



**Opportunity
Lynchburg**

ECONOMIC DEVELOPMENT AUTHORITY
LYNCHBURG, VIRGINIA

LOCAL INCENTIVES



Lynchburg is among Forbes' Top 100 Best Places for Business and Careers because Lynchburg has everything businesses need to prosper. When your business is ready to invest in Lynchburg and our workforce, we are ready to support your business through targeted investments that provide immediate returns and long-term benefits for Lynchburg citizens. Below is a sample of incentives and credits available to eligible firms relocating to or expanding in Lynchburg. All incentives are subject to modification, the availability of funds, and review and approval by the Lynchburg Economic Development Authority. For more information, please contact the Office of Economic Development at 434-455-4490.

ENTERPRISE ZONES

The City of Lynchburg boasts two Enterprise Zones providing investment incentives covering 4,200 acres of commercial property. In our Enterprise Zones, state and local incentives combine to support existing business expansion and new business relocation. Incentives include cash grants for real estate investments and job creation, along with local benefits for qualifying investments.

Real Property Investment Grant

- Qualified real property investments in a commercial, industrial, or mixed-use building or facility within the boundaries of a designated Virginia Enterprise Zone
- 20% cash grant for real property rehabilitation investments above a \$100,000 threshold
- 20% cash grant for new construction investments above a \$500,000 threshold
- Grant capped at \$100,000 for investments less than \$5 million
- Grant capped at \$200,000 for investments of \$5 million or more.

Job Creation Grants

- Cash grant up to \$800 per job per year for five years
- Requires creation of five jobs or more
- Requires wages equal to or above 175% of the Federal minimum wage with benefits
- Personal service, retail, food and beverage positions are not eligible
- Grant will be based on the wages paid for those grant eligible positions.

TECHNOLOGY ZONES

In recognition of Lynchburg's leadership in tech-based business and industry, the entire City of Lynchburg is a Technology Zone. Qualified tech-based businesses are eligible for local tax incentives for net new capital investment and job creation. Businesses must first certify they are primarily engaged in or utilize technology in their business processes, products or services.

- Requires a minimum \$100,000 net new capital investment
- Within a 12-month period, hire five net new full-time employees
- Wages equal to or greater than 200% of the federal minimum wage
- Provides five year tax incentive on the incremental increase for either machinery and Tools Tax or Business, Professional and Occupational License Tax, on a sliding scale.

EDA CAPITAL INVESTMENT PROGRAM

Incentive value (may be cash, infrastructure improvements or other support as determined by the EDA) for eligible capital investments. All taxes generated by capital investment (business personal property, machinery & tools, real estate improvement, etc.) must generate a positive return on investment over a 36-month period, subject to verification and the terms of a performance agreement. Maximum incentive equivalent to 2 percent of capital investment up to \$10MM, 1 percent of capital investment over \$10MM, with a cap of \$350,000.

EDA JOB CREATION GRANT

Grants (in the form of cash, infrastructure improvements or other support as determined by the EDA) to support large-scale employment expansion. Grant value may be up to the value of a 2% increase in annual payroll of FTE positions with health benefits if base employment is increased by more than one-third or thirty net-new positions, whichever is greater. Requires annual payroll audit and a performance agreement.

LOCAL REDEVELOPMENT PROGRAM

Designed to support small- and medium-scale investments in commercial property within the city's Enterprise Zones, the Local Redevelopment Program supports a portion of qualified expenditures. Proper permitting is required to qualify, and submitted project costs are verified by building permit. For more information and application forms, please contact the Office of Economic Development at 434-455-4491 or email info@opportunitylynchburg.com.

REAL ESTATE REHAB & RENOVATION TAX CREDIT

Up to five years of real estate tax exemption on the improved value of rehabilitation and renovation. For commercial and industrial real estate, the existing structure must be 25-years-old and the improvements must increase the assessed value by 60% or more. For more details contact the City Assessor at (434) 455-3830.

INDUSTRIAL PARK PROPERTY

The Lynchburg Economic Development Authority owns and manages two industrial parks. For major qualifying investments, the EDA may offer sale or lease of property at attractive rates, build-to-lease or build-to-own arrangements, site preparation, infrastructure improvements and/or other development assistance more details contact the City Assessor at (434) 455-3830.

