

Economic Development Incentives Programs Guide

2016

In an effort to enhance the local business environment and promote a healthy local economy, the Town of Wytheville offers access to a variety of economic development incentives. New businesses and/or property owners may be eligible for grants to offset local meals taxes, lodging taxes, business license taxes, building permit fees, and real property taxes. Also available are grants for building rehabilitation and job creation, revolving loan funds and tax credits for rehabilitation of historic buildings and business development training and assistance. The following pages provide a general outline of these incentives and the basic eligibility requirements. If you have questions or would like more information about how to apply, please contact:



Brian Freeman
Assistant Director of Planning & Development
276-223-3450
bfreeman@wytheville.org

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Virginia Enterprise Zone State Incentives

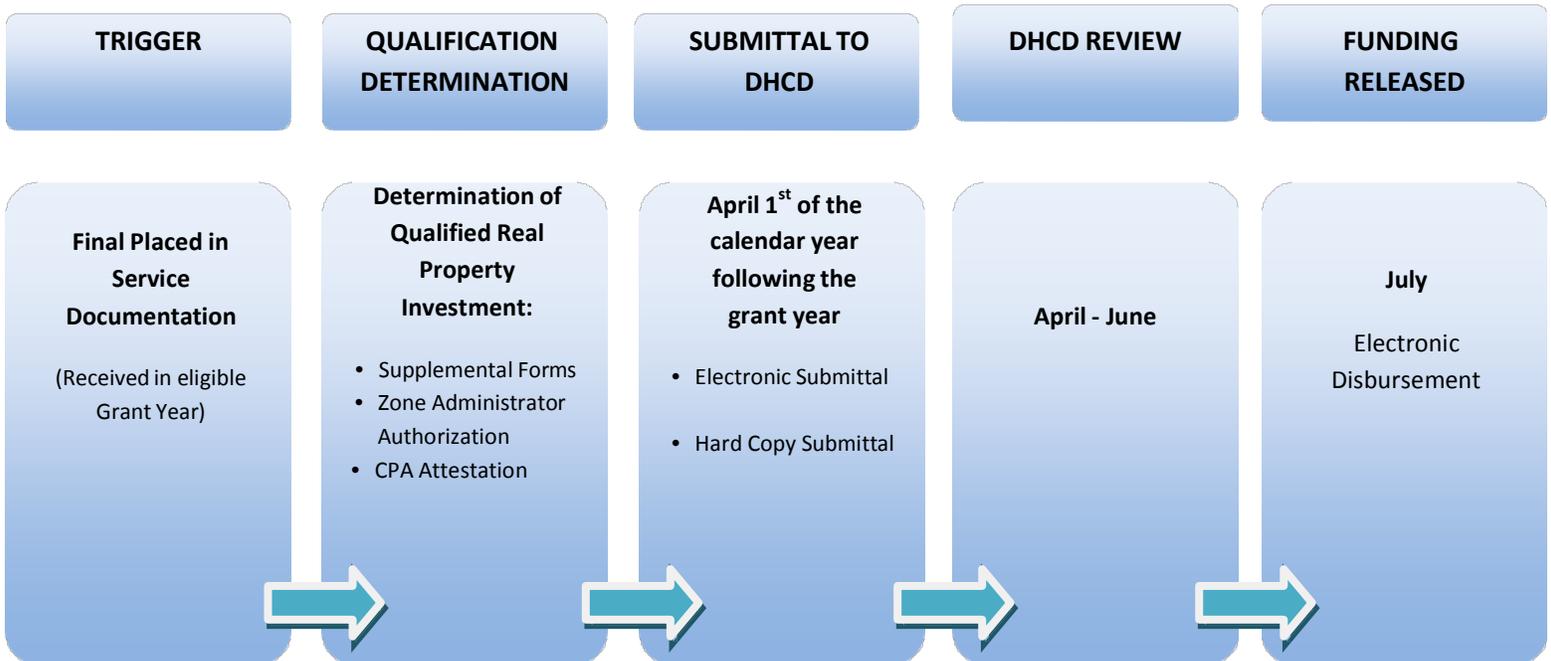
Qualification for state VEZ incentives are based on the calendar year and are administered annually. All applicants (businesses and real properties) must be located within an [Enterprise Zone](#) to qualify for incentives.

