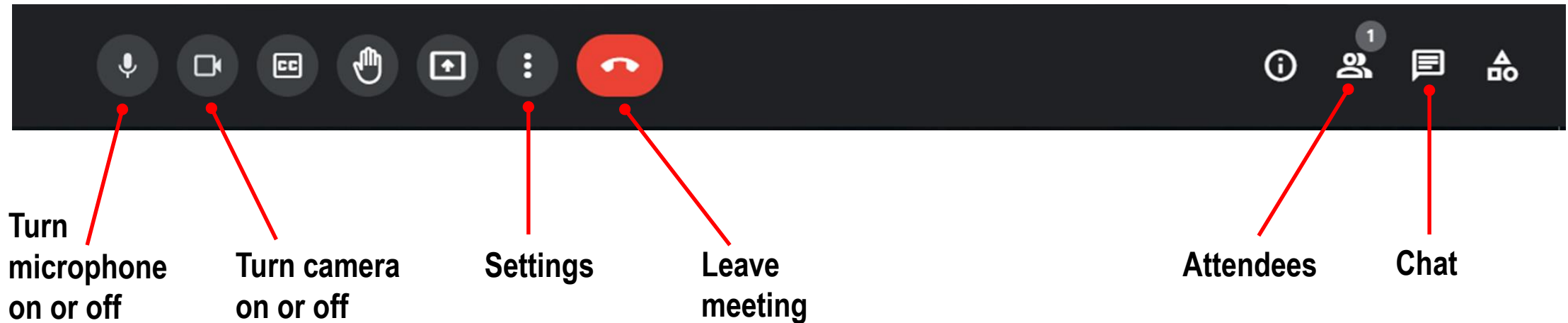

Virginia Enterprise Zone

How to Qualify Webinar
Job Creation Grant



WELCOME!

- Please mute yourself and turn off your camera
- This session is being recorded
- There will be time for questions using the Chat feature



DHCD's Mission Statement

DHCD is committed to creating safe, affordable and prosperous communities to live, work and do business in Virginia.



CRO Vision Statement



The **Community Revitalization Office** is committed to coaching communities in a way that is resourceful, collaborative, educational, inspirational, and practicable so that they are empowered to take actions that build local capacity.

