



New Financial Incentives for Economic Development

Elizabeth Hagg, Community Revitalization Section Director
Department of Planning and Development

G-7

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The Case for Economic Incentive Program (EIP)

- **Targets areas with:**
 - Limited development activity relative to Comp Plan potential
 - Declining competitiveness
 - Outdated land development and architectural designs
- **Initiatives already in place:**
 - Updated Comprehensive Plans
 - Regulatory incentives
- **Need for financial incentive**



How the Economic Incentive Program came to be

- 2017 VA enabling legislation to create local economic revitalization zones
- Adds a new tool to the toolbox
- Other revitalization efforts have yielded mixed or as yet unproven results
- On September 15, 2020, the Board adopted an ordinance to establish EIP



Financial Incentives Could Turn the Tide



EIP Financial Incentives

1. Reduction of Site Plan Fees by 10%



2. Partial Real Estate Tax Abatement

equal to increment between the Base Value (pre-development) and the Fair Market Value (post-development)

- The abatement would be applied beginning January 1st of the next tax year following the abatement trigger

Tax Abatement Could be a Game Changer

Pre-Development Value
of \$5M

Post Development Value
of \$120M

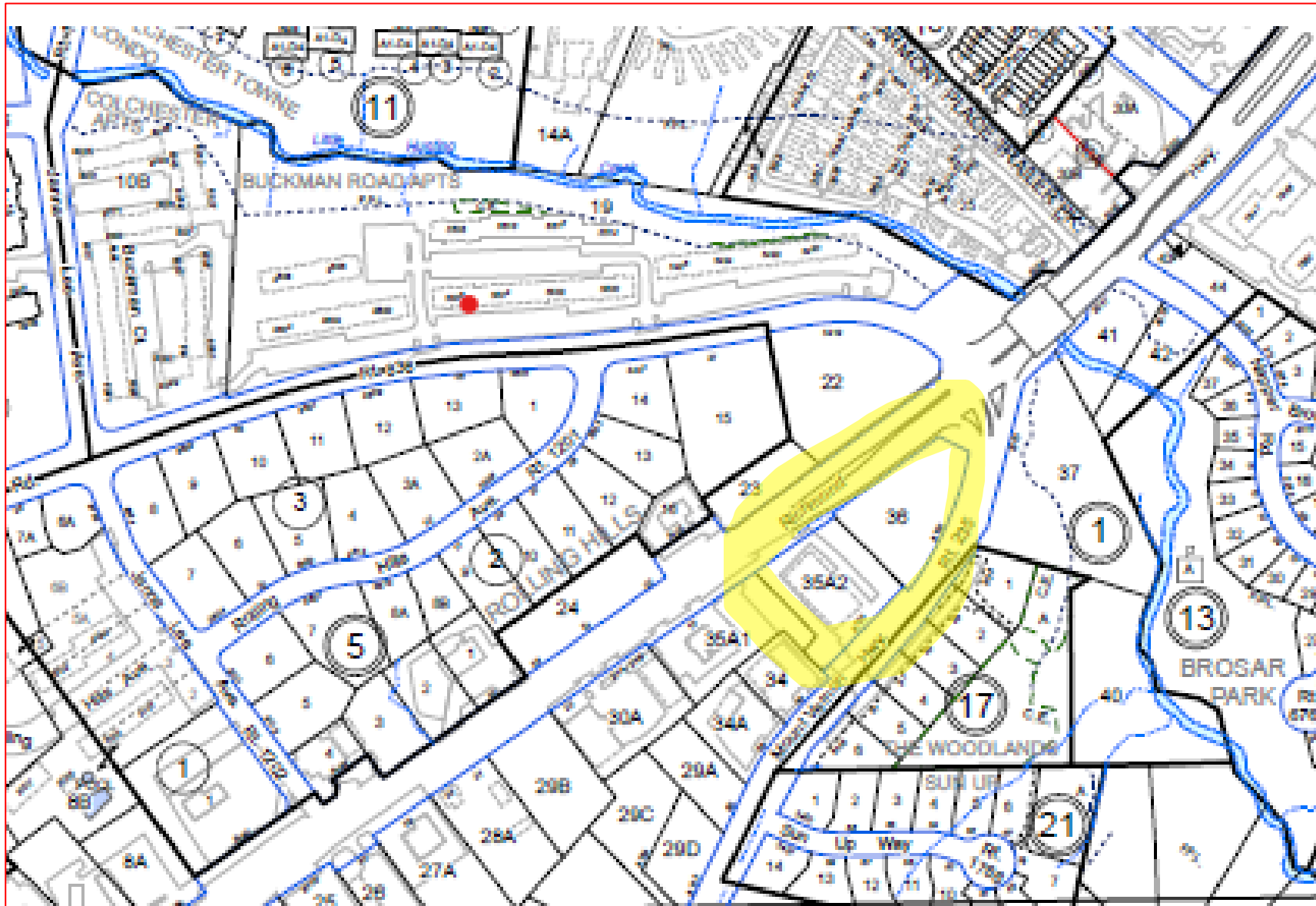
**Ten-Year Abatement
on \$115M Increment
yields
= \$13,225,000 ***