VEZ State Incentives are offered through the Virginia Department of Housing & Community Development, but administered by the Joint Industrial Development Authority of Wythe County, 190 S 1st Street, Wytheville, VA 24381. Please contact David Manley, JIDA Executive Director, at 276-223-3370 for further details.

Real Property Investment Grant (RPIG) Summary

BENEFIT	ELIGIBILITY REQUIREMENTS ¹	APPLICATION FORMS	GRANT TERM
<ul style="list-style-type: none"> ▪ Up to \$100,000 per building or facility for qualifying real property investments of less than \$5 million. ▪ Up to \$200,000 per building or facility for qualifying real property investments of \$5 million or more. ▪ Real Property grant awards may be subject to proration should requests exceed grant funds allocated. 	<p>Commercial, industrial, or mixed-use buildings or facilities.</p> <p>For rehabilitation and expansion, at least \$100,000 incurred in qualified real property investments.</p> <p>For new construction, at least \$500,000 incurred in qualified real property investments.</p>	<p>Required application forms:</p> <ul style="list-style-type: none"> ▪ EZ-RPIG ▪ Final Placed in Service Documentation ▪ Mixed Use Form* ▪ Multiple Owner Form* ▪ Tenant/Owner Consent Form* ▪ Tenant Coordination Form* ▪ W-9 ▪ CPA Attestation Report <p>*If applicable</p>	<p>Capped per building or facility at a maximum of \$200,000 within a five-consecutive year term.</p>