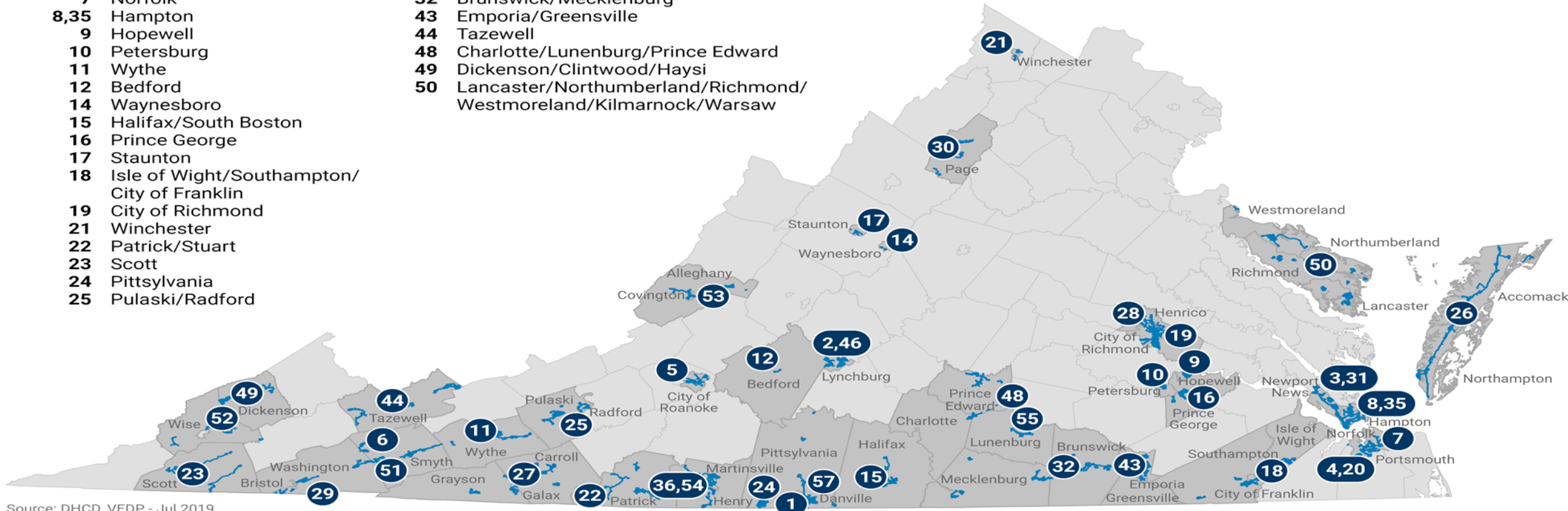
VIRGINIA'S ENTERPRISE ZONES

Enterprise Zones

- 1 Danville
- 2,46 Lynchburg
- 3,31 Newport News
- 4,20 Portsmouth
- 5 City of Roanoke
- 6 Saltville/Smyth
- 7 Norfolk
- 8,35 Hampton
- 9 Hopewell
- 10 Petersburg
- 11 Wythe
- 12 Bedford
- 14 Waynesboro
- 15 Halifax/South Boston
- 16 Prince George
- 17 Staunton
- 18 Isle of Wight/Southampton/
City of Franklin
- 19 City of Richmond
- 21 Winchester
- 22 Patrick/Stuart
- 23 Scott
- 24 Pittsylvania
- 25 Pulaski/Radford

- 26 Accomack/Northampton
- 27 Carroll/Galax/Grayson
- 28 City of Richmond/Henrico
- 29 Bristol
- 30 Page
- 36,54 Martinsville/Henry
- 32 Brunswick/Mecklenburg
- 43 Emporia/Greenville
- 44 Tazewell
- 48 Charlotte/Lunenburg/Prince Edward
- 49 Dickenson/Clintwood/Haysi
- 50 Lancaster/Northumberland/Richmond/
Westmoreland/Kilmarnock/Warsaw

- 51 Smyth/Washington/Chilhowie/Glade Spring
- 52 Wise
- 53 Alleghany/Covington/Clifton Forge
- 55 Lunenburg/Kenbridge/Victoria
- 57 Pittsylvania/Danville



Source: DHCD, VEDP - Jul 2019

GY2020 Snapshot

196 JCG & RPIG Grants Awarded

Job Creation Grant



42 Businesses



\$1,930,431 in
Total Awards



2,740 Jobs
Created / Retained

Real Property Investment Grant



154 Properties



\$12,569,569 in
Total Awards



\$347,809,651 in
Qualified Investments

Timeline

Funds appropriated by General Assembly (2021 Session)



Jobs Created in 2021



Final Placed-In-Service Documentation Received in 2021

April 1, 2022 Application Deadline



Submission

| **IMPORTANT** | Hard copies are no longer accepted.

| **DEADLINE** | All applications must be submitted via the Enterprise Zone Submission Portal by 11:59 PM (EST) April 1, 2022.

| **DEADLINE** | ALL forms and documentation must be submitted by the deadline to be considered on-time.

| **EZ SUBMISSION PORTAL** |

<https://dmz1.dhcd.virginia.gov/EZonePortal/Default.aspx>



Qualifying for JCGs

- The JCG is available to businesses that create high wage, full-time, permanent positions with health benefits that are net new jobs for Virginia.
- Ineligible businesses:
 - Units of Government, including local, state, or federal agencies
 - Nonprofits (except those classified under NAICS 813910 & 813920, which are business and professional organizations
 - (Nonprofits may qualify for the RPIG if the end use is commercial)



Qualifying for JCGs

- Available to any eligible businesses, new or existing, that are located in an EZ, who have created grant-eligible jobs over “Base Year” employment levels.
 - Base year is either of the two calendar years immediately preceding a firm’s first year of grant eligibility. For GY 2021, a business may use 2020 or 2019 as their base year.
 - New businesses will have a base year employment of zero.
- There is a 4-job threshold for qualification for JCG.
 - Therefore, businesses must create at least 5 jobs to qualify for a grant.
 - 4 PFTP = 48 months on the JCG Worksheet



