



# City of Petersburg

## Economic Development Authority Meeting

### Regular Meeting Agenda

May 19, 2022

5:30pm

Petersburg Public Library  
201 W. Washington Street  
Petersburg, VA 23803

1. Call to order – Mr. Samuel Rhue, Chairman
2. Roll call of Board Members
3. Determination of the Presence of a Quorum
4. Moment of Silence
5. Reports/responses to previous public information period
6. Approval of the Minutes- April 21, 2022
7. Financial Report- Mr. Richard, Taylor Secretary /Treasurer
8. Report from the Chairman- Mr. Samuel Rhue
9. New Business –
  - a. Enterprise Zone Amendments- Brian Moore, Director of Economic Development
  - b. 2655 Stedman Drive- Brian Moore, Director of Economic Development
    - i. Rezoning
    - ii. Correct Name in GIS – Change from IDA to EDA
10. Old Business –
  - a. Hotel Petersburg Performance Agreement- Brian Moore, Director of Economic Development
  - b. Revolving Loan Fund Updates- Brian Moore, Director of Economic Development

- c. Economic Development Report – Brian Moore, Director of Economic Development

11. Business or reports from the Vice Chairman or other members of the EDA Board

12. Public Comments Period

13. Announcements -

- a. Next meeting date – June 16, 2022

14. Adjournment

**Presentation for Council  
Enterprise Zone Amendment Application  
Consideration**



**Brian A. Moore  
Director of Economic Development  
Petersburg, Virginia  
May 3, 2022**

# Introduction

**This presentation will provide information on the request to submit an Enterprise Zone Amendment Application to the Department of Housing and Community Development**

# Background

- ▶ The Virginia Enterprise Zone program was established by the Virginia Department of Housing and Community Development.
- ▶ The goal of the program is to encourage job creation and private investment.
- ▶ The program provides two grant-based State incentives:
  - ▶ Job Creation Grant
  - ▶ Real Property Investment Grant
- ▶ These grants are provided to qualified investors and job creators within the Enterprise Zone.
- ▶ A locality can also provide local incentives.

# Background

(Continued)

- ▶ **The City Council adopted a resolution to establish a local Enterprise Zone on June 21, 2005.**
- ▶ **The Enterprise Zone provides the following local incentives to new businesses:**
  - ▶ **Permit fee waivers**
  - ▶ **Façade Improvement grants**
  - ▶ **Architectural assistance grants**

# Background

(Continued)

- ▶ **The Department of Economic Development is requesting City Council approval to submit an application to DHCD for the amendment of the Enterprise Zone.**
- ▶ **The amendments are as follows:**
  - ▶ **removing of residential properties from the zone**
  - ▶ **adjusting of the current boundaries**
  - ▶ **modifications of incentives**

# Amendments

## Removing of Residential Properties

- ▶ There are currently 1584 residential properties located within the enterprise zone that encompasses approximately 367 acres. Removing the residential properties will allow staff to adjust the boundaries to include other commercial and industrial properties located within the City
- ▶ A postcard was mailed out to the residential property owners notifying them of the proposed amendment.
- ▶ The removal of the residential property from the enterprise zone does not affect the allowable use, zoning or property value .
- ▶ An information meeting will be held on May 10, 2022 at 5pm at the Petersburg Public Library with the property owners to address any questions and concerns they may have