RPIG Qualification Process

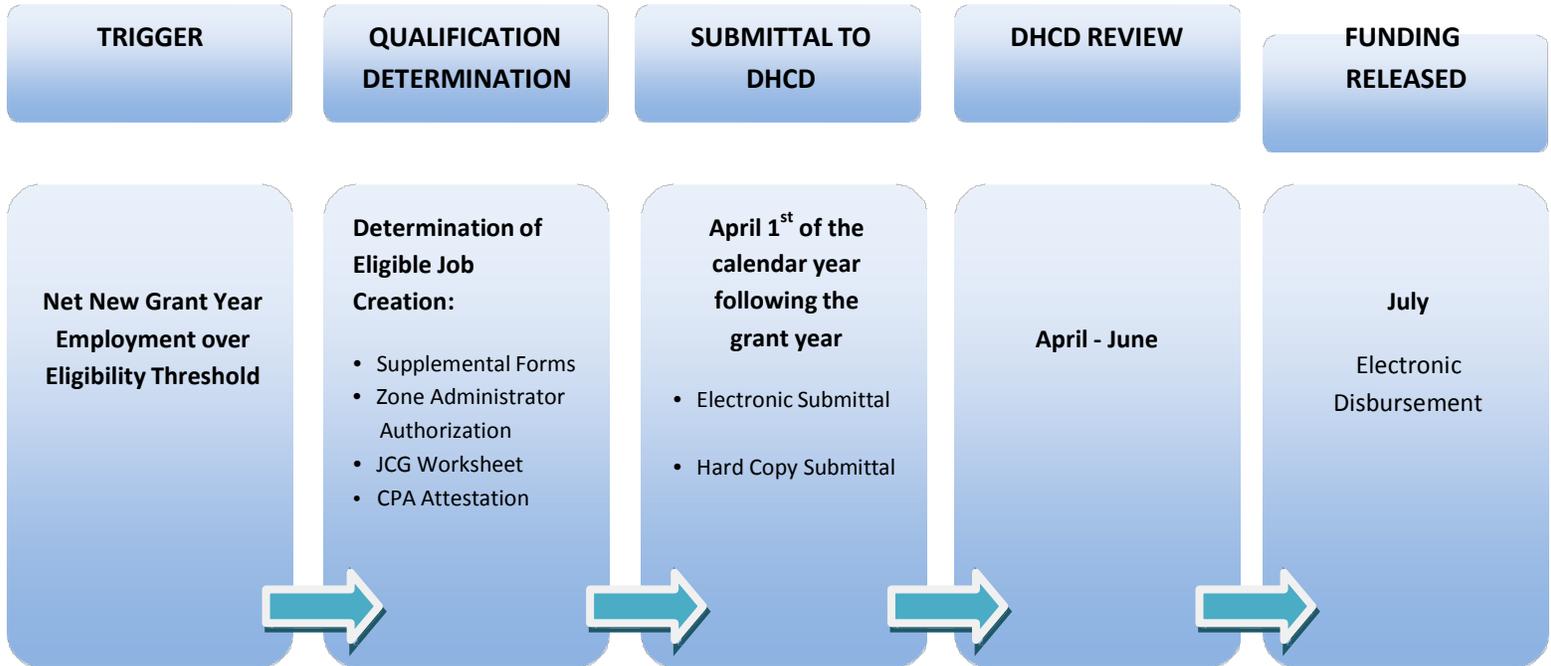


Job Creation Grant (RPIG) Summary

BENEFIT	ELIGIBILITY REQUIREMENTS	APPLICATION FORMS	GRANT TERM
<ul style="list-style-type: none"> ▪ Up to \$500/year per net new permanent, full-time position earning at least 175% of the Federal minimum wage (150% in High Unemployment Areas) with health benefits. ▪ Up to \$800/year per net new permanent full-time position earning at least 200% of federal minimum wage with health benefits. 	<p>Net new permanent full-time positions, created over the four-job threshold, that meet wage and health benefit requirements.</p> <p>Excludes retail, personal service, or food and beverage positions.</p>	<p>Required application forms:</p> <ul style="list-style-type: none"> ▪ EZ-JCG ▪ JCG Worksheet ▪ W-9 ▪ CPA Attestation Report¹ 	<p>Available for a five-consecutive year term for net new permanent full-time positions above the four-job threshold over base year employment levels.</p>

¹Businesses applying for the Job Creation Grant with a base year employment of 100 PFTP or less that create 25 or fewer grant eligible positions **are not required** to submit a CPA attestation.

JCG Qualification Process



Virginia Dept. of Housing & Community Development
 600 E. Main Street, Suite 300
 Richmond, Virginia 23219
 (804) 371-7030
EZONE@dhcd.virginia.gov
www.dhcd.virginia.gov



Enterprise Zone Local Incentives

Restaurants & Eateries Grants

Overview:

For new restaurants and eateries created within the boundaries of the Wytheville Enterprise Zone, (See Attached Map) the Town of Wytheville will provide grants to the restaurant or eatery equivalent to the meals tax paid by the Qualifying Business in accordance with the terms below.

Qualifying Business:

1. The business must be within the designated Enterprise Zone. Applicants shall verify the district boundary with the Town of Wytheville. *See attached map.*
2. The business must be new to Wythe County, between January 1, 2014 and January 1, 2024. Businesses created within the district prior to this date are not eligible for Enterprise Zone Incentives. Existing businesses from within Wythe County that have located within the Enterprise Zone District are not eligible for Enterprise Zone incentives, **unless the business remains open in both locations.**
3. The applicant must be the owner of the business.
4. The applicant must be current and remain current on ALL taxes and fees due the Town of Wytheville. If the meals tax is late, the grant reimbursement will be assessed a 25% penalty, which will not be repaid to the applicant. **More than three late payments during the Program Eligible Period will result in revocation of program eligibility.**

Program Eligible Period:

1. Qualifying Businesses are eligible to receive the Restaurants and Eateries Grant for a period of 5 years (60 Months), following issuance of a Certificate of Occupancy.

