
Enterprise Zone Amendment Application

Applicant Locality/Localities: **City of Hampton**

Name of Zone: **Hampton Urban Enterprise Zone**

Zone Number: **8**

Virginia Department of Housing and Community Development

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Richmond, Virginia 23219

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**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**

Partners for Better Communities

Coversheet

Zone Number:

Locality: City of Hampton

Government Mailing Address:
22 Lincoln Street
Hampton, VA 23669

Chief Elected Official (Name and Title):
Mary B. Bunting
City Manager

Local Zone Administrator:

Name: Daniel Girouard
Title: Asset Manager
Phone: 757-728-5169
E-mail: dgirouard@hampton.gov
Mailing Address:
1 Franklin Street, Suite 600
Hampton, VA 23669

Has this contact changed in the last 12 months? Yes No

Application Zone Type:

- Single (one locality) Enterprise Zone
 Single Applicant from a Joint Enterprise Zone

If Joint Zone, list other localities in Zone:

Certification of Chief Administrative Officer:

To the best of my knowledge and belief, data in this proposal is true and correct and the governing body of the participant has duly authorized the proposal through resolution. The resolution is attached.

Signature:

Date:

Name: Mary B. Bunting
Title: City Manager

Type of Amendment:

Check all that apply.

- Boundary deletion
 Boundary amendment
 Incentive amendment

Total non-contiguous zone areas before amendment:

0 1 2 3

Total non-contiguous zone areas after amendment:

0 1 2 3

Number of non-contiguous (nc) areas added or deleted as part of amendment application:

_____ *Added nc areas*

_____ *Deleted nc areas*

Public Hearings:

- Completed

Attachments:

- Advertisements
 Minutes
 Resolutions
 Local Assurances
 Joint Application Agreement

Locality has submitted all annual reports required to date.

- Yes
 No

Amendment Requests are not considered complete and will not be processed until the locality's annual reporting requirements are fulfilled.

Boundary Amendments: Size Allowances

- A. Basic size limits are determined by the type of locality. Towns and Cities have a minimum of one-quarter (1/4) square mile (160 acres) and a maximum of one square mile (640 acres). Counties and consolidated cities have a minimum of one-half (1/2) square mile (320 acres) and a maximum of six square miles (approximately 3,840 acres).

Size Guideline Used:

Basic Land Size City/Pre-2005 Town Zone

Basic Minimum	Basic Maximum	Requested Acreage
160 Acres	640 Acres	

Basic Land Size County & Consolidated City

Basic Minimum	Basic Maximum	Requested Acreage
320 Acres	3,840 Acres	3,376.52

7 Percent of Land Area (Cities and Towns only)

Total Land Area	7 % of Land Area = Allowable Acreage	Requested Acreage

7 Percent of Population (Cities and Towns only)

Total Land Area	7 % of Population = Allowable Population	Requested Acreage





- B. Complete the chart below showing the size of the zone after the proposed modifications.

Locality	Current zone size in acreage	Proposed deletion size in acreage	Proposed addition size in acreage	Amended zone size in acreage (total acreage)
City of Hampton	3,233	N/A	63.82	3,376.52



Boundary Amendments: Map Requirements

The required maps must be able to fit inside a legal size mailing envelope (folded). Each of the required maps must be produced at the same scale. GIS generated maps are preferred. Topographic maps are not acceptable. Please submit maps as a separate JPEG or PDF file. **Local Zone Administrators MUST submit a draft boundary amendment map to DHCD for review prior to scheduling the public hearing.**

Map 1: Map of the locality indicating the current and amended boundaries of the enterprise zone area. Please indicate the amended zone boundaries using the key below. All required features listed in the charts must be included on each map and clearly visible. All maps should indicate the acreage of additions, deletions, and total zone acreage.

