

COST OF DOING BUSINESS

STATE INCENTIVES

Enterprise Zone Real Property Grant

- 20% of property improvements
- Maximum \$200K for improvements over \$5M
- Maximum \$100K for improvements less than \$5M

Enterprise Zone Job Creation Grant

- Threshold 5 jobs; five years
- 2X federal minimum wage, \$800 per job per year (\$4,000 per job)
- 1.75X federal minimum wage, \$500 per job per year (\$2,500 per job)

Jobs Investment Program - Cash grants, free human resources services

Commonwealth Opportunity Fund - Award amount determined by ROI analysis.

Tobacco Region Opportunity Fund - Award amount determined by ROI analysis.

State Advantages for Manufacturers - Exemptions to sales and use tax, including purchase of equipment and materials used in production.

LOCAL ENTERPRISE ZONE INCENTIVES

Industrial Real Estate Discount -50% discount off the listed price of any property located in the EZ that is owned by the IDA. Minimum of \$2M investment and minimum of 25 new FT jobs.

Economic Stimulus Grant -Grant based on the machinery and tools tax paid by new or expanding industry. This grant is based on the first \$5M of assessed tax value, paid out accordingly: 100% year 1, 75% year 2, 50% year 3 and final pay out of 25% in year 4. Minimum of 25 new FT jobs

Technology Stimulus Grant - Threshold 15 full-time jobs. Grant Amount (% of Business Personal Property Tax): 50% per year, years 1 through 4.

Industrial Jobs Grant - Payment of \$400 for each permanent FT job created by a new or expanding industry, not to exceed \$20,000. This is a one time payment. Minimum of 15 (up to 50) FT jobs.

Waiver of Building Permit Fees -For new or expanding industries (min. of 10 FT jobs)

LOCAL NON-ENTERPRISE ZONE INCENTIVES

Low tax rates - Real estate taxes in Mecklenburg County are among the lowest in the Commonwealth of Virginia.

Technology or Industry Inducements - Threshold 5 jobs. Technology NAICS Codes 517-518 Information: Inducement 50% of Personal Property Tax. Industry NAICS Codes 31 - 33 Manufacturing, 493 Warehousing; Inducement 100% of Machinery & Tools Tax

Employment Inducements - One-time payment of \$400 per new job created to new or expanding industry, 5 jobs minimum. Total limit \$20,000. Industry NAICS Codes covered are 31-33 Manufacturing, 493 Warehousing and 517-518 Technology Information.

FINANCING

Commonwealth of Virginia Economic Development Revolving Loan Fund

Loans up to \$1,000,000 (up to 40% of the total project cost). Negotiable, typically at or below market rate. Length of loan negotiated for each project, not to exceed the useful life of the assets being financed. Industrial Development Bonds (IDBs), or private activity bonds, are issued locally in Virginia through Industrial Development Authorities (IDAs) for amounts up to \$20,000,000

Lake Country Development Corporation Economic Development Revolving Loan Fund

Loans are made available to leverage other public and private funds for the purpose of economic and industrial job-creating endeavors. Loans of up to \$400,000, 3% below Prime Rate for up to 10 years (4% floor).