When will I receive my grant?

1. Grants will be processed within 30 days of the end of each quarter. Please refer to "Restaurants and Eateries Grant Reimbursement Schedule" at the end of this document for further details. After Initial approval, program participants do not need to reapply.

What if my business changes names or ownership?

1. Businesses that change names, or undergo rebranding, will remain eligible as long as they are under the same ownership as the original applicant.
2. If an eligible business changes ownership, a new application will be required of the new owner, however the grant terms will remain the same. Businesses that remain significantly similar following an ownership change may be precluded from eligibility for the time granted to the prior owner.

Can I pause or defer my grants?

1. The Program Eligible Period begins with issuance of the original Certificate of Occupancy, and the program cannot be paused, delayed or deferred for interruptions associated with name changes, rebranding efforts, remodeling & repairs, or code violations, etc.



Enterprise Zone Local Incentives

Lodging Establishment Grants

Overview: For new lodging establishments created within the boundaries of the Wytheville Enterprise Zone, (See Attached Map) the Town of Wytheville will provide grants to the lodging establishment equivalent to the lodging tax paid by the Qualifying Business in accordance with the terms below.

Qualifying Business:

1. The business must be within the designated Enterprise Zone. Applicants shall verify the district boundary with the Town of Wytheville. *See attached map.*
2. The business must be new to Wythe County, between January 1, 2014 and January 1, 2024. Businesses created within the district prior to this date are not eligible for Enterprise Zone Incentives. Existing businesses from within Wythe County that have located within the Enterprise Zone District are not eligible for Enterprise Zone incentives, **unless the business remains open in both locations.**
3. The applicant must be the owner of the business.
4. The applicant must be current and remain current on ALL taxes and fees due the Town of Wytheville. If the lodging tax is late, the grant reimbursement will be assessed a 25% penalty, which will not be repaid to the applicant. **More than three late payments during the Program Eligible Period will result in revocation of program eligibility.**

Program Eligible Period:

1. Qualifying Businesses are eligible to receive the Lodging Establishments Grant for a period of 5 years (60 Months), following issuance of a Certificate of Occupancy.

When will I receive my grant?

1. Grants will be processed within 30 days of the end of each quarter. Please refer to Lodging Establishment Grant Reimbursement Schedule at the end of this document for further details. After Initial approval, program participants do not need to reapply.

What if my business changes names or ownership?

1. Businesses that change names, or undergo rebranding, will remain eligible as long as they are under the same ownership as the original applicant.
2. If an eligible business changes ownership, a new application will be required of the new owner, however the grant terms will remain the same. Businesses that remain significantly similar following an ownership change may be precluded from eligibility for the time granted to the prior owner.

Can I pause or defer my grants?

1. The Program Eligible Period begins with issuance of the original Certificate of Occupancy, and the program cannot be paused, delayed or deferred for interruptions associated with name changes, rebranding efforts, remodeling & repairs, or code violations, etc.



Enterprise Zone Local Incentives

Building Permit Fees Rebate

Overview: For property owners within the boundaries of the Wytheville Enterprise Zone, the Town of Wytheville will reimburse Building Permit fees in accordance with the terms below.

How to Qualify:

1. The permit must be for construction taking place within the Enterprise Zone. Applicants shall verify the district boundary with the Town of Wytheville. *See attached map.*
2. The applicant must be owner of the property.
3. Application must be made within 90 days of final inspection.
4. The applicant must be current and remain current on ALL taxes and fees due the Town of Wytheville. Failure to make on-time payments at any time during the Program Eligible Period will result in revocation of program eligibility.

Program Eligible Period:

1. Applicants are eligible for rebate of all local building permit fees associated with the first \$200,000 in building improvements that require a permit.
2. Multiple application may be made for the same property, but eligibility ends when \$200,000 in permitted improvements have been made.
3. Permits eligible for rebate must have been obtained between January 1, 2014 - January 1, 2024.