- Proposed
-  Additions – Red fill with bold red dashed border
 -  Proposed Deletions – Blue fill with bold blue dashed border
 -  Existing Zone Boundaries – Green fill
 -  Existing Zone Boundaries – Contiguous Areas of other localities in a Joint Zone

Required Zone Features Included on Map:

- Major Streets/Roads/Highways Labeled (Dark Gray Lines; Only Major Labels) 
- City/County/Town Limits (Bold Blue Solid Lines) 
- Key Businesses/Employers
- Key Properties/Revitalization Project Areas/ Developable Land
- Airports/ Ports of Entry
- Major Railways
- Office or Industrial Parks
- Special Districts

Map 2: Map of the modified enterprise zone boundary indicating the existing land use characteristics.

Please utilize the land use classifications below, and **provide a key**. Indicate on this map the total zone acreage and the approximate number of acres devoted to each type of use.

Privately Held Land

Business/Commercial
Industrial
Institutional
Single-family Residential
Multi-family
Agricultural
Parking
Mixed-use

Publicly Held Land

State/Federally Owned Land
Local Publicly Owned & Used Land
Unused Publicly Owned Land
Parks & Recreational Areas
Parking

Map 3: Map of the modified enterprise zone showing the boundaries of existing Zoning Districts.

Please **provide a key** of the zoning districts shown. If the area is not zoned, this map is not required.

Boundary Amendments: Addition

Boundary additions cannot consist of a site for a single business and cannot be less than 10 acres in size. Counties with enterprise zones can include acreage within corporate town limits, provided the acreage addition falls within the total zone size requirements for the locality. **Existing towns with enterprise zones may not add portions of the unincorporated areas into the zone through the amendment process.** In the space below, please address the following questions:

- A. Describe the areas proposed for inclusion into the zone boundaries and explain the strategic importance of adding each area(s) to the zone.
- B. Indicate whether each added area is contiguous to existing zone boundaries or will count as a new non-contiguous zone area.
- C. Discuss relevant economic conditions, economic development/revitalization efforts occurring within the proposed addition. Quantify this information where possible.

Hampton is a land locked city in the Hampton Roads region and is 96% built-out. The Enterprise Zone provides a tool to assist our community to provide incentives to redevelop older sites to a higher and better use, thereby creating more jobs and increased tax base.

The current boundary incorporates most of the strategic commercial and industrial areas within the city, which has historically accounted for most of the tax base and job creation. The area encompasses 3,232 acres and incorporates Hampton's Downtown and most of the heavy industrial areas (Copeland Industrial Park, Pembroke corridor) and major retail corridors (Coliseum Central, Mercury Boulevard, King Street, Kecoughtan Road, and Phoebus) within the city.

The proposed boundary amendment totals 144.52 acres and includes two areas with high redevelopment potential in the city. The first is the 63.82-acre site formally occupied by the Virginia School of Deaf and Blind and the second includes 80.70 acres located within Fort Monroe. The City of Hampton believes these sites are important to encourage economic diversity and its long-term economic vitality. Emphasis will be placed on attracting targeted industry clusters including advanced manufacturing, communications equipment, defense and medical devices. The city will also be encouraging business expansion, start-ups and entrepreneurial development throughout the zone.

There are 80.70 acres located on Fort Monroe being added to support and encourage the reuse and development of the property for commercial establishments consistent with the Fort Monroe Authority's approved Master Plan (see Map 2). The Master Plan focuses on a mixed-use concept, combining adaptive reuse, new construction and open space. The plan features residential, retail/dining, hospitality, employment and institutional areas, along with enhanced public access to the waterfront and beach. The area included were those that could benefit from the Enterprise Zone designation. Fort Monroe is connected to the existing boundary by extending the zone from Phoebus.

The Former Virginia School site is comprised of two parcels – a 20.11-acre parcel belonging to Phenix Industrial, LLC (Phenix) and a 42.21-acre parcel belonging to the Hampton Economic Development Authority (EDA). This site abuts the existing boundary on the northern edge along Pembroke Ave. The City of Hampton is also vacating a portion of Pine Avenue consisting of 1.5 acres for a total of 63.82 acres to be added to the Hampton Urban Enterprise Zone (see Map 3). This site is proposed to be redeveloped with industrial development is a possibility given the size of the acreage, close proximity to Copeland Industrial Park, and direct access to Interstate 664.

