

JUN 27 2006

BOARD OF SUPERVISORS
JAMES CITY COUNTY
VIRGINIA

ORDINANCE NO. 192A-3

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 7, ENTERPRISE ZONE, OF THE CODE OF THE COUNTY OF JAMES CITY, VIRGINIA, BY AMENDING SECTION 7-5, LOCAL ENTERPRISE ZONE INCENTIVES; AND SECTION 7-6, APPLICATION.

BE IT ORDAINED by the Board of Supervisors of the County of James City, Virginia, that Chapter 7, Enterprise Zone, is hereby amended and reordained, by amending Section 7-5, Local enterprise zone incentives; and Section 7-6, Application.

Chapter 7. Enterprise Zone

Section 7-5. Local enterprise zone incentives.

(a) ***Business real estate improvement/rehabilitation grant.*** Qualified firms located within the enterprise zone may be eligible to receive from the ~~industrial~~**economic** development authority a five-year declining grant as an incentive to the firm to invest in the new ~~construction~~ or rehabilitation of commercial and industrial facilities.

(b) ***Machinery and tools and/or business personal property investment grant.*** Business firms qualifying under the capital investment criteria may apply to the ~~industrial~~**economic** development authority for a five-year declining grant to compensate the firm for the amount attributable to the increased capital investment.

(c) ***Waiver of permit fees.*** The county shall waive permit fees for site plans, subdivisions, erosion and sedimentation control, land disturbing activities, and building, electrical, plumbing and HVAC approvals for the following:

Ordinance to Amend and Reordain

(1) Capital investments of business firms which meet the capital investment criteria;

and

(2) Rehabilitation of residential structures where the assess value does not exceed the 1991 base value of \$81,500.00 multiplied by the rate of inflation using the Consumer Price Index, not to exceed five percent in any one year.

(d) **JCSA sewer transmission fees.** Business firms qualifying under the capital investment criteria shall be eligible for a reduced sewer transmission fee as provided in the James City Service Authority Regulations Governing Utility Regulations, as amended.

(e) **Use of well water.** Business firms qualifying under the capital investment criteria shall be allowed to use water from permitted wells within the zone as process water.

(f) **Waiver of administrative fees.** Business firms qualifying under the capital investment criteria shall be eligible to apply to the ~~industrial~~ **economic** development authority for a waiver of administrative fees involved in bond applications with the exception of any legal fees.

(g) **Waiver of consumer utility tax.** Business firms qualifying under the capital investment criteria shall be eligible for a 100 percent waiver of the county's consumer utility tax for five tax years beginning the tax year of application approval.

(h) **Employee-based tax incentive.** Business firms qualifying under the job creation criteria shall be eligible for a grant from the county's ~~industrial~~ **economic** development authority of \$400.00 per employee who is a resident within the zone and \$200.00 per employee who is a resident of the county outside the zone. This incentive shall be payable for two tax years, at the end of each year, beginning the tax year of application approval. After the two-year period, a business firm shall be eligible for additional incentives per employee in the third year only if the business firm expands its employment 25 percent above its base employment established at the end of second year.

(i) **Day care grant.** Business firms qualifying under the job creation criteria shall be eligible for a one-time matching grant from the county's ~~industrial~~ **economic** development authority of up to

\$25,000.00 to be used with funds of an equal or greater amount from the business firm to establish or enhance a day care/preschool facility within the enterprise zone.

(j) *Residential real property rehabilitation tax exemption.* An owner of a residential structure within the zone shall be eligible for a five-year declining tax on the increased assessed real property value resulting from rehabilitation of the residential structure which qualifies under the provisions of Virginia Code section 58.1-3220, as amended. In the tax year after completion of rehabilitation, renovation or replacement, the property owner shall be eligible for a 50 percent exemption from the real property tax increase due to the increased assessed value. The exemption shall be 40 percent, 30 percent, 20 percent and ten percent for each successive tax year. In order to be eligible for this tax exemption, the initial assessed value of the residential structure must not exceed the 1991 base value of \$81,500.00 multiplied by the rate of inflation using the Consumer Price Index, not to exceed five percent in any one year.

Section 7-6. Application.

(a) Any business firm seeking to receive local enterprise zone incentives shall make application to the enterprise zone administrator on forms provided by the enterprise zone administrator. The enterprise zone administrator shall then forward the application with a recommendation to the ~~industrial~~ *economic* development authority which will then determine whether the applicant will be awarded a grant or grants from the ~~industrial~~ *economic* development authority. The enterprise zone administrator may require the business firm to provide documentation establishing that said business firm has met the requirements for the receipt of local enterprise zone incentives. Failure to provide requested documentation shall result in a denial of the business firm's application for local incentives. ~~The enterprise zone administrator may require the business firm to provide additional documentation from time to time to assure that said business firm retains the requisite qualifications for the receipt of local enterprise zone incentives.~~ In the event that any business firm shall fail to *make timely application as outlined in paragraph (b) and/or fails to* maintain the requisite qualifications for the receipt of local enterprise zone incentives, the enterprise zone administrator shall inform the business firm in writing that

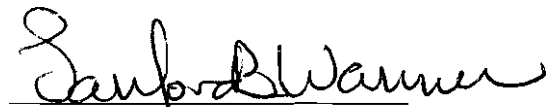
it is no longer qualified for the receipt of local incentives and shall send a copy of said notice to the county administrator and ~~Industrial~~ **Economic** Development Authority Chairman.

*(b) Effective July 1, 2006, applications must be submitted to the enterprise zone administrator within the first two years of said business **firm** achieving the qualification standards set forth in county code section 7-4. Any business **firm** which has been operating or located within the enterprise zone for two years or more, as of July 1, 2006 and has achieved the qualification standards set forth in **county** code section 7-4, but has not applied for the local enterprise zone incentives must make an application to the enterprise zone administrator no later than December 31, 2006, to remain eligible for the local enterprise zone incentives. Once a business firm is awarded a grant or grants from the economic development authority, the business firm shall then provide yearly documentation to the enterprise zone administrator, no later than March 31 of each successive year after the awarded grant or grants, to assure that said business firm has retained the requisite qualifications for the receipt of local enterprise zone incentives*



Bruce C. Goodson
Chairman, Board of Supervisors

ATTEST:



Sanford B. Wanner
Clerk to the Board

| SUPERVISOR | VOTE |
|------------|------|
| HARRISON | AYE |
| ICENHOUR | AYE |
| MCGLENNON | AYE |
| BRADSHAW | AYE |
| GOODSON | AYE |

Adopted by the Board of Supervisors of James City County, Virginia, on this 27th day of June, 2006.