- Note: Assumes current tax rate of \$1.15 per \$100 of assessed value.

Eligibility Requirements – LAND USE



Eligibility Requirements – SIZE



Eligibility Requirements – DEVELOPMENT

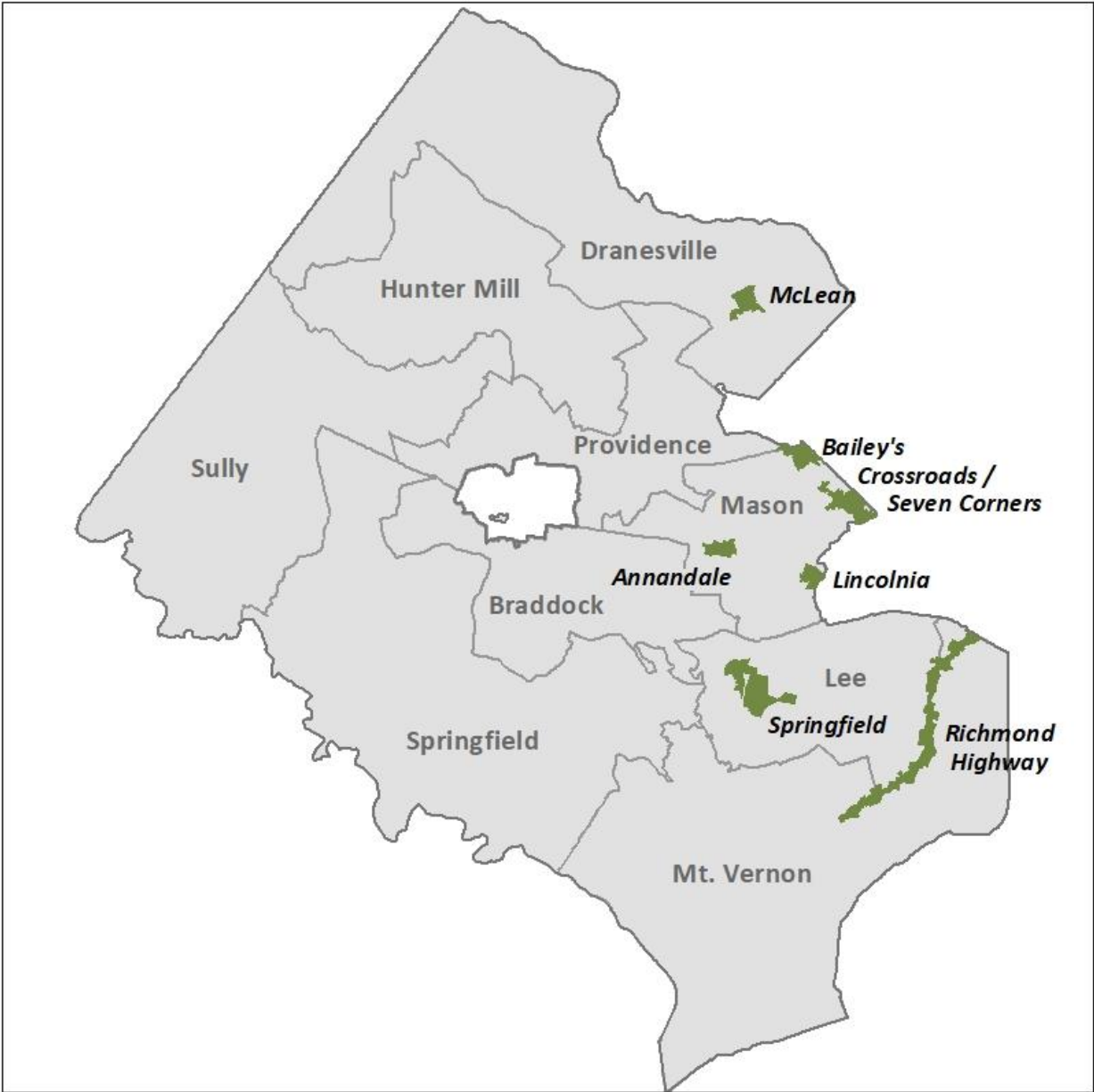


REDEVELOPMENT

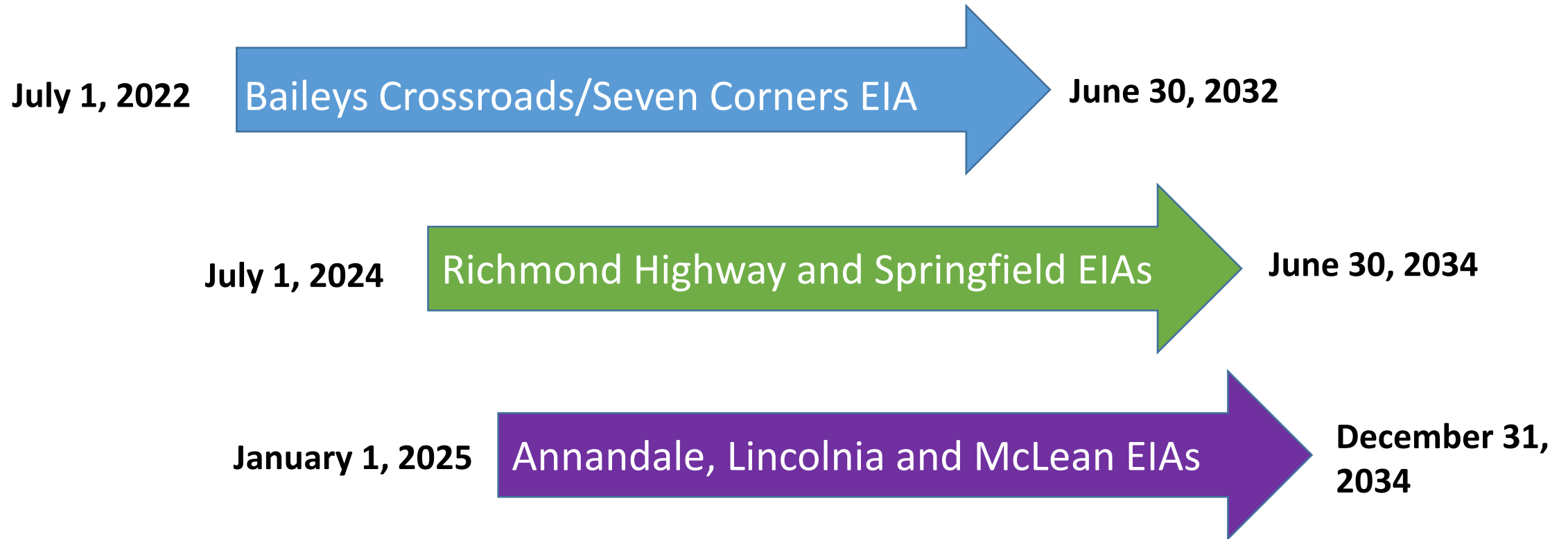


REPURPOSING

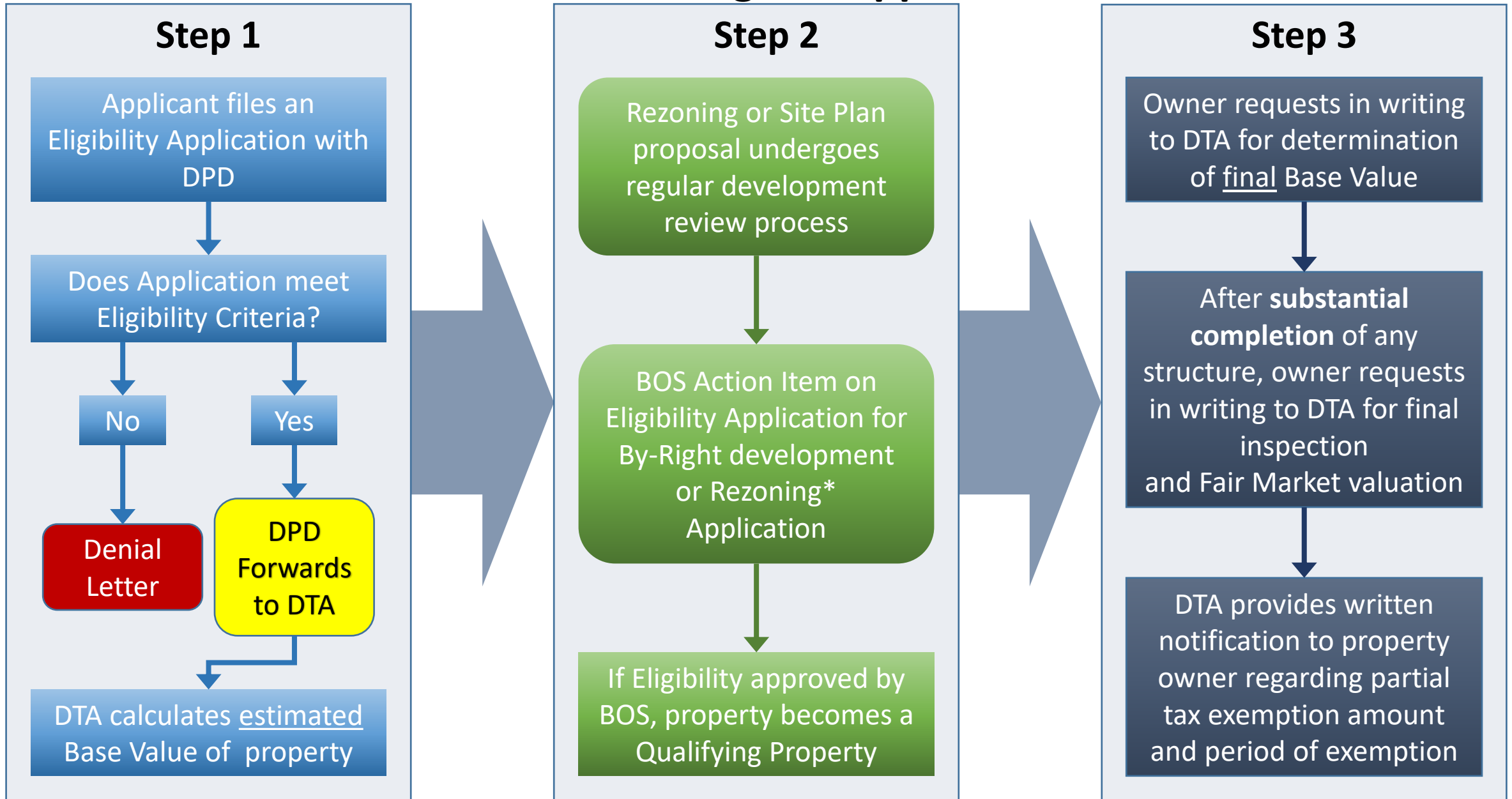
Eligibility Requirements – LOCATION