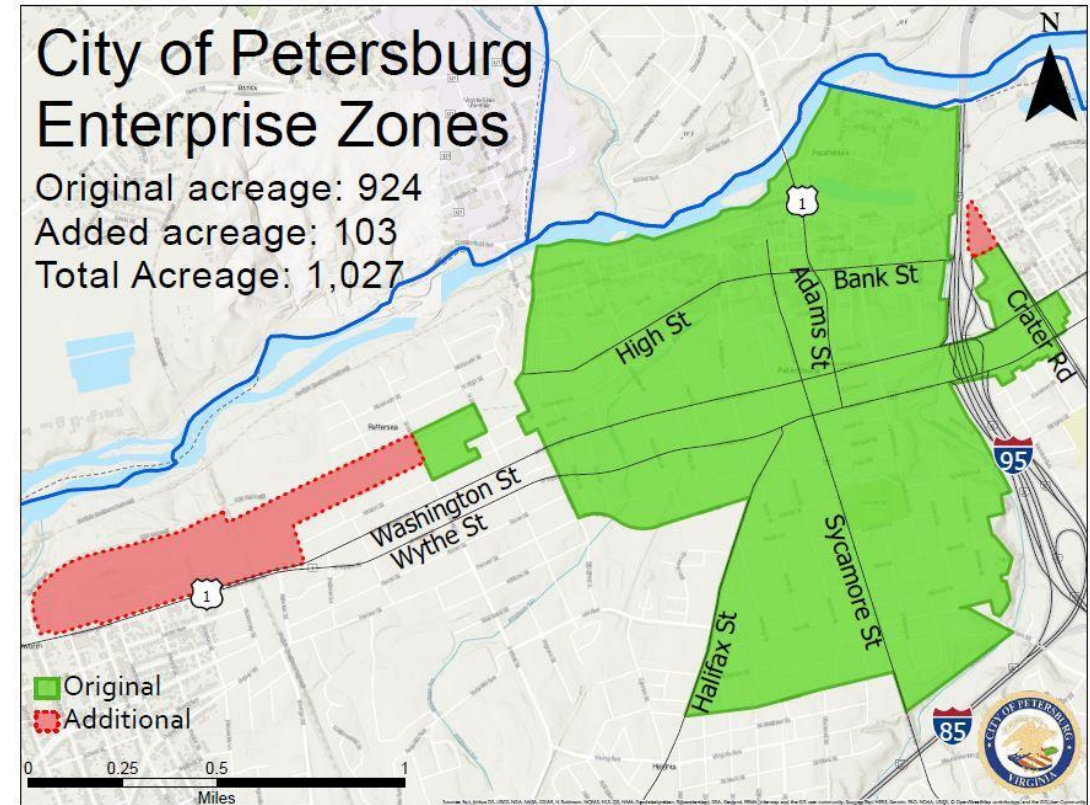


# Amendments

## Adjusting the Boundaries

- ▶ **Removing the residential properties will allow staff to adjust the boundaries to include approximately 367 acres of commercial and industrial properties located within the City**
- ▶ **The adjustment will extend to Crater Road, 460 corridor and Puddleduck Rd.**

# Enterprise Zone Map



# Enterprise Zone Map Amendment

# Amendments

## Modifications of Incentives

Incentive	Description	Financial Value	Proposed Amendment
Fee Waiver	Waiver of Building Permit Fees, Zoning Filing Fees, and Land Disturbing Permit Fees	Undetermined. Fees are based on cost and scope of project.	Change from 100% waiver to ____
Waiver of Water and Sewer Permit Fee	Waiver of the permit charge by the City of Petersburg for new connections to the City water and sewer system	Water: \$450 Commercial/ \$250 Residential Sewer: \$250 Commercial/ \$250 Residential	Change from 100% waiver to ____
Reduction of Tap Fee for Water and Sewer	City will reduce this fee by 50% on properties converted to residential use containing at least five units	Undetermined. Fees are based upon scope of project	Change from 50% to ____
Machinery and Tool Tax Reduction	An annual rebate of up to 50% of machinery and tools taxes collected for a maximum of five years	Will be determined by difference between the final negotiated price and market price	Change from 50% to ____
Façade Improvement Grant	A grant of up to 50% of cost for façade improvements with a maximum grant of \$5,000. Grant payable upon completion of façade improvements	A grant up to 50% of cost to create plans for interior renovations with a maximum grant of \$2,500. Total grant not to exceed \$15,000 Annually	Removal if incentive due to lack of funding source
Architectural Assistant Grant	Grant of up to 50% of cost to create plans for interior renovations with a maximum grant of \$2,500	Grant of up to 50% of cost to create plans for interior renovations with a maximum grant of \$2500. Total funding not to exceed \$15,000 annually	Removal if incentive due to lack of funding source