Eligible Positions

➤ Eligible positions must be:

- Net New to Virginia
- Permanent & Full-Time
- Earning at least 175% of the Federal Minimum Wage (FMW)
- Offered health benefits

➤ Restricted Positions:

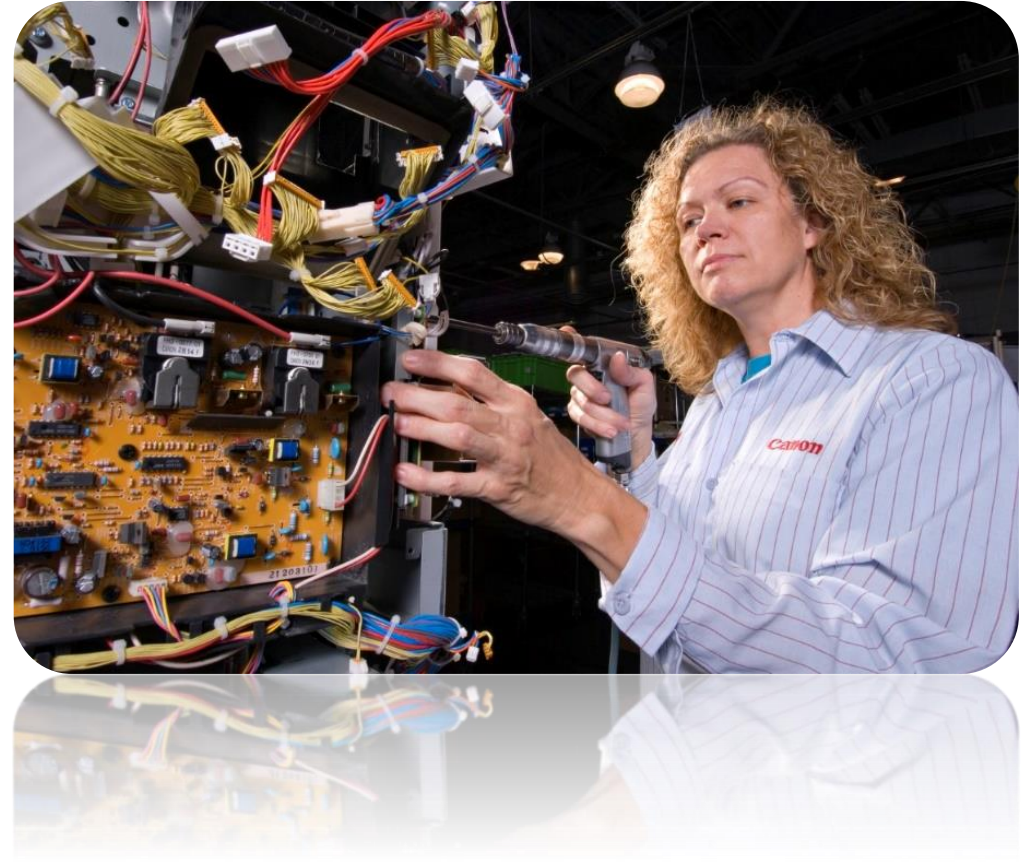
- x Personal Service (NAICS 812)
- x Food and Beverage
- x Retail



Eligible Positions

➤ Permanent, Full-Time Positions

- Jobs of **indefinite duration** at a business firm located in an EZ, requiring the employee to **report to work** within the zone on a regular basis (at least once a month).
- Position must be **normally scheduled** to work either:
 - A minimum of 35 hours/week for at least 48 weeks;
 - A minimum of 35 hours/week for portion of taxable year in which employee was hired; or
 - A minimum of 1,680 hours/year if standard fringe benefits are paid by business firm.