When will I receive my grant?

1. Applicants can request a rebate following final inspection by the Building Official and application review by the Program Manager, Town Treasurer, Building Official and the Town Manager. If approved, the Town of Wytheville Treasurer's Office will issue a rebate check within 30 days of application request.



Enterprise Zone Local Incentives

Water & Sewer Availability Fee Rebate

Overview: For property owners within the boundaries of the Wytheville Enterprise Zone, the Town of Wytheville will reimburse Availability Fees in accordance with the terms below.

How to Qualify:

1. The Availability Fee must be for water or sewer connections taking place within the Enterprise Zone. Applicants shall verify the district boundary with the Town of Wytheville. *See attached map.*
2. The applicant must be owner of the property.
3. Application must be made within 90 days of final inspection.
4. The applicant must be current and remain current on ALL taxes and fees due the Town of Wytheville. Failure to make on-time payments at any time during the Program Eligible Period will result in revocation of program eligibility.
5. The rebate does not include the cost of metering devices.

Program Eligible Period:

1. Applicants are eligible for rebate of water and sewer availability fees, between January 1, 2014 - January 1, 2024

When will I receive my grant?

1. Applicants can request a rebate following final inspection by the Building Official and application review by the Program Manager, Town Treasurer, Building Official and Town Manager. If approved, the Town of Wytheville Treasurer's Office will issue a rebate check within 30 days of application request.



Other Local Incentives

Tax Exemptions for Rehabilitated Property

Overview: The Town of Wytheville offers a real estate tax exemption valued at 100% of the increase in assessed value for 5 years following the rehabilitation of certain properties. The guidelines for this exemption are outlined below.

Residential Structures:

1. The structure must be wholly located within the B-2DT (Downtown) District, as shown on the town's official Zoning Map, or be eligible for listing on the National Register of Historic Places. Applicants shall verify eligibility and district boundaries with town officials.
2. The structure must be no less than 40 years of age.
3. Single-family residential structures must be renovated in such a way as to increase the assessed value by no less than 20% without increasing overall square footage by more than 15%.
4. Multi-family residential structures which have been substantially rehabilitated by replacement for multi-family use shall be eligible for the tax exemption provided by this section so long as such replacement structures do not exceed the total square footage of the replaced structures by more than thirty (30) percent.
5. Plans for rehabilitation of properties listed or eligible for listing on the National Register of Historic Places, which are located within the B-2DT District must be approved by the Downtown Wytheville, Inc. Design Committee. Historic architectural features must be preserved in the renovation process to be eligible for the tax exemption.
6. An application along with a \$50 application fee must be filed with the Town Treasurer and the property must be inspected by the Building Official before rehabilitation work begins.
7. Rehabilitation must have taken place after January 1, 2012

Commercial & Industrial Structures:

1. Commercial & industrial structures must be located within the corporate limits of the Town of Wytheville and subject to taxation by the Town of Wytheville.
2. The structure must be no less than 40 years of age.
3. The structure must be renovated in such a way as to increase the assessed value at least 30% without increasing overall square footage by more than 15%
4. Plans for rehabilitation of properties listed or eligible for listing on the National Register of Historic Places, which are located within the B-2DT District must be approved by the Downtown Wytheville, Inc. Design Committee. Historic architectural features must be preserved in the renovation process to be eligible for the tax exemption.
5. The applicant must be the owner of the property, or the entity responsible for remitting real property taxes to the Town of Wytheville.
6. An application along with a \$150 application fee must be filed with the Town Treasurer and The property must be inspected by the Building Official before rehabilitation work begins.
7. Rehabilitation must have taken place after January 1, 2012



Other Local Incentives

Tourism Zone Incentives

Overview: Qualified tourism-related businesses under certain conditions may receive the following:

1. **Business License Tax Rebate:** Business license taxes will be rebated by the following schedule
 - a. Year 1 - 100% Rebate
 - b. Year 2 - 75% Rebate
 - c. Year 3 - 50% Rebate
2. **Building Permit Fee Waiver/Reduction:** Reimbursement of up to \$2K in Town building code fees.
3. **Subdivision Fee:** Reimbursement of fees associated with review and approval of a subdivision request connected with creation of a tourism related business.
4. **Utility Connection Fee Waiver:** Reimbursement of water and sewer availability fees. This applies to new services as well as upgrades.
5. **Gap Financing:** Access to Virginia Tourism Corporation's Tourism Development Financing Plan which provides up to 20% gap financing assistance funded in part through performance based tax grants for large Tourism Development Projects.

Qualifying Businesses:

1. The business must be wholly located within the B-2DT (Downtown) District, as shown on the town's official Zoning Map. Applicants shall verify the district boundaries with town officials.
2. The business must derive its gross receipts from the sale of tourism-related goods or services. Example businesses include: fine arts studios; restaurants; hotels, bed & breakfast etc.
3. The new tourism business must make a minimum of \$15,000 in capital improvements to the property or parcel of land.
4. The business must be new to Wythe County, after January 1, 2012. Businesses created within the zone prior to its adoption are not eligible for the incentive.



Other Local Incentives

Technology Zone

Overview: Qualified technology businesses located anywhere within Wytheville Town limits may under certain conditions receive the following:

1. **Business License Tax Reduction:** 100% rebate in business license tax for qualified technology businesses with less than \$50K in gross receipts for up to 3 years or until the tax year ending Dec. 31, 2022, whichever comes first.
2. **Business License Tax Reduction:** 50% rebate in business license tax for qualified technology businesses with more than \$50K in gross receipts for up to 3 years or until the tax year ending Dec. 31, 2022, whichever comes first.

How To Qualify: A business engaged in any of the following activities may be deemed a "technology business":

1. Design, development or other creation, for lease, sale or license, of computer software or hardware, computer network protocols, information systems, internet software, internet database applications;
2. Provision of internet services (i.e., services, including an internet web-hosting service, enabling users to access content, information, electronic mail and the internet as part of a package of services sold to customer), and business-to-business exchanges;
3. Design, development or other creation, for lease, sale or license, of biotechnology, or pharmaceutical or medical technologies or products, including, without limitation: Drug development, clinical trials services, data management and reporting and regulatory services;
4. Design, development or other creation or provision, for lease, sale or license, of immunology and analytical biochemistry services, including, without limitation: Mass spectrometry and HPLC, or liquid chromatography, equipment, services and supplies;
5. Design, development or other creation of electronics, for lease, sale or license, of telecommunications equipment or technology, such as digital switching systems, internet protocol telephony gateway, network telephone solutions;
6. Design, development or other creation of electronics, for lease, sale or license including, without limitation: Flexible and printed circuits, custom integrated circuits, electronic assemblies, medical electronics displays;
7. Receipt, as the principal or prime contractor, of identifiable federal appropriations for research and development services, as such services are defined in section 31.205-18(a) of the Federal Acquisition Regulations, in the areas of: (i) computer and electronic systems, (ii) computer software, (iii) applied sciences, (iv) economic and social sciences, and (v) electronic and physical sciences;
8. Any other business or industry as may be further defined from time to time by the Town of Wytheville;
9. The mere use of computer hardware or software in the performance of business activities will not render a business a "technology business" for the purposes of the technology zone, including, without limitation

any such businesses which offer training or education to employees with respect to the use of computer hardware or software in the performance of the employee's job duties.

