

## ACCIDENTAL POTENTIAL ZONE 1 (APZ-1) PARTIAL REAL ESTATE TAX EXEMPTION FOR CERTAIN REHABILITATED, RENOVATED, OR REPLACEMENT COMMERCIAL OR INDUSTRIAL STRUCTURES

Application # \_\_\_\_\_

Please complete and sign the application form and return it along with supporting documentation to the following address:

City of Virginia Beach  
Department of Economic Development  
4525 Main Street, Suite 700  
Virginia Beach, Virginia 23462

If you have any questions regarding the incentive program, contact us at (757) 385-6464.

<b>1. DATE OF APPLICATION</b>		<b>2. NAME OF PROPERTY OWNER</b>	
<b>3. MAILING ADDRESS</b> <i>(Street, Apt. No., City, State and ZIP Code)</i>		<b>4. TELEPHONE NUMBER</b> <i>(Include Area Code)</i> HOME (    ) WORK (    ) CELL (    )	
<b>5. GPIN OF PROPERTY</b>			
<b>6. LEGAL DESCRIPTION OF PROPERTY</b>			
<b>7. ADDRESS OF PROPERTY</b> <i>(Street, Apt. No., City, State and ZIP Code; if different from mailing address)</i>		<b>8. AGE OF STRUCTURE</b>	
<b>9. REHABILITATION EXEMPTION DISTRICT</b>			
<b>10. ARE MULTIPLE PROPERTIES INVOLVED IN PROJECT?</b> <i>(✓ one)</i> YES <input type="checkbox"/> NO <input type="checkbox"/>		<b>10a. IF YES, LIST PROPERTIES BELOW</b>	
<b>10b. ADDRESS OF PROPERTY</b> <i>(Street, Apt. No., City, State and ZIP Code)</i>			
<b>10c. GPIN OF PROPERTY (VISIT VBGOV.COM/REALESTATE)</b>			
<b>11. DESCRIPTION OF REHABILITATION/REPLACEMENT WORK TO BE DONE</b>			
<b>12. ESTIMATED PROJECT COSTS</b>		<b>13. ESTIMATED INCREASE IN PROPERTY VALUE</b>	
Oath: I, the undersigned, do swear (or affirm) that the aforementioned figures and statements are true, full and correct to the best of my knowledge and belief.			
<b>SIGNATURE OF APPLICANT:</b>			<b>DATE:</b>

**SEC. 35-72.****PARTIAL EXEMPTION FROM TAXATION FOR CERTAIN REHABILITATED, RENOVATED OR REPLACEMENT STRUCTURES.****(A) EXEMPTION AUTHORIZED AMOUNT.**

Partial exemption from real estate taxes is hereby authorized for qualifying property rehabilitated in accordance with the criteria set out in Article X, Section 6, Paragraph (h) of the Constitution of Virginia and §§ 58.1-3220.1 and 58.1-3221 of the Code of Virginia of 1950, and this division. The partial exemption shall be an amount equal to the increase in assessed value resulting from rehabilitation of an eligible commercial or industrial structure as determined by the assessor.

**(B) PROCEDURE TO OBTAIN EXEMPTION.**

- (1) The application shall be on a form created and supplied by the assessor. Applications must be filed with the assessor prior to the commencement of any rehabilitation for which an exemption is sought. No structure shall be eligible for exemption unless the appropriate building permits have been obtained.
- (2) Upon receipt of an application for partial tax exemption, the assessor shall determine the base value of the existing structure.
- (3) The application to qualify for tax exemption shall be effective until June 30 of the second calendar year following the year in which application is submitted. Except for properties located in the APZ-1 Property Tax Exemption District, if by such expiration date rehabilitation has not progressed to such a point that the assessed value of the structure is at least forty (40) percent greater than the base value of such structure to retain such eligibility, a new application to qualify for tax exemption must be filed and a new base value established. For properties located in the APZ-1 Property Tax Exemption District, if by such expiration date rehabilitation has not progressed to such a point that the assessed value of the structure is at least twenty (20) percent greater than the base value of such structure to retain such eligibility, a new application to qualify for tax exemption must be filed and a new base value established.
- (4) The initial application to qualify for the rehabilitated structure tax exemption, and any subsequent application, must be accompanied by a payment of a fee of one hundred dollars (\$100.00), which shall be applied to offset the cost of processing the application, making required assessments, and inspecting the progress of the work.
- (5) During the period between the receipt of the application and the time the assessor ascertains that the structure has increased so that it qualifies for the exemption authorized by this article, the property shall be subject to taxation upon the full value of the existing improvements to the property.
- (6) Any tax exemption shall become effective on the date of the next deadline for payment of real estate taxes following completion of the rehabilitation, renovation or replacement.

**(C) VACANT LAND.**

Improvements on vacant land are not eligible.

**(D) CREDIT ON TAX BILL.**

The owner or owners of property qualifying for partial exemption of real estate taxes under this division shall be credited on the tax bill for the property in the amount of the difference between the taxes computed upon the base value and the initial rehabilitated assessed value of the property for each year of the partial exemption from real estate taxes. The amount of this credit shall not increase, even if the assessed value later increases.

**(E) DECREASE IN ASSESSMENT.**

If a qualifying property's assessed value decreases after the first year of any rehabilitation, the amount of the exemption shall be reduced to the difference between taxes computed on the base value and the decreased assessed value of the property.

**(F) EXEMPTION TO RUN WITH LAND.**

The exemption from taxation authorized by this division shall run with the land.

(Ord. No. 2786, 9-23-03; Ord. No. 2932, 3-28-06)

**SEC. 35-72.1****SAME; ACCIDENT POTENTIAL ZONE 1 (APZ-1).****(A) DISTRICT ESTABLISHED.**

The Accident Potential Zone 1 (APZ-1) Property Tax Exemption District (the "District") is hereby established.

**(B) PURPOSE.**

The purpose of the District shall be to encourage the redevelopment and revitalization of real property in APZ-1 by converting nonconforming uses, as determined pursuant to Section 1804 of the City Zoning Ordinance, to conforming uses.

**(C) DISTRICT BOUNDARIES.**

The District shall consist of all areas within APZ-1, as shown on the official zoning map of the City.

**(D) ELIGIBILITY CRITERIA; DURATION OF EXEMPTION.**

Property qualifying for an exemption pursuant to this section shall meet the following criteria:

- (1) The assessed value after the rehabilitation, renovation, or replacement of the structure shall be at least twenty (20) percent greater than the base assessed value; and
- (2) The property shall undergo rehabilitation, renovation, or replacement for commercial or industrial use; and
- (3) The plan shall be consistent with the City's comprehensive plan and zoning ordinances; and
- (4) The rehabilitation, renovation, or replacement shall result in the conversion of a nonconforming use to a conforming use; and
- (5) Any partial exemption of property in the District shall be subject to and comply with the provisions of Virginia Code Sections 58.1-3220.1 and 58.1-3221 and City Code Sections 35-70 through 35-74, as applicable.

**(E) DURATION OF EXEMPTION.**

Any partial exemption of property in the District shall run with the real estate for a period of fifteen (15) years from the date of the completion of the rehabilitation, renovation, or replacement.

(Ord. No. 2932, 3-28-06)