Application Process

- DHCD is now accepting JCG applications for [Grant Year 2021](#) from businesses that have increased employment over their Base Year, by more than the 4-job eligibility threshold during Calendar Year 2021 ([Jan. 1, 2021 – Dec. 31, 2021](#)).
- As provided in §59.1-547, A [CPA attestation](#) is a required component to ALL JCG applications [except](#):
 - *When the applicant has a Base Year employment ≤ 100 PFTP AND Grant Eligible positions ≤ 25 PFTP.*



Calculating Awards

- JCG awards are determined based on **wage-rates** and the number of **full-months worked** in the Grant Year.
- Up to **\$500/year** per net new permanent, full-time position earning at least **175% of the FMW (150% in HUAs)** with offered health benefits.
 - Up to **\$800/year** per net new permanent full-time position earning at least **200% of FMW** with health benefits.
 - Businesses can receive grants for up to **350 positions** per year.
- Federal Minimum Wage is currently **\$7.25/hour**.

Wage Rate Threshold	% of FMW	Grant Per PFTF	Eligible Businesses
\$10.88	150%	\$500	HUA Businesses
\$12.69	175%	\$500	All Businesses
\$14.50	200%	\$800	All Businesses

Calculating Awards | Example

- Base Year (2019) Employment Level: 10 Permanent Full-Time Employees (PFTes)

- Grant Year Employment Level: 20 PFTes
 - All positions are earning 175% of FMW (\$12.69/hr)
 - All worked January 1 – December 31, 2021
 - All 10 are offered health benefits, equal to at least 50% of premium

- Calculation: 20 Grant Year Employees
 - 10 Base Year Employees
 - 4 Jobs: Eligibility Threshold
 - = 6 Grant-Eligible PFTes
 - x \$500 grant = a JCG award of up to \$3,000

High Unemployment Areas

- Businesses located in HUAs are eligible to apply for the JCG at the reduced wage rate threshold of \$10.88/hour, or 150% of the Federal Minimum Wage.
- Any [existing business](#) that has [previously applied](#) for the JCG as an HUA applicant in one of these zones may continue to qualify at 150% of the FMW for the remainder of their 5-year grant period.
- Any [new businesses](#) applying for the JCG in these zones must pay at least 175% of the FMW to qualify.


Locality	Zone #
Brunswick County*	32B
Northumberland County*	50C
City of Danville*	1 & 57B
Dickenson County (Clintwood & Haysi)	49A
City of Emporia*	43B
City of Hopewell	9
Tazewell County	44
Northampton County*	26B
City of Petersburg	10
Wise County	52

Miss County	25
City of Petersburg	10
Northampton County	26B

Grant Term

- A business can apply for the JCG for a period of **5 years** as long as they maintain or increase employment over their base year employment, by at least 5 net new permanent full-time positions (**1 PFTF over the 4-job threshold**).
- Business firms who have finished their first 5-year grant period may qualify for a **Subsequent Grant Period** provided that they are still creating new jobs that are eligible to receive Job Creation Grants.
 - For a Subsequent Grant Period's initiated **within 2 years** of the previous 5-year term, the **Base Year must be the last Grant Year**.
 - For a Subsequent Grant Period's initiated **more than 2 years** after the previous 5-year term, the **Base Year must be 1 of the 2 preceding years**.

JCG Worksheet

- The worksheet should be filled out from left to right. 
- Do not skip columns.
- Do not disrupt/change formulas.
- Some cells are locked to protect formulas.
- Some cells are hidden.
- Cells will turn red to signal potential errors.



JCG Worksheet Example

*Please fill out the worksheet from left to right. Skipping columns may lead to incorrect calucations.