# Enterprise Zone Incentives

## Lynchburg VA

Incentive	Description	Financial Value
Real Property Investment Grant	Qualified real property investments in a commercial, industrial or mixed-use building or facility within the boundaries of a designated Virginia Enterprise Zone (requires at least 30% commercial space)	<ul style="list-style-type: none"><li>• 20% cash grant for real property rehabilitation investments above a \$100,000 threshold</li><li>• 20% cash grant for new construction investments above a \$500,000 threshold</li><li>• Grant capped at \$100,000 for investments less than \$5 million</li><li>• Grant capped at \$200,000 for investments of \$5 million or more</li></ul>
Job Creation Grants	<ul style="list-style-type: none"><li>• Requires creation of five jobs or more</li><li>• Requires wages equal to or above 175% of the Federal minimum wage with benefits</li><li>• Personal service, retail, food and beverage positions are not eligible</li><li>• Grant will be based on the wages paid for those grant eligible positions</li></ul>	<ul style="list-style-type: none"><li>• Cash grant up to \$800 per job per year for five years</li></ul>

The City of Lynchburg boasts two Enterprise Zones providing investment incentives covering 4,200 acres of commercial property. In our Enterprise Zones, state and local incentives combine to support existing business expansion and new business relocation. Incentives include cash grants for real estate investments and job creation, along with local benefits for qualifying investments

# Enterprise Zone Incentives

## Staunton, VA

Incentive	Description	Financial Value
High Tech Business Location & Expansion Incentive	The purpose of this incentive is to attract high-tech and capital intensive companies to the Enterprise Zone, encourage expansion of existing companies, and to diversify the local employment base.	Site does not outline financial value
Professional Jobs Grant Incentive	The purpose of this incentive is to attract major employers who diversify the local employment base and create high-paying jobs compared to the market average.	Site does not outline financial value
Premier Company Location Incentive	Provides customized solutions for premier employers and can be leveraged with the Governor's Opportunity Fund and other economic development incentive programs.	Site does not outline financial value
Creative Class/Entrepreneurship Incentive	Attracts and fosters small business development that diversifies Staunton's economy and has strong potential for future business growth and expansion.	Site does not outline financial value
Destination Retail Incentive	Attracts new anchor retailers to the downtown area, generating additional traffic that reinforces downtown as a tourist and shopping destination while generating additional walk-by traffic for other downtown stores	Site does not outline financial value
Minority Business Incentive	Ensures that entrepreneurs of all backgrounds have access to business development services and entrepreneurial opportunities.	Site does not outline financial value
Property Tax Exemption Incentive	Encourages redevelopment, infill developments, and real property investment in the Enterprise Zone.	Site does not outline financial value
Incentive for Increased Property Tax Exemption for Low-Impact Development	Encourages green development practices to be incorporated into Enterprise Zone projects.	Site does not outline financial value

The Staunton Enterprise Zone provides incentives to encourage new business location and existing business expansion in a geographic area of the city (approximately 700 acres) that is targeted for business development.

# Enterprise Zone Incentives

## Fredericksburg, VA

Incentive	Description	Financial Value
Enterprise Zone	Fredericksburg, VA does not have a designated Enterprise zone	
Technology Zone Incentive	<p>The City of Fredericksburg is a city-wide Technology Zone. Economic incentives are available in order to attract development, stimulate investment and create a more business friendly environment. Qualified new or expanding businesses that are interested in locating the City may be eligible for incentives, with terms of up to 10 years.</p> <p>For Technology Zone businesses, incentives may include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction of BPOL taxes</li> <li>• Reduction of permit/user fees</li> </ul>	Site does not outline financial value
Tourism Zone Incentive	<p>The City of Fredericksburg has created several designated tourism zones within the City limits in an effort to attract more investment into areas prioritized in the City's Comprehensive Plan (Comp Plan). Qualified new or expanding businesses that are interested in locating in one of these zones may be eligible for incentives.</p> <p>For Tourism Zone projects, the incentive value, for up to a 10-year term, is generated from among the following:</p> <ul style="list-style-type: none"> <li>• Reduction or waiver of BPOL taxes</li> <li>• Performance grants on tax revenue generation from meals, lodging, admissions, local sales, machinery and tools and business personal property taxes, as applicable</li> <li>• Reduction or waiver of permit fees and/or water and sewer availability fees</li> </ul>	Site does not outline financial value
Arts & Cultural District Incentive	<p>The City of Fredericksburg has established an Arts and Cultural District in an effort to increase the awareness and support for the arts and cultural communities and to provide incentives for qualifying businesses to remain and locate in the district.</p> <p><u>Incentives</u></p> <ul style="list-style-type: none"> <li>• Arts and cultural businesses - annual business license tax reduction maximum of \$250 for ten years</li> <li>• Non-arts businesses that host year-round, rotating art exhibits - annual business license tax reduction maximum of \$250 for ten years</li> </ul>	Site does not outline financial value