Incentive Amendment

All zones are required by statute to offer local enterprise zone incentives. Localities should regularly review their incentive package to ensure utilization by businesses and effectiveness in attracting/expanding targeted business sectors within the zone. In the case of boundary amendments to include corporate town limits, the town functions as part of the county's zone boundaries and is not required to offer local incentives but may do so. In the space below, please address the follow questions:

- A. Why are the local incentives being modified? Discuss utilization, changing trends, or special circumstances affecting the decision to modify.
- B. What aspects of each incentive are being modified and why? Explain the research that the modification is based on (i.e. survey of zone businesses, utilization numbers, focus groups, etc).
- C. Have the modified incentive package or new incentive(s) been reviewed by the local governing body's attorney and determined to be legal? **Yes** **No**
Attorney Name: Cheran Ivery, City Attorney (*Signature not required.*)
- D. Are existing incentives deleted and or changed as part of the amendment proposal? **Yes** **No**
If yes, complete [Chart 1](#) below concerning the required replacement incentives and explain why the incentive is being changed or deleted.

Hampton Urban Enterprise Zone #8 has twelve (12) incentives, of which four (4) are being replaced because of low incentive utilization due to the Economic Development Authority offering more grant opportunities. In the case of the Phoebus Rehabilitation Loan Program, the program is no longer in existence as it was offered through the Phoebus Improvement League, which has been replaced by the Partnership for a New Phoebus.

Existing incentives to be deleted:

Downtown Hampton and Phoebus Loan Assistance Program
Enterprise Zone Loan Program
Phoebus Rehabilitation Loan Program
Retail Revitalization Program

The incentives being added are more diverse and assist commercial, industrial and research business activities and supports more opportunities for growth in the tax base and jobs within the city.

Incentives to be added:

Façade Grant
Downtown Hampton Phoebus Retail Incentive Grant
Manufacturing Assistance Grant
NASA Langley Research Center Technology Commercialization Grant

Chart 1: Incentive Deletion & Amendment Chart

Complete the chart below to indicate **any and all changes** to and **deletions** from the local incentive package. Local incentives can be deleted if replaced by incentives that are equal or superior (particularly with financial incentives) to those currently offered. When completing the chart, you may delete the example. Additional rows may be added to the table as needed. To add additional lines, click in the bottom-right cell of the table, and hit the Tab button on your keyboard.

Existing Incentive (by locality)	Replacement Incentive (by locality)	Justification for Deletion/Change	Justification for Replacement
Downtown Hampton and Phoebus Loan Assistance Program	Downtown Hampton Phoebus Retail Incentive Grant	This program no longer exists and has been replaced with the Downtown Hampton Phoebus Retail Incentive Grant program.	The Downtown Hampton Phoebus Retail Incentive Grant provides funds that do not need to be repaid with interest.
Enterprise Zone Loan Program	Grant Program	The Hampton EDA’s priority is not focused on providing loans. Currently, applicants are required to show they have exhausted all other sources of funding before they apply as the EDA does not want to compete with local lending institutions or state and federal programs. These loans have proven to have issues with repayment and defaults.	The loan program is not being utilized as the EDA has been providing other grant funding programs that do not need to be repaid with interest.
Phoebus Rehabilitation Loan Program	Downtown Hampton Phoebus Retail Incentive Grant	The Phoebus Improvement League was the provider of this loan, but the organization has changed and replaced by the Partnership for a New Phoebus and it no longer provides loans.	The Downtown Hampton Phoebus Retail Incentive Grant provides a grant substitute to encourage retail rehabilitation and it does not need to be repaid with interest.
Retail Revitalization Program	Grant Program	The retail Revitalization Program has been phased out and replaced with the Façade Grant and the Downtown Hampton Phoebus Retail Incentive Grant.	This loan program is no longer available as the grant programs provide funds that do not need to be repaid with interest.

