

2024 Henrico County
Proposed Enterprise Zone
Boundary Amendment

PROPOSED 2024 ENTERPRISE ZONE AMENDMENT

County of Henrico
Department of Community Revitalization

March 19, 2024

Legend

- Proposed Additions
- Proposed Deletions
- Enterprise Zone



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Enterprise Zone Overview



Enterprise Zones are designated commercial or industrial areas targeted for increased business development, support, and commercial revitalization.



Businesses located within Henrico's Enterprise Zone can take advantage of local and State incentives for physical improvements to their properties.



The Virginia Enterprise Zone program is a partnership between state and local governments to incentivize business investment and job creation. Local governments in the program report annually on program accomplishments to the State.



The Virginia Enterprise Zone program provides grants for real property investment and job creation.



The County's Zone has been in place since 2003; it currently contains 3,793 acres including older commercial areas and economic development opportunities.



The County's program provides permit fee waivers, grants for building improvements, landscaping, signage replacement, architectural design assistance, etc.



State Enterprise Zone Incentives

- State incentives are administered by the Virginia Department of Housing and Community Development
- Real Property Investment Grant
 - Grants issued for 20% of expenditures in excess of threshold, up to \$200,000
 - New construction: >\$500,000
 - Rehab: >\$100,000
 - Solar: >\$50,000
- Job Creation Grant
 - Grants issued to businesses that have created more than 4 permanent full-time positions in the past year for \$500 - \$800 per job per year for five years



City to City Auto Sales



Reynolds Office Building



Tru Car Wash



dhcd.virginia.gov/vez



Henrico County's Incentives

- Plan Review/Permit Fee Waivers
- Building Façade Grants
- Parking Lot Paving and Sealing Grant
- Landscaping Grant
- Existing Freestanding Signage Grant
- Off-Site Improvements Grant
- Building Demolition Grant
- Architectural Design Assistance
- Rehabilitation Real Estate Partial Tax Exemption



River City Veterinary Hospital



Cables Plus



Program Accomplishments

- Henrico businesses to date have received \$2,153,436 of State EZ grants, and in the past ten years, \$8.7 million of Henrico grants and incentives.
- In Grant Year 2022, 10% of all VA State grant funds were disbursed to Henrico County businesses.



Proposed Amendment Overview

- Zone boundaries and incentives can be amended once every 12 months. Amendments must be approved by Va. DHCD and the local governing body.
- Since the County's EZ designation, the boundary and incentives have been amended several times.
- The proposed 2024 Amendment includes the addition and removal of properties, as well as changes to incentives.



Proposed Changes to Boundary

The County Enterprise Zone can contain up to 3,840 acres, with 47 acres currently available for additions. To accommodate all proposed additions, some areas must be deleted.

Additions

- Economic development opportunities
- Existing commercial properties

Total Acreage: +194.4 acres

Deletions





- Recent residential development
- Government-owned property
- Properties that will lose connection to the Zone

Total Acreage: -192.5 acres



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-  Enterprise Zone
-  County Boundary



Incentives Proposed for Removal

The following incentives are being proposed for removal:

CPTED
Assistance

Employment
Training and
Assistance

Fire Safety
Seminars

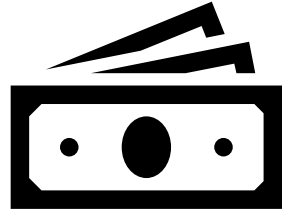
Accelerated
Development
Processing



The incentives proposed for removal will still be available to businesses county-wide, but they will no longer technically be considered an EZ incentive.



Proposed Grant Adjustments



- Adjustment of grant maximums to address rising costs:
 - Landscaping Grant and Existing Freestanding Signage Grant: \$2,000 to \$2,500.
 - Paving Grant: retain maximum of \$5,000 for resealing and striping and increase maximum to \$10,000 for repaving.
 - Off-Site Improvements Grant: \$10,000 to \$15,000.
 - CDBG-funded Façade Grant: \$30,000 to \$50,000.
 - To allow for wider use, the employment threshold for the County-funded Existing Small Business Façade Grant will increase from 6 full-time employees to 10.



Tell us what you think!

Visit henrico.us/revit/enterprise-zone for detailed information on the program and the proposed amendment.

Additional comments can be submitted to enterprisezone@henrico.us or by calling **(804) 501-7640**.

Estimated Timeline

Board Public Hearing
and Action

April 23, 2024

City of Richmond Approval and
Submission to Va. DHCD

May 2024

Amendment Approval

June 2024