# Next Steps

- Staff will hold an information meeting with property owners on May 10, 2022, to discuss the removal of the residential property.
- City Council approves the proposed amendments for submission to DHCD.
- DHCD approves the proposed amendments and approve the submittal of the amendment application.
- City Council holds a public hearing on June 21, 2022, approving staff to submit the amendment application.
- DHCD approves the proposed amendments to the Enterprise Zone boundaries and incentives.



# Summary

- It is recommended by the Department of Economic Development that City Council would consider the request for staff to submit an application for an amendment to the Enterprise Zone
- The amendments are as follows:
  - removing of residential properties from the zone
  - adjusting of the current boundaries
  - modifications of incentives

# Petersburg, Virginia

Parcel: 039020800

## Summary

<b>Owner Name</b>	INDUSTRIAL DEVELOPMENT AUTHORI	<b>National Historic District:</b>	
<b>Owner Mailing Address</b>	135 N UNION ST Petersburg , VA 23803	<b>Enterprise Zone:</b>	
<b>Property Use</b>	100	<b>Opportunity Zone:</b>	51730811200
<b>State Class:</b>	7 Exempt Local	<b>VA Senate District:</b>	16
<b>Zoning:</b>	R-1A	<b>Va House District:</b>	63
<b>Property Address</b>	2655 STEDMAN DR Petersburg , VA	<b>Congressional District:</b>	4
<b>Legal Acreage:</b>	21.93	<b>City Ward:</b>	1
<b>Legal Description:</b>	21.939 ACRES	<b>Polling Place:</b>	Blandford Academy
<b>Subdivision:</b>		<b>Primary Service Area:</b>	
<b>Assessment Neighborhood Name:</b>		<b>Census Tract:</b>	8112
<b>Local Historic District:</b>		<b>Elementary School:</b>	Lakemont
		<b>Middle School:</b>	Vernon Johns Middle School
		<b>High School:</b>	Petersburg High School

## Improvements

<b>Finished (Above Grade):</b>		<b>Shed:</b>	
<b>Basement:</b>		<b>Total Rooms:</b>	
<b>Attached Garage:</b>		<b>Bedrooms:</b>	
<b>Detached Garage:</b>		<b>Full Baths:</b>	
<b>Enclosed Porch:</b>		<b>Half Baths:</b>	
<b>Open Porch:</b>		<b>Foundation:</b>	
<b>Deck/Patio:</b>		<b>Central A/C:</b>	0%

## Ownership History

Previous Owner Name	Sale Date	Sale Price	Doc # or Deed Book/pg
	12/5/2007	\$203,000	2007/6560