Economic Incentive Areas (EIAs) - Timing

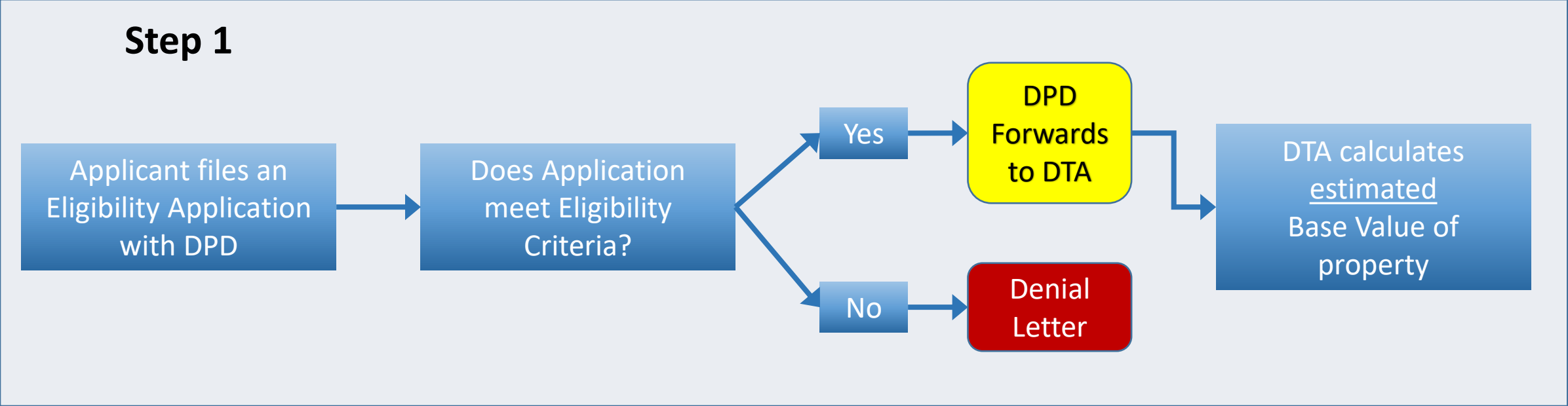


Economic Incentive Program Application Process



* Economic Incentive Program applications can proceed concurrently with a rezoning application to the BOS.

Economic Incentive Program Application Process



Economic Incentive Program Application Process

Step 2

Rezoning or Site Plan proposal undergoes regular development review process

BOS Action Item on Eligibility Application for By-Right development or Rezoning* Application

If Eligibility approved by BOS, property becomes a Qualifying Property

* Economic Incentive Program applications can proceed concurrently with a rezoning application to the BOS.

Economic Incentive Program Application Process

Step 3

Owner requests in writing to DTA for determination of final Base Value

After **substantial completion** of any structure, owner requests in writing to DTA for final inspection and Fair Market valuation

DTA provides written notification to property owner regarding partial tax exemption amount and period of exemption