Employees Filling Permanent Full-Time Positions				Base Year			Current Grant Year				
Employee Number	Included in CPA Sample Y/N	Employee Name	Last 4 digits of SSN	First work date in base year	Last work date in base year	Months the EF-PFTP worked in Base Year	First work date in grant year	Last work date in grant year	Months the EF PFTP worked in Grant Year	Offered Health Benefits Y / N	Hourly wage Rate for Employees listed in ONLY Grant Year
1	Y	Patrick Henry	2222	01/01/19	03/13/19	2.37			0.00	Y	
2	Y	Patrick C. Henry	2222	01/01/19	12/31/19	12.00	01/01/21	12/31/21	12.00	Y	
3	Y	Thomas Jefferson	3333	01/01/19	12/31/19	12.00	01/01/21	12/31/21	12.00	Y	
4	Y	William Fleming	4444	06/13/19	12/31/19	6.64	01/01/21	12/31/21	12.00	Y	
5	Y	Thomas Nelson, Jr.	5555	01/01/19	12/31/19	12.00	01/01/21	12/31/21	12.00	Y	
6	Y	David Jameson	6666	09/14/19	12/31/19	3.58	01/01/21	12/31/21	12.00	Y	
7	Y	Benjamin Harrison V	7777	01/01/19	12/31/19	12.00	01/01/21	12/31/21	12.00	Y	
8	Y	Edmund Randolph	8888			0.00	01/01/21	12/31/21	12.00	Y	15.00
9	Y	Henry Lee III	9999			0.00	01/10/21	03/10/21	1.97	Y	13.00
10	Y	Henry Lee III	9999			0.00	03/11/21	12/31/21	9.73	Y	15.00
11	Y	James Monroe	1212			0.00	02/01/21	12/31/21	10.98	N	
12	Y	John Page	1313			0.00	01/01/21	12/31/21	12.00	Y	15.00
13	Y	John Tyler Sr.	1414			0.00	01/01/21	03/01/21	1.97	Y	15.00
14	Y	John Tyler Sr.	1414			0.00	05/01/21	12/31/21	8.05	Y	15.00
15	Y	George William Smith	1515			0.00	02/01/21	12/31/21	10.98	Y	15.00
16	Y	Peyton Randolph	1616			0.00	02/01/21	12/31/21	10.98	Y	9.00
17	Y	James Barbour	1717			0.00	02/01/21	12/31/21	10.98	Y	15.00
18						0.00			0.00		XX.XX