## Assessments

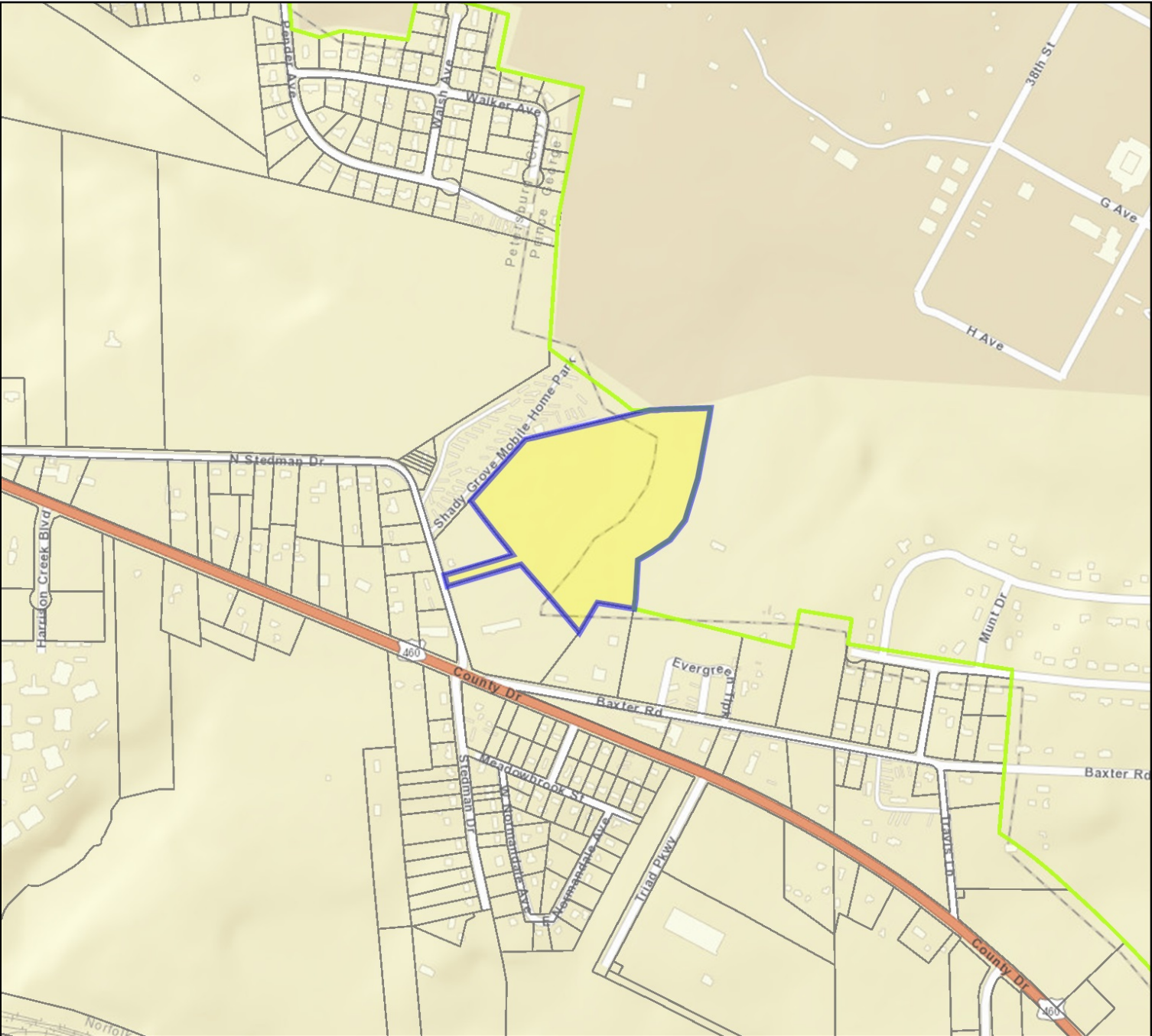
Valuation as of	01/01/2018	01/01/2019	01/01/2020	01/01/2021	01/01/2022
<b>Effective for Billing:</b>	07/01/2018	07/01/2019	07/01/2020	07/01/2021	07/01/2022
<b>Reassessment</b>					
<b>Land Value</b>	\$191,800	\$191,800	\$191,800	\$191,800	\$263,200
<b>Improvement Value</b>	\$	\$	\$	\$	\$
<b>Total Value</b>	\$191,800	\$191,800	\$191,800	\$191,800	\$263,200

## Property Tax (Coming Soon)

# Petersburg, Virginia

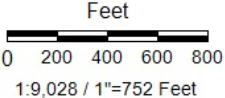
## Legend

- County Boundaries
- Parcels



Parcel #: 039020800

Date: 5/16/2022



*DISCLAIMER: This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and City of Petersburg is not responsible for its accuracy or how current it may be.*