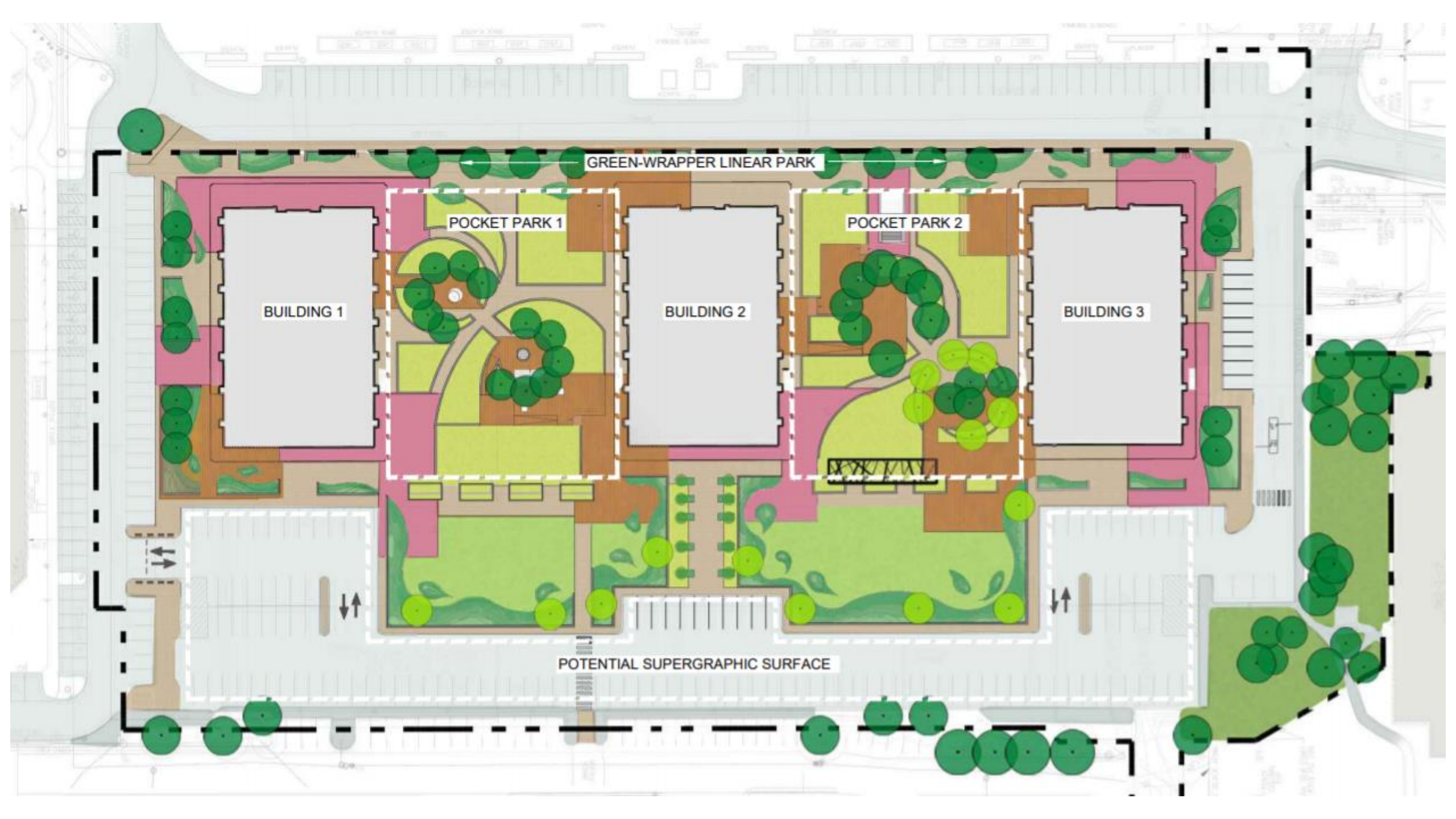
First Application In - Skyline



Figure 1: Aerial Image of the Subject Property with the larger Skyline Development