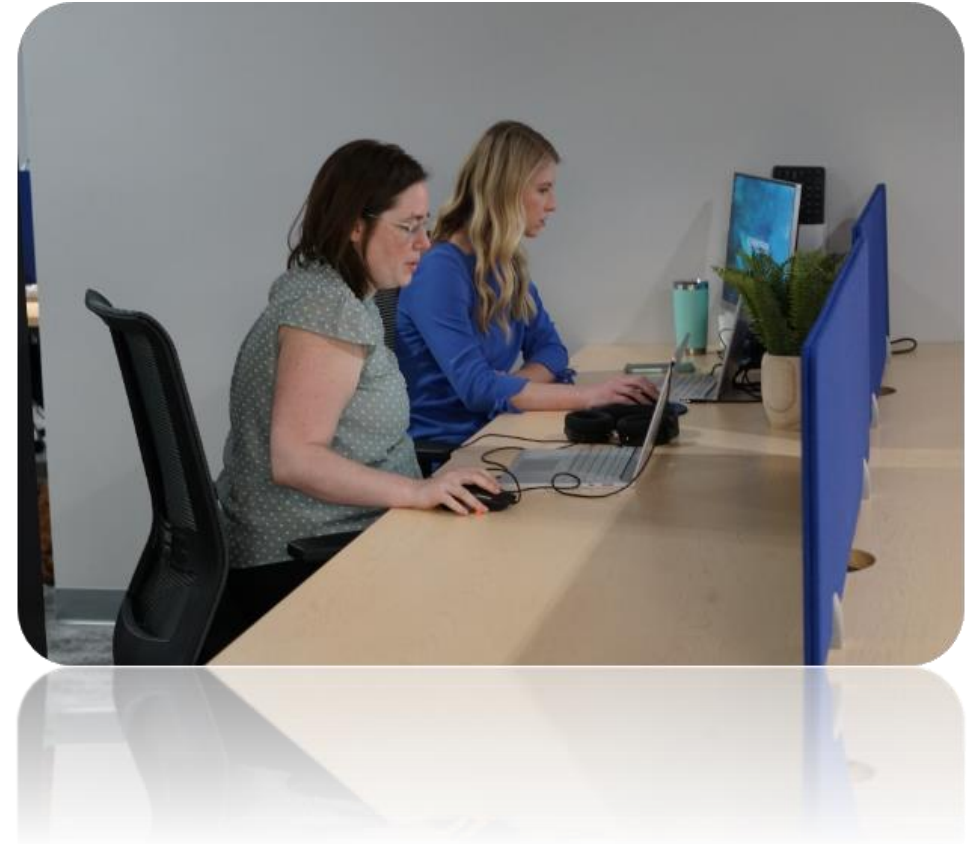
JCG Worksheet

- All JCG Applicants must complete a JCG/JCG-HUA Worksheet
 - JCG Worksheet: To be completed by non-HUA businesses for net new positions earning at least \$12.69/hour
 - JCG-HUA worksheet: To be completed by HUA businesses for net new positions earning at least \$10.88/hour

- The JCG Worksheet calculates grant-eligible positions filled during the grant year.
 - Automatically calculates qualification information to be used for the JCG application form, Form EZ-JCG.
 - If a position was not filled for the entire grant year, proration based on months employed is automatically calculated.
 - Based on the dates of employment, the worksheet will automatically distribute full months worked at each eligible wage rate requirement (150%, 175% or 200%) once wage data is entered.

JCG Worksheet

- All employees filling permanent full-time positions in the Base Year and Grant Year.
- Positions that should not be included are positions that:
 - Are not permanent (contracted or seasonal);
 - Are not full-time (part-time or as-needed);
 - Are not meeting the report to work requirement; &
 - Food and beverage, retail, and personal service Churned positions.
- Wage info only needs to be listed for Permanent, Full-Time Positions hired **after the Base Year, through 12/31/2021** that have been offered Health Benefits.
- An employee **given a raise** during the GY must be entered on separate lines for each wage rate.



Salary & Wages

- Divide an employee's annual salary by 1,820 hours
 - Include shift premiums and commissions.
 - Do not include bonuses or overtime.
- Calculations must be shown in the Attestation Report
 - Salary Conversion Example:
 - Annual Salary = \$32,000
 - Conversion Rate = 1,820 hours
 - $\$32,000 / 1,820 \text{ hours} = \$17.58/\text{hour}$
= Wage Rate



Printing Worksheets

Please note that while you are no longer required to submit the JCG Worksheet you are required to use it for completing the application and a hard copy must be kept on file with your other grant request documentation.

When printing the hard copy for your documentation records, please follow the instructions below.

Since the worksheet is equipped with formulas in place for 3,000 rows, the worksheet will print **ALL** the rows unless the print range is specified by the applicant.

Follow these instructions to ensure that only the completed portions of the worksheet are printed.

- ☐ Under the **View** tab on top toolbar, click on "Page Break Preview" to determine the total number of pages completed.
- ☐ When printing, specify the print range based on the number of pages completed by the applicant.
- ☐ The hard copy should only include the completed pages within the "JCG Worksheet" tab.
- ☐ The worksheet must be printed with a landscape layout on legal size paper.

Once the hard copy has been printed:

- ☐ The business firm representative must sign the first page and initial each page of the JCG Worksheet.



Required Materials

- Online: Form EZ-JCG must be submitted by 11:59 PM (EDT) on April 1, 2021.
 - Applications are not done through CAMS!
 - Form EZ-JCG
 - Applicant Declaration
 - LZA Review
 - Commonwealth of Virginia W-9
 - CPA Attestation Report (Should be submitted with application - not after deadline!) unless the firm is exempt from the attestation requirement.
 - JCG Worksheet for all Year 1 applications and those that are exempt from CPA attestation

All application materials are available on the EZ Online Submission Site:
<https://dmz1.dhcd.virginia.gov/EZonePortal/>

Required Materials



Enterprise Zone Application Submission System



[Home](#) | [RPIG](#) | [JCG](#) | [CPA Attestation Report](#) | [EZ Monitoring](#)

Department of Housing and Community Development

Welcome to the Enterprise Zone Online Submission System!

Internet Explorer Users may experience compatibility issues with this application portal. DHCD recommends using a browser of Google Chrome or Higher to submit the Application.