New Incentive (by locality)	Replacement Incentive (by locality)	Justification for Deletion	Justification for Addition
Downtown Hampton Phoebus Retail Incentive Grant	N/A	N/A	This is a reimbursement program designed to increase the retail presence and sales in Downtown Hampton and Phoebus. Retail tenants or property owners located within the Downtown Hampton and Phoebus Master Plan areas may apply.
Façade Grant	N/A	N/A	The purpose of this grant is to encourage the renovation of older commercial facades and stimulate the revitalization of older commercial/industrial structures within the city's enterprise zones. Mixed-use structures must have a commercial component and the grant will only be applicable to the commercial portion of the building.
Manufacturing Assistance Grant	N/A	N/A	The purpose of this grant is designed to aid small Hampton manufacturers (employing 90 or fewer employees) primarily engaged in manufacturing, prototyping, design and/or development of commodities, and classified as manufacturers for operational improvements and employee training.
NASA Langley Research Center Technology Commercialization Grant	N/A	N/A	The EDA created the NASA Langley Research Center Technology Commercialization Grant to stimulate technology transfer, commercialization opportunities and new business creation tied to the NASA LaRC.

Chart 2: Incentive Package

Complete this section only if this amendment modifies the local incentive package.

Incentive Name: Façade Grant	
<input checked="" type="checkbox"/> New Incentive <input type="checkbox"/> Amended Incentive <input type="checkbox"/> Existing Incentive Provider: Hampton Economic Development Authority Name: Façade Grant Description: Façade improvements are for a taxable commercial, industrial or mixed-use structure that is 10 years or older. Mixed-use structures must have a commercial component and the grant will only be applicable to the commercial portion of the building. The Authority may consider providing a matching grant of up to 30% of the improvements for a maximum of \$10,000.	Localities included in this incentive: City of Hampton Exclusive to Zone Properties/Businesses: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No, if no please explain how it will be tailored to zone.
Qualification Requirements for Incentive: Participation is limited to businesses located in a Hampton Enterprise Zone. Projects must meet a minimum threshold of \$3,000 in applicant investment in order to be considered. Grant only applies to visible exterior. Façade Improvement Grants cannot be used for: <ul style="list-style-type: none"> • Debt Refinancing • Improvements in progress or completed prior to approval • Landscaping and plants • Soft Costs (architectural design, engineering, legal or permit fees, etc.) • Temporary or Pylon signs Timeframe for Qualification: Apply anytime, application must be received prior to starting a project.	Period of Availability: Effective date: Currently available Financial Value of Incentive: Grantee makes \$35,000 worth of façade improvements can receive a grant of up to 30% for a maximum of \$10,000 ($\$35,000 \times .30 = \$10,500$ – can receive maximum grant amount of \$10,000). Source of Funds: Hampton Economic Development Authority
Action to Implement: <input type="checkbox"/> Local Ordinance <input checked="" type="checkbox"/> Approval by Hampton EDA <input type="checkbox"/> Other: Hampton EDA	Annual Budget Allocation Pending Approval: No

Incentive Name: Manufacturing and Innovation Grant

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority
Name: Manufacturing and Innovation Grant
Description: Aid to small manufacturers primarily engaged in manufacturing, prototyping, design and/or development of commodities by encouraging them to seek improvements in production, productivity and competitiveness.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:
 Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability:
Effective date: Currently available

Qualification Requirements for Incentive:
 Participation is limited to businesses located in a Hampton Enterprise Zone. Applications for grants must demonstrate one or more of the following on the part of a small manufacturer: commitment to improve profitability, raise productivity, compete in global markets, or provide enhanced value to the customer through product improvement. This may be accomplished through the introduction of operational modifications, new innovations, new technologies, or new production equipment.

Timeframe for Qualification: Apply anytime, application must be received prior to starting a project.

Financial Value of Incentive: This grant pays matching funds of 2:1 for operational improvements and employee training up to a maximum of \$10,000 for eligible businesses. Meaning for every \$1 the company contributes, the Authority provides a \$2 match, up to a maximum of \$10,000.

