



Local, State, and Federal Incentive Programs

Overview of Funding Programs



- **Local Funding Opportunities**
- **Commonwealth Funding Opportunities**
- **Federal Funding Opportunities**

**Please note that each program has a set of eligibility requirements. It is strongly encouraged that you reach out to each of the identified program administrators to get more details on the requirements, eligibility and funding availability to determine which program is the best fit.*

City of Virginia Beach

Local Incentive Program Offerings



For those businesses that conform to APZ-1 uses, the City of Virginia Beach can offer the following incentives to facilitate a move or expansion in this area of the City.

WAIVER OF CONDITIONAL USE PERMIT:

- New compatible uses may be located within APZ-1 without a conditional use permit even if the use would otherwise require a use permit under applicable provisions of the City Zoning Ordinance.

BUSINESS OPPORTUNITY ZONE - REBATES BPOL TAXES AND FEES:

- The ordinance created a Business Opportunity zone that provides a 90% rebate of the Business License tax (BPOL) for a period of 15 years for any compatible use in APZ-1; and
- Reimbursement of fees for building permits, site plan applications, water and sewer connections, and sub-division permit.

PARTIAL PROPERTY TAX EXEMPTION:

- The ordinance provides a partial real estate tax abatement for the qualifying properties that are rehabilitated or renovated, including the replacement of program-conforming properties or commercial or industrial improvements resulting in the conversion of a nonconforming use to a conforming use in APZ-1.³

City of Virginia Beach

Local Incentive Program Offerings



Virginia Beach Economic Development Investment Program (EDIP):
A locally funded and administered discretionary incentive program available to qualifying existing or newly locating companies. Not every company will be eligible to receive a grant. Among other things, eligibility is determined on whether a company is part of one of the City's target industry sectors, average annual salaries, as well as capital investment and job creation over a 36-month period.

Additionally, certain areas of the City have received "APZ-1" designation because of their proximity to NAS Oceana. Eligibility is based on a company's compatibility with applicable Navy and local ordinances and is geared toward attracting industrial users. If a project is deemed a compatible use, it may qualify for expanded incentives.

[City of Virginia Beach Business Incentives](#)

Commonwealth of Virginia Incentive Program Offerings



The Commonwealth of Virginia also offers a number of incentives to assist business growth and encourage startups. These include:

- Financial Assistance
- Facilities Development Grants
- Tax Credits and Exemptions

Commonwealth of Virginia Incentive Program Offerings



Commonwealth's Opportunity Fund (COF)

A discretionary financial incentive established to support projects that create new jobs and investment in accordance with certain criteria established by state legislation. Grants are made to the community and may be used for such things as site acquisition and development; transportation access; public or private utility extension or capacity development; construction or build-out of publicly or privately owned buildings or training.

Grant requests are made by the community for a project under the following conditions:

- Projects must meet investment, job creation, and wage minimums to be eligible;
- Matching local financial participation is required on a dollar-for-dollar basis (cash or in-kind);
- Public announcement of the project must be coordinated by the Virginia Economic Development Partnership and the Governor's Office (neither the company nor the locality may publicly confirm the proposed project); and
- Grants are made at the discretion of the Governor

Once a company decides on a Virginia location, the community works with the state within the guidelines of the program to seek a COF award. The application and success of the grant request will be based on the project's eligibility and the locality's financial support toward the project, as well as the actual project requirements and availability of funds. The community is required to enter into a performance agreement with the company before receipt of the grant to document performance expectations.

Commonwealth of Virginia Incentive Program Offerings



Virginia Military Community Infrastructure Grant Program and Fund – NEW!

Effective 01 July 2022

Supports military communities in the Commonwealth by awarding grants to aid in the planning and design, construction, or completion of infrastructure projects that enhance military readiness, installation resiliency, or quality of life for military communities.

The Secretary is currently working on developing guidance and criteria to be used in awarding grants under the Program and establishing an annual grant application process.