Electronic application submittal is **required** for all Enterprise Zone Grant Applications. ALL required materials must be submitted electronically through this system. Hard copies are not accepted. The Enterprise Zone program **will also** accept electronic signatures at this time.

Tips for using the Online Submission System:

- Applicants should prepare their application, have all supplemental materials available and receive the CPA Attestation Report prior to beginning the electronic application on this website.
- Upon submission of the electronic application, applicants will be prompted **to Print & Save** the submitted application. DHCD recommends that applicants "Print to PDF" in order to save the submitted application for later reference.
- A confirmation e-mail will be sent to applicants once they submit their applications online. This email will be sent from: noreply@dhcd.virginia.gov. Certified Public Accountants (CPAs) will be copied on all confirmations.
- Attachments can now be uploaded electronically (i.e. CPA Attestation Reports, Placed in Service Documentation, JCG Worksheets, and Supplemental RPIG Forms). Please upload these documents in PDF or Excel format.
- If you have made an error on an application that has already been submitted, please contact EZONE@dhcd.virginia.gov to correct the electronic application.

NOTICE

The Enterprise Zone Application Submission System will be accepting applications for Grant Year 2021 from **January 1, 2022, to April 1, 2022**. Real Property Investment Grant and Job Creation Grant applications should be submitted to DHCD electronically (hard copies are no longer accepted) along with a copy of the [Commonwealth of Virginia W-9 Form](#).

If you have any questions about the electronic submittal process, please contact EZONE@dhcd.virginia.gov or (804) 371-7171.

This site requires that all users have Acrobat Reader installed in order to print or view applications and instructions. Click [Here](#) to download Acrobat Reader for free.

Select the hyperlinks below to access applications and forms

General Information

RPIG - Real Property Investment Grant

JCG - Job Creation Grant

Job Creation Grant Application

[Form EZ-JCG \(downloadable; to be uploaded into this system for submission\)](#)

[Local Zone Administrator Contact Information](#)

[UPDATED DRAFT Job Creation Grant Instruction Manual](#)

[Job Creation Grant Worksheet](#)

[LZA Verification](#)

[Applicant Declaration](#)

[EZ Monitoring \(online\)](#)

HUA JCG- High Unemployment Area Job Creation Grant

CPA Attestation Report (RPIG and JCG)

[Home](#) | [RPIG](#) | [JCG](#) | [CPA Attestation Report](#) | [EZ Monitoring](#)

Copyright Department of Housing and Community Development



Form EZ-JCG/Form EZ-JCG-HUA

➤ Organized into four parts:

- Part I | Background Information
- Part II | Qualification Information
- Part III | Contact Information
- Part IV | Declaration



Part I | Background Info

1. Business Firm Legal Name []		2. Trading Name, if Different than Legal Name []		3. Date Bus. began Operation in Zone []/[]/[]	
4. Federal Employment ID # (FEIN) [][][][][][][][][][]				5. Activity # (First three digits of the NAICS. See Instruction Manual.) []	
6. Physical Address of Zone Establishment []				Town/County/City []	
7. Type of Application <input checked="" type="checkbox"/> Standard <input type="checkbox"/> High Unemployment Area (HUA)		8. Type of Job Creation Made by the Applicant <input type="checkbox"/> Expansion of an existing firm <input type="checkbox"/> New firm (Start Up) <input type="checkbox"/> Relocation of a firm from outside Virginia <input type="checkbox"/> Relocation and expansion of a firm within Virginia City/County Relocated from within Virginia: [] <i>Note: Firms are not eligible to apply for the JCG if simultaneously closing a facility in Virginia</i>			
9. Federal Employment ID# (FEIN) of Parent Company [][][][][][][][][][]				10. If the Firm is a Subsidiary, Name of the Parent Company []	
11. Zone Name []		12. Zone # []	13. Zone Designation Date []/[]/[]		14. Name of Local Zone Administrator []
15. Signature of Local Zone Administrator verifying that physical address listed on EZ-JCG Part I item 6 is in the enterprise zone identified in item 11 above and if marked as an HUA application, is eligible to be processed as such. Date []					

Part II | Qualification Info

PART II: QUALIFICATION INFORMATION

In order to calculate the number of grant eligible employees and determine the applicable grant amount, please complete the **JCG Worksheet** prior to completing this section. Values from the **JCG Worksheet** should be used to complete #4 and #5 below. This is NOT the correct form for HUA localities.

