



The Joint Allegheny County, Town of Clifton Forge and City of Covington Enterprise Zone (VA #53)

Local Incentives

1. Utility Consumer Tax Reduction

A payment equal to the amount of a 3-yr. reduction of utility consumer tax for qualifying new businesses. A 70% reduction in year one, 40% reduction for year two and 20% reduction for the third year.

2. Business License Tax Reduction

A payment equal to the amount of a 3-yr. reduction of business license taxes for qualifying new businesses. 70%-40%-20% reductions.

3. Real Estate Tax Reduction

A payment equal to the amount of a 3-yr. reduction in real estate taxes for qualifying new businesses. 70%-40%-20% reductions.

4. Machinery and Tools Tax Reduction

A payment equal to the amount of a 3-yr. reduction in the machinery and tool tax for qualifying new businesses. 70%-40%-20% reductions.

5. Rezoning Fees Reimbursement

A payment equal to the amount of the rezoning application fees for qualifying new businesses.

6. Building Permit Fee Reimbursement

A payment equal to the amount of the building permit fees for qualifying new businesses.

State Incentives

1. Virginia Job Creation Grant

\$500 per year for up to five years for each grant-eligible position that is paid a wage rate during such year that is less than 175% (\$16.63) of the minimum wage, but at least 150% (\$14.25) of the minimum wage or the reduced wage rate threshold if in a high unemployment area or if the business is certified pursuant to 13VAC5-112-285 subsection C, and that is provided with health benefits.

Qualified business firms that are certified under regulations adopted by the Director of Small Business and Supplier Diversity pursuant to subdivision 8 of § 2.2-1606 of the Code of Virginia are eligible to use the reduced wage rate threshold (125% of minimum wage) in qualifying for the \$500 grant amount.

Up to \$800 per year for up to five consecutive years for each grant-eligible position that is paid a wage rate during the qualification year that is at least 175% (\$16.63) of the minimum wage in place during the qualification year and that is provided with health benefits.

Grant Term

Available for a five-consecutive year term for net new permanent full-time positions above the four-job threshold, which meet the wage and health benefit requirement.

Eligibility Requirement

Creation of at least four net new permanent full-time positions.

Net new permanent full-time positions created over the four-job threshold that meet wage and health benefit requirements are eligible.

Excludes retail, personal service, personal care services, hair, nail, and skin care services, barber shops, beauty salons, nail salons, other

personal care services, diet and weight reducing centers, death care services, funeral homes and funeral services, cemeteries and crematories, dry-cleaning and laundry services, coin-operated laundries and drycleaners, linen and uniform supply, industrial launderers, pet care, except veterinary services, photo finishing, photo finishing laboratories, except one-hour, one-hour photo finishing, parking lots and garages and all other personal services.

2. Virginia Real Property Investment Grant

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.

Grant Term

Capped per building or facility at a maximum of \$200,000 within a five-consecutive year term.

- Grants are available in amounts up to 20% of the total amount of qualified real property investments, not to exceed \$200,000 per building within a five-year period.

Eligibility Requirement

Commercial, industrial, or mixed-use buildings or facilities.

For rehabilitation and expansion, at least \$100,000 incurred in qualified real property investments (grant award applied against the amount of qualified real property investment over and above the \$100,000 threshold).

For new construction, at least \$500,000 incurred in qualified real property investments (grant award applied against the amount of qualified real property investment over and above the \$500,000 threshold).