10. The business must not be operating under a certificate of public convenience issued by the Virginia State Corporation Commission
11. The business must not be engaged in the provision of a "utility service" as that term is defined within [section 14-31](#) of the Town Code;
12. At the time of application, any qualified business must certify that it expects to be engaged in such business throughout the entire or remaining portion of the tax year for which an incentive is sought; and
13. The business must have submitted an application for qualification to the town treasurer, on or before March 1 of the tax year for which a reduction of taxes is sought under this section. A separate application shall be required for each tax year. A business seeking to obtain a reduction of taxes under this section shall have the burden of demonstrating, to the satisfaction of the town treasurer, that it meets the definition of a technology business and that it meets all applicable criteria for a reduction.



Incentives Offered by Partnering Organizations

Joint Industrial Development Authority

Overview: Businesses may access the Wythe County Joint Industrial Development Authority Revolving Loan Fund which offers three distinct loan packages. Those are:

1. **Entrepreneur Microloans:** Up to \$5,000 for up to 18 months at below prevailing prime interest rate
2. **The “5 & 10” Loan Program:** Offers loans up to \$50,000 for five or ten years.
3. **Special Project Loans:** Available for larger projects on a merit-based application process. To qualify, a business must be located in the JIDA target area and provide a business plan with income projections and comprehensive financial information.

For more information, please contact:

David Manley, Executive Director
190 S 1st Street
Wytheville, VA 24381
phone: 276-223-3370
email: JointIDA@Wytheville.org

Downtown Wytheville, Inc.

1. **Site Selection:** Services include facilitation of meetings with property owners, town officials and others involved in the site development process.
2. **Permitting Assistance:** DWI can also provide suggestions regarding site improvements and compliance with B2DT design guidelines.
3. **Promotional Events:** DWI hosts 8 or more promotional events annually to promote the downtown district and to generate in-store customer traffic.
4. **Design Review Assistance** is available by the DWI Design Committee by request.

For more information, please contact:

Todd Wolford, Executive Director
150 E Main Street
Wytheville, VA 24381
phone: 276-223-3343
email: jwoods@Wytheville.org



Town of Wytheville Economic Development Incentives Application

Personal Information:

Name: _____ Phone: _____

Address: _____ Email: _____

Business or Property Information:

Name & Physical Address of Business: _____

Mailing Address (other than Physical Address): _____

Business Phone: _____ Business Email: _____ Tax ID #: _____

Program(s) Requested:

Enterprise Zone

- Restaurants & Eateries Grant Program
- Lodging Establishment Grant Program
- Real Property Investment Grant (STATE INCENTIVE)
- Building Permit Fees Rebate
- Water & Sewer Availability Fee Rebate
- Job Creation Grant (State Incentive)

Tourism Zone

- BPOL Tax Rebate
- Building Permit Fee Rebate

Technology Zone

- BPOL Tax Waiver
- BPOL Tax Reduction

Rehabilitated Property Tax Exemption

- Commercial Structure
- Historic Residential

I hereby certify that the above information is true and accurate. I understand that additional information may be requested by the Town of Wytheville to complete the review of this application.

Applicant Name: _____ Signature: _____ Date: _____

For Internal Use Only:

Program Administrator: _____ Signature: _____ Date: _____

Town Treasurer: _____ Signature: _____ Date: _____

Building Official: _____ Signature: _____ Date: _____

Final Approval:

Town Manager: _____ Signature: _____ Date: _____



Reimbursement Schedule for Restaurants & Eateries Grants and Lodging Establishment Grants

- Q₁**
- January - Tax Due by February 20th
 - February - Tax Due by March 20th
 - March - Tax Due by April 20th
- Rebate Processed by May 20th**
- Q₂**
- April - Tax Due by May 20th
 - May - Tax Due by June 20th
 - June - Tax Due by July 20th
- Rebate Processed by August 20th**
- Q₃**
- July - Tax Due by August 20th
 - August - Tax Due by September 20th
 - September - Tax Due by October 20th
- Rebate Processed by November 20th**
- Q₄**
- October - Tax Due by November 20th
 - November - Tax Due by December 20th
 - December - Tax Due by January 20th
- Rebate Processed by February 20th**