Source of Funds: Hampton Economic Development Authority

- Action to Implement:**
 Local Ordinance
 Approval by Hampton EDA
 Other: Hampton EDA

Annual Budget Allocation Pending Approval: No

Incentive Name: NASA Langley Research Center Technology Commercialization Grant

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority
Name: NASA Langley Research Center Technology Commercialization Grant
Description: The grant is structured to stimulate technology transfer, commercialization opportunities and new business creation tied to the NASA Langley Research Center (LaRC). The grant can be leveraged to assist businesses with their licensing agreement application efforts and processing fees in accordance with the NASA LaRC. The grant is also available for companies pursuing a Space Act Agreement (SAA) with LaRC or companies seeking to bring a product or developed technology to the marketplace.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: Currently available

Qualification Requirements for Incentive:
 Must be located in a Hampton Enterprise Zone or actively establishing a location in a Hampton Enterprise Zone.

Must have commenced either a Licensing Application or a Space Act Agreement (SAA), been awarded a SBIR/STTR contract with NASA Langley Research Center (LaRC), or a current or former civil servant employed with NASA LaRC seeking to commercialize aerospace technologies similar to those developed at LaRC and the majority owner of the business.

Financial Value of Incentive: Grant awards in amounts from \$1,000 to a maximum of \$20,000.

Source of Funds: Hampton Economic Development Authority

Timeframe for Qualification: Apply anytime

- Action to Implement:**
- Local Ordinance**
 Approval by Hampton EDA
 Other: Hampton EDA

Annual Budget Allocation Pending Approval: No

Incentive Name: Downtown Hampton and Phoebus Retail Incentive Grant

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority

Name: Downtown Hampton and Phoebus Retail Incentive Grant

Description:

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of Zone

Effective date: Currently Available

Qualification Requirements for Incentive:

Participation is limited to businesses located in the Hampton Urban Enterprise Zone. Grants are available to retailers, retail property owners, or those desiring to develop retail in the designated areas outlined in the Downtown Hampton Master Plan and Phoebus Master Plan.

Financial Value of Incentive: Provides matching funds up to thirty percent of the eligible project expenses if the project demonstrates a reasonable return on the investment of public funds. Higher awards may be possible if the project demonstrates significant private investment, tax revenue generation and the ability to substantially increase retailing activity in Downtown Hampton or Phoebus. Projects must meet a minimum threshold of \$3,000 to be considered.

Example: Value of the improvements is \$100,000 x 30% = \$30,000.

Timeframe for Qualification: Apply anytime, application must be received prior to starting a project.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance**
 Approval Hampton EDA
 Other:

Annual Budget Allocation Pending Approval: None

Incentive Name: Enterprise Zone Loan Program

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority

Name: Enterprise Zone Loan Program

Description: Loan proceeds must be used for one or more of the following:

Costs associated with acquisition, construction, expansion or the rehabilitation of a commercial or industrial facility. Projects involving construction shall be in compliance with state and local codes and regulations.

Machinery and other equipment, and the associated installation costs.

Working capital to finance inventory, accounts receivable, mobilization, wages, seasonal business fluctuation and the like.

Qualification Requirements for Incentive:

Participation is limited to businesses located in the Enterprise Zone. Program is for businesses who have difficulty securing loans through commercial banks. The applicant should have an equity ratio of 25% or more in the proposed project. Except at the discretion of the Hampton IDA Directors, the maximum loan-to-project costs shall not exceed 75%.

Timeframe for Qualification: Apply anytime

Action to Implement:

- Local Ordinance**
 Approval Hampton EDA
 Other:
 :

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
 No, if no please explain how it will be tailored to zone.

Period of Availability: Was to be life of the Zone

Effective date: January 2005

Financial Value of Incentive: The minimum loan amount will be \$5,000 and the maximum will be \$100,000.

