

# Virginia Enterprise Zone Update

Hampton City Council

May 27, 2026



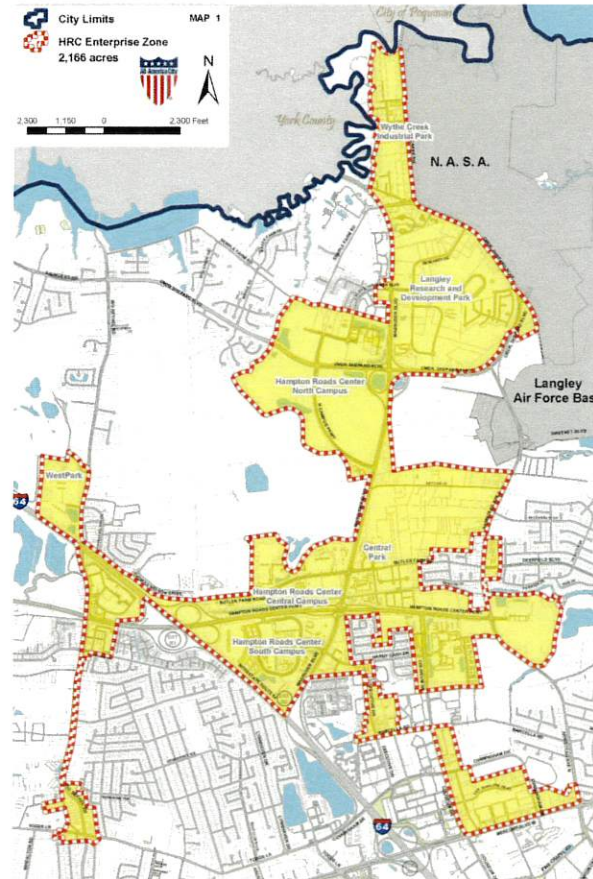


## Purpose of the Virginia Enterprise Zone Program

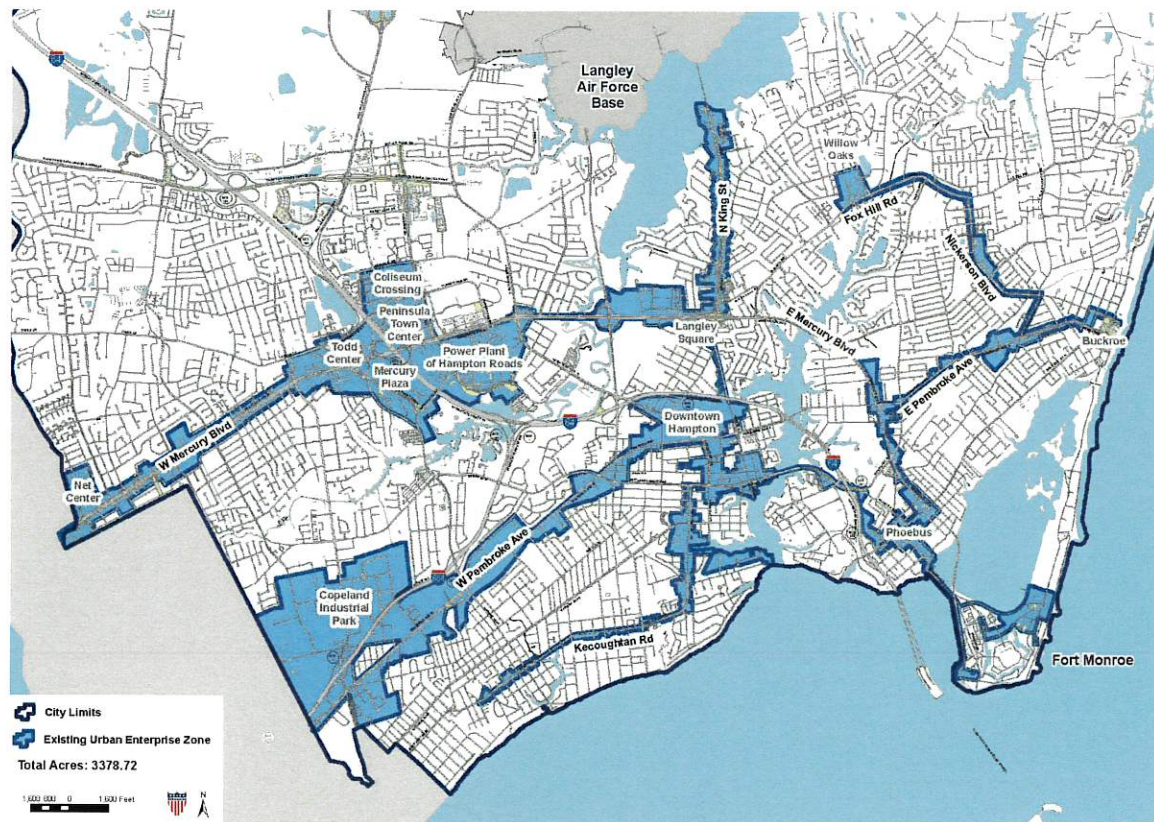
- The Virginia Enterprise Zone program (VEZ) originated in 1982 as a tax credit initiative
- VEZ is a collaboration between the Commonwealth of Virginia and local governments, aimed at boosting job creation and investment in real property
- VEZ seeks to stimulate economic growth, improve economically distressed communities and aid in neighborhood revitalization by encouraging businesses to expand, relocate, or start new operations within Hampton's designated VEZ boundaries



# Hampton Roads Center Zone: Zone 35



# Hampton Urban Zone: Zone 8



# Benefits to Locating in an Virginia Enterprise Zone



## Job Creation Grants

- Firms creating jobs above the threshold of four (4) that pay 175% of the federal minimum wage + benefits will be eligible for a grant of \$500/job and those paying 200% will be eligible for \$800/job for five (5) years. Retail, local service or food and beverage businesses are not eligible to apply.

## Real Property Investment Grants

- Awards are made up to \$100,000 per building for commercial/mixed use real property investments less than \$5 million and up to \$200,000 per building for qualified investments of \$5 million or more.

# Activity in the Zones (2020-2024)



Zone	First Year Designated	Expiration Date	Total Acreage Within The Zone	Number of Grants Per Year					Summary of 2024 Grant Cycle	
				2024	2023	2022	2021	2020	Percent of Total Amount Awarded	State Ranking (out of 45 Zones)
Urban (8)	1985	12/31/2029	3,233	5	4	3	3	3	3.11%*	9
				\$ 425,969.58	\$ 600,000.00	\$ 149,126.79	\$ 212,176.00	\$ 237,035.43		
HRC(35)	1996	12/31/2030	2,166	3	2	2	3	2	2.01%*	20
				\$ 275,387.60	\$ 180,069.60	\$ 200,000.00	\$ 362,668.56	\$ 235,993.41		

\* Based on the total amount award for the state being \$13,688,642.60 (180 total Projects)



## Activity in the Zones (2025)

- 9 New Applications (All Real Property Investment Grants)
  - 6 Hampton Urban (Zone 8)
  - 3 Hampton Roads Center (Zone 35)



# Enterprise Zone Grant Recipients





## Marketing Efforts for the Zone

- Continue the awareness campaign via business visits, newsletters, social media, and website to insure that businesses and property owners are informed of the zone benefits
- Enhance marketing of the program using CDD permit data
- Conduct “How to Apply” workshops to give detailed information about the grant process
- Assess and explore expanding the two VEZ zone boundaries within the program guidelines (requires City Council action)
- Convert an existing Business Development Manager position to focus on Grants Administration, Data Management, Compliance, and Research





THANK YOU