the zone boundaries. Include announcements from the Governor's office, press releases, etc. Announcements should be within the last 5 years.(Upload into CAMS)



Txtur, 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.

# IMPACT-State Incentives

**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.

# IMPACT-Business 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.

# IMPACT-Additional 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.



# IMPACT-Growth & Development

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.

# IMPACT-Opportunities

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



# IMPACT-Capacity to Implement

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

The screenshot displays the website for the City of Norfolk Economic Development Department. The header includes the city logo and navigation links: About, Site Selection, Target Industries, Grow Your Business, Resources, and Contact Us. The main content area is divided into two columns. The left column contains sections for 'Eligibility Requirements', 'Application Process', and a search bar for finding Enterprise Zones. The right column contains sections for 'Links and Downloads for Applicants' and 'Helpful Guidelines for State Application'. The search bar includes a dropdown menu and a search button. Below the search bar is a map showing the location of Enterprise Zones in the Norfolk area, with labels for Pittsburgh, Altoona, Harrisburg, and Reading.

**THE CITY OF NORFOLK**  
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 77 Pittsburgh Altoona Harrisburg Reading +

nt.com

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.



# DISTRESS SCORE



100 points out of total 400 points

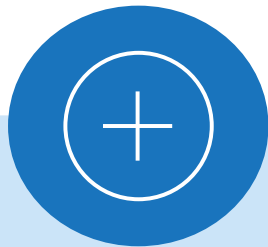


Calculated for each locality by DHCD based on:

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

(Same criteria used to evaluate zone designation requests.)

# ADDITIONAL POINTS



Up to 75 additional points

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

## *Commonwealth of Virginia Office of Governor Glenn Youngkin*

**FOR IMMEDIATE RELEASE:** May 3, 2023

### **Delta Star to Expand Operation in Virginia**

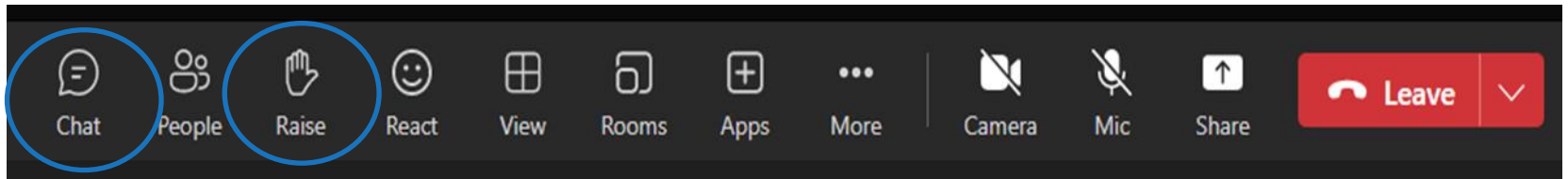
*Leading power transformer manufacturer to invest \$30.2 million to increase capacity in the City of Lynchburg, creating 149 new jobs*

**RICHMOND, VA** – Governor Glenn Youngkin today announced that Delta Star, Inc., the largest, American-owned medium transformer manufacturer in the United States and the premier manufacturer of mobile transformers in North America, will invest \$30.2 million to expand its manufacturing and headquarters operation in the City of Lynchburg located at 3550 Mayflower Drive. The expansion involves a new 80,000 square feet of additional manufacturing space to support its mobile and power transformer operations to meet the increased demand of this growing and vital sector of the economy. The project also includes a 14,000-square-foot corporate building to consolidate headquarters and office function requirements. Virginia successfully competed with California and Pennsylvania for the project, which will create 149 new jobs.



## 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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