Source of Funds: Hampton Economic Development Authority

Annual Budget Allocation Pending Approval: None

Incentive Name: DOWNTOWN HAMPTON AND PHOEBUS LOAN ASSISTANCE PROGRAM

- New Incentive**
- Amended Incentive**
- Existing Incentive**

Provider: Hampton Economic Development Authority
Name: Downtown Hampton and Phoebus Loan Assistance Program
Description: Program created for businesses located in strategic areas of Enterprise Zone to encourage private investment.

Eligible Uses:
Inventory
Renovation and Facade Improvements
Working Capital
Line of Credit

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:
 Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability: Was to be life of the Zone
Effective date: January 2005

Qualification Requirements for Incentive:
Participation is limited to businesses located in Downtown Hampton and Phoebus that meet the definition of a small business established by the SBA.

Timeframe for Qualification: Apply anytime

Financial Value of Incentive:
Interest rate buy-down up to 2 percentage points
Guarantee up to \$50,000 or 50% of loan amount
Example: \$100,000/10 year loan @4% for inventory/working capital. Loan guarantee of \$50,000 and buy down interest rate to 2% over the life of the loan reduced interest cost from \$21,494 to \$10,747.

Source of Funds: Hampton Economic Development Authority

Action to Implement:
 Local Ordinance
 Approval Hampton EDA
 Other:

Annual Budget Allocation Pending Approval: None

Incentive Name: PHOEBUS REHABILITATION LOAN PROGRAM

- New Incentive
- Amended Incentive
- Existing Incentive

Provider: Hampton Economic Development Authority
Name: Phoebus Rehabilitation Loan Program
Description: Program created to encourage Phoebus commercial property owners to rehabilitate or expand their property. Architectural design assistance is available for participants.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
- No, if no please explain how it will be tailored to zone.

Period of Availability: As long as the Phoebus Improvement League exists

Effective date: January 2005

Qualification Requirements for Incentive:
Participation is limited to businesses located in Phoebus, which is in Hampton's Urban Enterprise Zone. Funds can only be used for rehabilitation.

Timeframe for Qualification: Apply anytime

Financial Value of Incentive: Up to \$300,000 in loans are available. The loan rate is the Bank's prime rate plus ½ percent.

Example: \$100,000/10Year loan at prime rate plus ½ percent.

Source of Funds: Hampton Economic Development Authority

- Action to Implement:**
- Local Ordinance
 - Approval by Phoebus Improvement League
 - Other:

Annual Budget Allocation Pending Approval: None

Incentive Name: CAPITAL INVESTMENT GRANT

- New Incentive
- Amended Incentive
- Existing Incentive

Provider: Hampton Economic Development Authority
Name: Capital Investment Grant
Description: A three (3) year capital investment grant based on business personal property and machinery and tools taxes paid by a qualified Enterprise Zone business.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
- No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Grant eligibility is limited to manufacturing and office businesses within the Zone.

Create at least 25 net new full-time jobs within 18 months paying a minimum average wage equal to twice the federal minimum wage rate.

Make a minimum investment of \$500,000 in machinery and tools or (if a non-manufacturer) in business personal property within 18 months.

Grants apply only to machinery and tools or business personal property that are newly purchased, newly leased, or transferred from outside of the City of Hampton.

Timeframe for Qualification:

Financial Value of Incentive: Grants equal to (100%) for three years based on the net new revenue to the City of Hampton as determined by the Commissioner of the Revenue. Maximum benefit is \$50,000 annually.

Example: M&T is \$3.50/\$100 & Bus Personal Prop \$4.5/\$100
Manufacturer makes a \$500k equipment purchase
[\$500k/\$100 = \$5,000 x \$3.50 = \$17,500] company would receive max of \$10,000.
Office company makes a \$500k personal property investment
[\$500k/\$100 = \$5,000 x \$4.50 = \$22,500] company would receive max of \$10,000.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance
- Approval by
- Other:

Annual Budget Allocation Pending Approval: Funds are based on taxes paid and then are allocated to the EDA for payment

Incentive Name: BUSINESS LICENSE TAX REFUND

- New Incentive
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority

Name: Business License Tax Refund

Description:

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Existing Businesses

Must increase the number of full-time employees in the enterprise zone by ten percent (10%) and the increase must constitute at least three (3) net new full-time employees to the City whichever is greater.