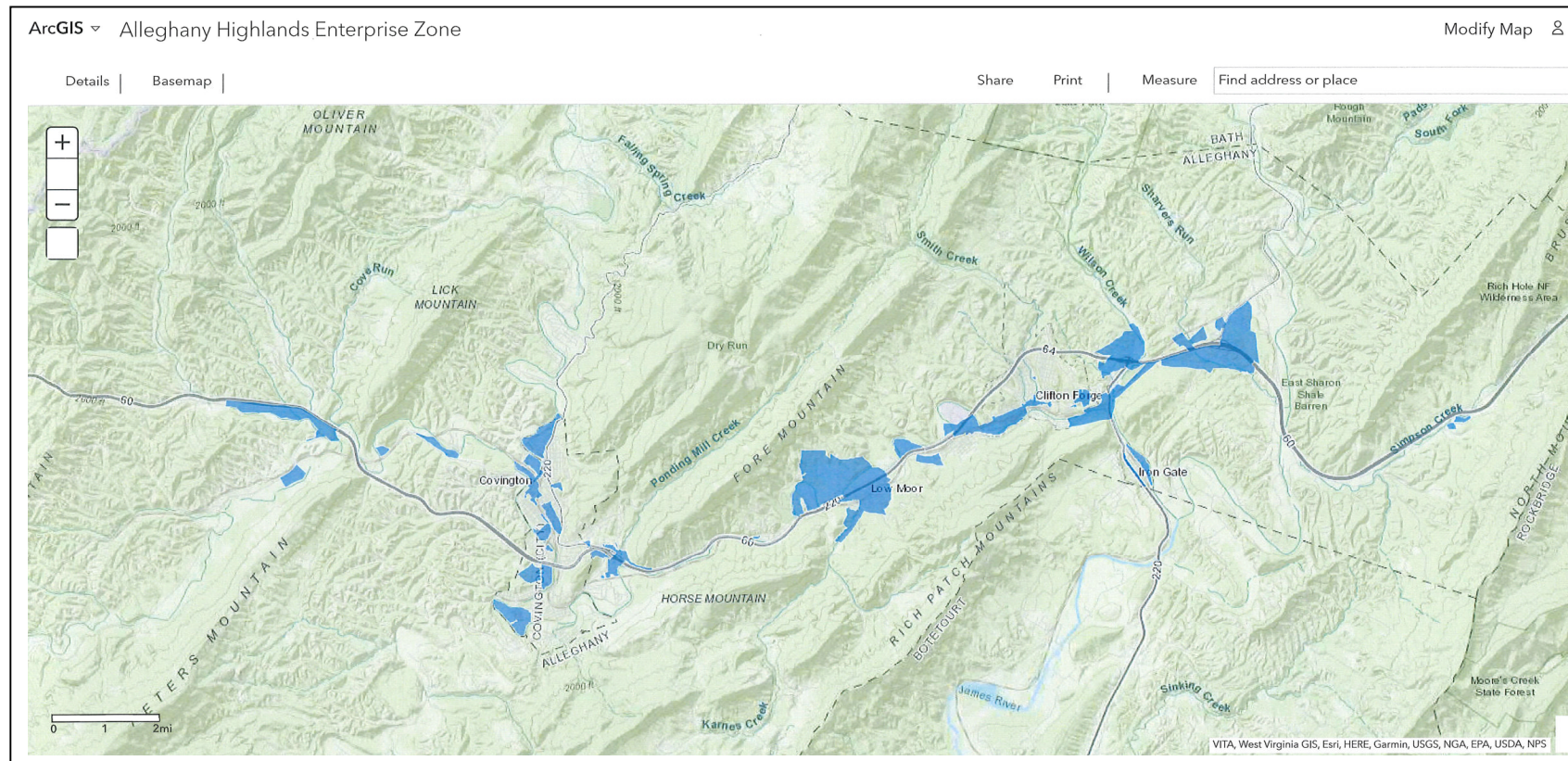
What Constitutes Qualified Real Property Investment?

Qualified Real Property Investments

Carpentry
 Ceilings
 Cleaning and clean-up
 Demolition
 Doors, windows
 Driveway
 Drywall
 Cabinetry (if taxed as real property)
 Electrical improvements, such as
 In-wall wiring system (equipment
 unrelated to construction and labor
 and material cannot be included
 in this category)
 Excavation, grading
 Exterior repair
 Fencing
 Fire suppression systems
 Fixtures
 HVAC
 Landscaping
 Mechanical improvements (equipment
 unrelated to construction and labor
 and material cannot be included in
 this category)
 Painting
 Plumbing
 Masonry
 Roofing and flashing
 Sheetrock, plater
 Shelving
 Sidewalks

NOT Qualified Real Property Investments

Lead and termite abatement
 Appraisals, architectural, engineering, and interior
 design fee
 Bids
 Blinds
 Bonding
 Closing Costs
 Furnishings (such as window treatment or appliance)
 Insurance
 Land or building acquisition
 Legal, accounting, realtor, sales and marketing or
 other professional fees
 Loan fees; capitalized interest
 Outbuildings (if ancillary to the function of the main
 building)
 Permits, user fees, zoning fees, impact fees,
 inspection fees
 Rent loss
 Signage or signs
 Temporary facilities
 Utilities
 Utility hook-up or access fees
 Well, septic, or sewer systems
 Roads
 Basis of any property: i. For which a grant was
 previously awarded; ii. Which was previously
 placed in service in Virginia by the taxpayer, a
 related party, or a trade or business under
 common control; iii. Which was previously in
 service in Virginia and has a basis in the hands
 of the person acquiring it, determined in whole
 or in part by reference to the basis of such
 property in the hands of the person from whom
 acquired, or Internal Revenue Code § 1014 (a).



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