1. Grant is requested for appropriate Calendar Year (YYYY). 2. Check Qualification Year. ☐ YR 1 ☐ YR 2 ☐ YR 3 ☐ YR 4 ☐ YR 5
3. Base Year used by the business firm (YYYY). The base year remains the same for the five years of qualification.
4. Grant Eligible Positions (Net new positions over four job threshold; Note: PFTPs = Permanent full-time positions.)
All documented jobs must exclude part-time and temporary positions, as well as positions in retail, food and beverage, and [personal services](#).

A. # of all equivalent PFTPs filled by the firm during the BASE year. (Sheet 2 of JCG Worksheet, Cell B3). ▪ If applying for Years 2-5, this cell should be the same as submitted on the Year 1 application.	A. <input type="text"/>
B. # of all equivalent PFTPs filled by the firm during the GRANT year. (Sheet 2 of JCG Worksheet, Cell B4).	B. <input type="text"/>
C. Increase in the # of equivalent PFTPs created over the base year. Subtract Box A from Box B.	C. <input type="text"/>
D. Net new jobs created over four net new job threshold. Subtract 4 from Box C. ▪ If Box C is equal to or less than 4, the firm will not qualify for the JCG.	D. <input type="text"/>

5. Grant Eligible Employees with Qualifying Wage Rates and Health Benefits

E. New eligible PFTPs filled in the Grant Year, earning at least 200% of the Federal Minimum Wage w/ health care benefits. (Sheet 2 of JCG Worksheet, Cell B5)	E. <input type="text"/>
F. New eligible PFTPs filled in Grant Year earning at least 175% of the Federal Minimum Wage w/ health care benefits. (Sheet 2 of JCG Worksheet, Cell B6)	F. <input type="text"/>
G. Number of new grant year PFTPs meeting wage and health benefits requirements. (Sum of Boxes E and F)	G. <input type="text"/>

6. Grant Requests

A. Requested JCG award for PFTPs earning at least 200% of the Federal Minimum Wage w/ health care benefits ▪ Using procedures from page 1, multiply appropriate number by \$800	A. \$ <input type="text"/>
B. Requested JCG award for PFTP earning at least 150% of federal minimum wage (but less than 200% of the Federal minimum wage) w/ health care benefits. ▪ Using procedures from page 1, multiply appropriate number by \$500	B. \$ <input type="text"/>
C. Total amount of job creation grants requested. ▪ Add lines A and B.	C. \$ <input type="text"/>

CPA Attestation

- Attestation requirement is waived if a firm has a base year employment of 100 or fewer positions AND creates 25 or fewer grant eligible positions (§ 59.1-547)
- Waiver eligibility must be determined each year.
- Firm must still complete the required JCG Worksheet and submit to DHCD for review.
- DHCD staff will monitor each firm who was able to waive the attestation requirement annually using the procedures outlined in the CPA Attestation Manual.



Q

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A



DHCD Economic Development & Community Vitality (EDCV)

[Sara J. Dunnigan](#), Deputy Director

[Rebecca Rowe](#), Associate Director

[Christina Cain](#), Program Manager

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(804) 371-7171

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Community Business Launch, [Jessica Hartness](#)

GO Virginia

- [Tory McGowan](#)
- [Billy Gammel](#)
- [Andrea Devening](#)

Industrial Revitalization Fund, [Annie Arnest](#)

Rural Community Development Initiative, [Katherine Miller](#)

Virginia Enterprise Zone, [Kate Pickett](#)

Virginia Individual Development Accounts, [Sabrina Blackett](#)

Virginia Main Street

- [Kyle Meyer](#) (North / East)
- [Courtney Mailey](#) (Southwest / Shenandoah)
- [Zachary Whitlow](#) (South / Central)