Make an added capital investment in the Enterprise Zone of at least fifty thousand dollars (\$50,000).

New Businesses

Create a minimum of ten (10) full-time jobs and make an investment of at least one hundred thousand dollars (\$100,000) in the Enterprise Zone.

For both new and existing businesses the wages paid to new full-time employees must be equal to twice the federal minimum wage rate.

Timeframe for Qualification: Anytime

Financial Value of Incentive: Refund equal to: (100%) in 1st year, (80%) in 2nd year, (60%) in 3rd through 5th year.

Example: Business license taxes are generally based on gross receipts. Tax rates vary depending on business category.

Maximum benefit is \$10,000 annually.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance
 Approval by
 Other:

Annual Budget Allocation Pending Approval: Funds are based on taxes paid and then are allocated to the EDA for payment

Incentive Name: REFUND OF LOCAL UTILITY TAXES

- New Incentive
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority

Name: Refund of Local Utility Taxes

Description: A five (5) year refund in local utility taxes including electric consumer utility tax, gas consumer utility tax and local telephone exchange services tax.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Existing Businesses

Must increase the number of full-time employees in the enterprise zone by ten percent (10%) and the increase must constitute at least three (3) net new full-time employees to the City whichever is greater.

Make an added capital investment in the Enterprise Zone of at least fifty thousand dollars (\$50,000).

New Businesses

Create a minimum of ten (10) full-time jobs and make an investment of at least one hundred thousand dollars (\$100,000) in the Enterprise Zone.

For both new and existing businesses the wages paid to the minimum number of new full-time employees needed to qualify must be equal to twice the federal minimum wage rate.

Timeframe for Qualification: Anytime

Financial Value of Incentive: Refund equal to: (100%) in 1st year, (80%) in 2nd year, (60%) in 3rd through 5th year.

Example: Assume annual Electric consumer utility, gas consumer utility and local telephone taxes total \$5,000 then in year one they would receive 100% and a total of \$18,000 over five years.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance
 Approval by
 Other:

Annual Budget Allocation Pending Approval: Funds are based on taxes paid and then are allocated to the EDA for payment

Incentive Name: REAL PROPERTY IMPROVEMENT TAX CREDIT

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority
Name: Real Property Improvement Tax Credit
Description: Qualifying property owners receive a reduction of the assessed value of real estate tax over a period of six years.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
 No, if no please explain how it will be tailored to zone.

Qualification was reduced from structures 25 years or older to 15 years or older if located in the Enterprise Zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Commercial & industrial properties within the enterprise zone no less than fifteen (15) years of age.

Improved as to increase the assessed value of the structure by no less than sixty (60%) percent, without increasing the total square footage of the structure by more than twenty-five (25%) percent.

Timeframe for Qualification: Anytime

Financial Value of Incentive: The exemption commences on July 1st of the taxable year following completion of the rehabilitation or replacement. The exemption is equal to (100%) in years one through three; and (50%) in years four through six.

Example: Existing assessment is \$100,000 and the new assessment is \$160,000 [$\$160,000 - \$60,000 / \$100 = \$36,000 / \$100 = \$360 \times \$1.24 = \446.40] Total over six years is \$2,008.8.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance**
 Approval Hampton EDA
 Other:

Annual Budget Allocation Pending Approval: Incentive is credited to the annual property tax bill.

Incentive Name: REDEVELOPMENT COST WRITE DOWN

- New Incentive
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority

Name: Redevelopment Cost Write Down

Description: Industrial and commercial redevelopment sites assembled by the City of Hampton, the Hampton EDA will be sold at or below market rates, with the public sector absorbing the cost of redevelopment. Federal EDA Grants and Brownfield Grants may be used to defray some of the redevelopment costs.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Sale of land will be evaluated on a case-by-case basis and provided to firms fulfilling specific redevelopment goals. Provision of this incentive shall be at the discretion of the assembling authority.