Image of three office buildings today



GREEN-WRAPPER LINEAR PARK

BUILDING 1

POCKET PARK 1

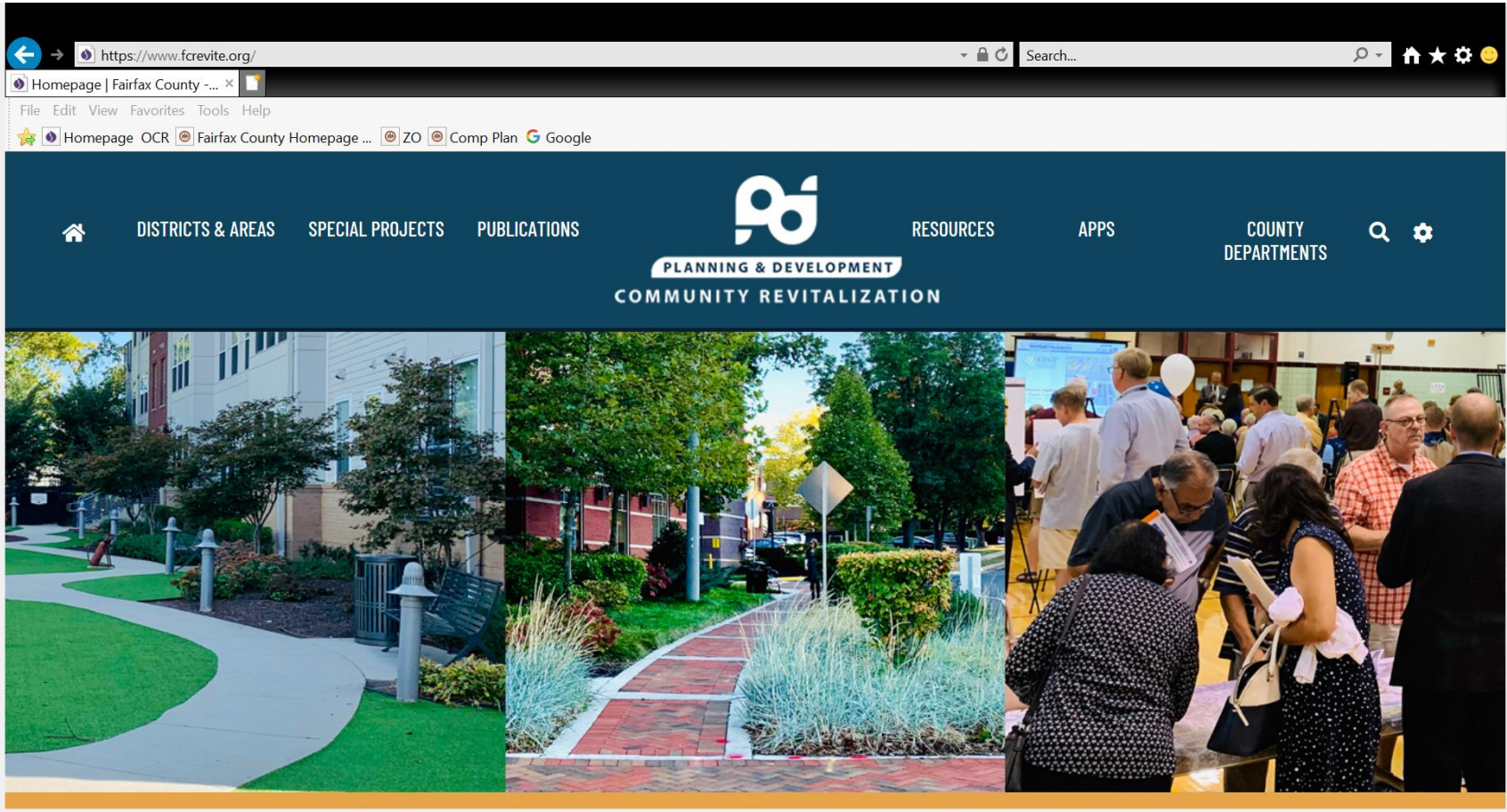
BUILDING 2

POCKET PARK 2

BUILDING 3

POTENTIAL SUPERGRAPHIC SURFACE

Revitalization Website Provides One-Stop Shop



www.fcrevite.org/economic-incentive-program

Start Spreading the News

Help promote the program with your professional contacts

Spread the word via social media

Request a presentation to your group or organization

Refer potential applicants our way