FINANCING: LOANS, GRANTS AND BONDS

The Lynchburg EDA and Economic Development Office offer business and development financing ranging from local capital up to \$250,000 from a revolving loan fund to tax-exempt industrial revenue bonds. We can also connect your business to microloans and other small-business financing and assist in applications for SBIR and STTR.

BUSINESS DEVELOPMENT CENTER ASSISTANCE

The Lynchburg Business Development Center provides business assistance services to entrepreneurs, new business owners and existing small business owners. The LBDC can assist with business and marketing plan development as well as financing. For more information, contact the LBDC at lbdc.com or 434-582-6100.

JAMES RIVER ARTS & CULTURAL DISTRICT PROGRAM

Arts & Cultural businesses locating within the city's James River Arts & Cultural District are eligible for reimbursement of certain business license taxes, along with regulatory flexibility as applicable and approved.

The James River Arts & Cultural District Program is intended to attract citizens, organizations and consortiums that wish to create and execute projects within the District to benefit the welfare of the citizens of Lynchburg. The term "project" may include events, activities, capital investments, promotions, improvements, displays or like pursuits that serve to further arts and culture in the District. Applicants are reviewed three times per year with applications due March 1, August 1 and December 1.

The program is supported in part by the Virginia Commission for the Arts and the National Endowment for the Arts.

AVAILABLE IN VIRGINIA



Virginia is # 4 on Forbes' Best State for Business because the Commonwealth has everything businesses need to prosper. When business is willing to invest in Virginia and our workers, the Commonwealth is willing to support business through targeted investments that provide immediate returns and long-term benefits for Virginia citizens. Below is a sample of incentives and credits available to eligible firms relocating to or expanding in Virginia. Visit the Virginia Economic Development Partnership or Request a Meeting with the Lynchburg Office of Economic Development to learn more.

Governor's Opportunity Fund

The Governor's Opportunity Fund (GOF) is a discretionary incentive available to the Governor to secure a business location or expansion project for Virginia. Grants are awarded to localities on a local matching basis with the expectation that the grant will result in a favorable location decision for the Commonwealth.

Virginia Investment Partnership & Major Eligible Employer Grants

The Virginia Investment Partnership (VIP) Grant and the Major Eligible Employer Grant (MEE) are discretionary performance incentives designed to encourage continued capital investment by Virginia companies, resulting in added capacity, modernization, increased productivity, or the creation, development and utilization of advanced technology.

The Virginia Economic Development Incentive Grant

The Virginia Economic Development Incentive Grant (VEDIG) is a discretionary performance incentive, designed to assist and encourage companies to invest and create new employment opportunities by locating significant headquarters, administrative or service sector operations in Virginia.

Virginia Job Investment Program (VJIP)

The Virginia Jobs Investment Program (VJIP) is a program that offers customized recruiting and training assistance to companies that are creating new jobs or experiencing technological change. The program is designed to reduce the human resource development cost of new and expanding companies

Governor's Agriculture and Forestry Industries Development Fund (AFID)

The Governor's Agriculture and Forestry Industries Development Fund (AFID) is a new tool for communities within the Commonwealth to grow their agriculture and forestry industries through strategic grants made to businesses that add value to Virginia-grown agricultural and forestal products. AFID grants are made at the discretion of the Governor with the expectation that grants awarded to a political subdivision will result in a new or expanded processing/value-added facility for Virginia grown agricultural or forestal products, and with the expectation that the grant will be critical to the success of the project. The amount of an AFID grant and the terms under which it is given are determined by the Secretary of Agriculture and Forestry and subject to the approval of the Governor.

Corporate Income Tax Credits

Virginia offers a variety of tax credits that are available for use against a company's corporate tax liability:

- Major Business Facility Job Tax Credit
- Recycling Equipment Tax Credit
- Day Care Facility Investment Tax Credit
- Worker Retraining Tax Credit
- Virginia Port Tax Credit Programs
- Research and Development Tax Credit
- Green Job Creation Tax Credit

The Clean Energy Manufacturing Incentive Grant

The Clean Energy Manufacturing Incentive Grant (CEMIG) is a discretionary performance incentive, designed to encourage clean energy manufacturers to grow in Virginia.

Economic Development Access Program

Administered by the Virginia Department of Transportation, this program assists localities in providing adequate road access to new and expanding basic employers.

Transportation Partnership Opportunity Fund

TPOF is a discretionary grant available for transportation-related issues related to unique economic development projects.

Rail Industry Access Program

Provides funds to construct railroad tracks to new or substantially expanded industrial and commercial projects.