Timeframe for Qualification: Anytime

Financial Value of Incentive: Case-by-case basis and depends on property

Example: Industrial property valued at \$90,000/ac. and we are working with a light manufacturing prospect and the site needs environmental remediation and site soils are not good. May discount the land by \$10,000 to \$20,000/ac. To make the project feasible to redevelop the site.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance
 Approval Hampton EDA
 Other:

Annual Budget Allocation Pending Approval: None

Incentive Name: COLISEUM PHYSICAL IMPROVEMENT GRANT

- New Incentive
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority
Name: Coliseum Physical Improvement Grant
Description: Grant is provided to encourage business owners in the Coliseum Central Business District to make enhancements to the appearance of their businesses and public spaces. Funds can only be used for exterior painting, landscaping, planter boxes, awnings, garbage cans, benches, fountains, exterior artwork, and other approved exterior improvements.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Limited to businesses located in the Coliseum Central Business District.

Project should be well designed and consistent with District design guidelines.

The enhancements should be lasting and not merely temporary.

Must comply with Hampton City Codes and regulations.

Timeframe for Qualification: Anytime

Financial Value of Incentive: Funding cannot exceed 50% of the total improvement cost with a maximum grant up to \$10,000.

Example: Value of the improvements is \$100,000 x 30% = \$30,000.

Source of Funds: Coliseum Central BID

Action to Implement:

- Local Ordinance
 Approval by Coliseum Central BID
 Other:

Annual Budget Allocation Pending Approval: None

Incentive Name: COLISEUM CENTRAL COOPERATIVE ADVERTISING PROGRAM

- New Incentive**
- Amended Incentive**
- Existing Incentive**

Provider: Hampton Economic Development Authority
Name: Coliseum Central Cooperative Advertising Program
Description: Grant to assist Coliseum businesses with advertising and promotional activities.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
- No, if no please explain how it will be tailored to zone.**

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:
Limited to businesses located in the Coliseum Central Business District.

Grant funding must be matched by non-district funding.

Advertisement design should incorporate the words Coliseum Central.

Timeframe for Qualification:

Financial Value of Incentive: Funding cannot exceed 10% of the total advertising cost.

Example:

Source of Funds: Coliseum Central BID

- Action to Implement:**
- Local Ordinance**
 - Approval by Coliseum Central BID**
 - Other:**

Annual Budget Allocation Pending Approval: None

Incentive Name: COLISEUM CENTRAL SECURITY IMPROVEMENT GRANT PROGRAM

- New Incentive**
 Amended Incentive
 Existing Incentive

Provider: Hampton Economic Development Authority
Name: Coliseum Central Security Improvement Grant Program

Description: Grant provided to encourage business owners in Coliseum Central to make physical improvements to enhance the level security and safety of their businesses or public spaces. Eligible projects include lighting enhancements, landscape or structural enhancements, installation of security alarms or cameras, or other improvements to improve safety and security in the District.

Localities included in this incentive: City of Hampton

Exclusive to Zone Properties/Businesses:

- Yes**
 No, if no please explain how it will be tailored to zone.

Period of Availability: Life of the Zone

Effective date: January 2005

Qualification Requirements for Incentive:

Limited to businesses located in the Coliseum Central Business District.

Improvements must be based on Hampton Police – Crime Prevention through Environmental Design assessment.

Project should enhance the level of security and be consistent with District design guidelines.

The enhancements should be lasting and not merely temporary.

Timeframe for Qualification: Anytime

Financial Value of Incentive: Funding cannot exceed 50% of the total improvement cost or a maximum of \$2,500 whichever is less.

Example: \$2,500 for new security system costing \$5,000.

Source of Funds: Hampton Economic Development Authority

Action to Implement:

- Local Ordinance**
 Approval by Coliseum Central BID
 Other:

Annual Budget Allocation Pending Approval: None