More details to follow

<https://lis.virginia.gov/cgi-bin/legp604.exe?221+ful+HB354+pdf&221+ful+HB354+pdf>

Commonwealth of Virginia Incentive Program Offerings



Virginia Jobs Investment Program (VJIP)

An incentive program offering customized recruiting and training assistance to companies that are creating new jobs or experiencing technological change. The program is designed to reduce human resource development cost by providing direct funding to qualifying new and expanding companies.

Virginia Investment Partnership (VIP) Act/Major Eligible Employer (MEE) Grant

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 (VEDIG)

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.

Commonwealth of Virginia Incentive Program Offerings



Virginia Economic Development Partnership

The Virginia Economic Development Partnership (VEDP) was created by the Virginia General Assembly in 1995 to encourage, stimulate, and support development and expansion of the Commonwealth's economy. These incentive programs will help reduce the costs of opening or expanding a business facility.

<https://www.vedp.org/incentives>

Green Job Creation Tax Credit

This tax credit for "green" companies awards an annual tax credit of \$500 for each salary that is \$50,000 or more for up to 350 jobs. The credit is allowed in the first taxable year after the job has been filled for at least one year and in each of the four succeeding years. Green jobs are related to the field of renewable, alternative energies.

Commonwealth of Virginia Incentive Program Offerings



Infrastructure Assistance

The Virginia Department of Transportation (VDOT) and the Virginia Department of Rail and Public Transportation (DRPT) offer several programs to assist localities in providing adequate infrastructure access for industrial and commercial projects. These programs are designed to assist Virginia localities in attracting companies that will create jobs and generate tax revenues within the locality.

Transportation Partnership Opportunity Fund (TPOF) assistance is awarded at the discretion of the Governor in the form of grants, revolving loans, or other financial assistance to an agency or local government of the Commonwealth for activities associated with eligible transportation projects. The financial assistance may be used for transportation capacity development, on- and off-site; road, rail, mass transit, or other transportation access costs beyond the funding capability of existing programs; studies of transportation projects, including but not limited to, environmental analysis, geotechnical assessment, survey, design and engineering, advance right-of-way acquisition, traffic analysis, toll sensitivity studies, financial analysis, or any else permitted by law. Funds may be used for any transportation project or any transportation facility within the Commonwealth of Virginia.

Federal Funding Incentives



Office of Local Defense Community Cooperation

The Office of Local Defense Community Cooperation's programs of assistance are designed to specifically address the challenges of communities in supporting the defense mission. Some of the programs supported by OLDCC cannot be located on military installation-owned or leased property.

Infrastructure Bill Incentives

The Bipartisan Infrastructure Law (Infrastructure Investment and Jobs Act) is an investment in the nation's infrastructure and currently offers a suite of financial programs designed to address the nation's infrastructure challenges.

Federal Funding Incentives

Office of Local Defense Community Cooperation



DEFENSE MANUFACTURING COMMUNITY SUPPORT PROGRAM (DMCSP)

Designed to support long-term community investments that strengthen national security innovation and expand the capabilities of the defense manufacturing industrial ecosystem.

The Defense Manufacturing Community Support Program (DMCSP) is authorized under Section 846 of Public Law 115-232. The program was developed in collaboration with the Office of the Deputy Assistant Secretary of Defense for Industrial Policy and the Office of the Under Secretary of Defense for Research and Engineering.

<https://oldcc.gov/defense-manufacturing-community-support-program>

Federal Funding Incentives

Office of Local Defense Community Cooperation



INDUSTRY RESILIENCE

Assists communities as they respond to defense changes, specifically a cancelled contract or the failure to proceed with a previously approved weapons system. As a part of this program, state and local partners can help defense manufacturers develop and manufacture new product offerings, capture new investments, and develop new technologies.

The Industry Resilience program helps communities strengthen the economic and cyber resiliency of local defense industry supply chains. In today's globalized marketplace, the defense industrial base is a core national security asset. Five common strategy areas are:

- Entrepreneurship and Small Business Development
- Export Promotion
- Industry Cluster Development
- Manufacturing and Supply Chain Resilience
- Enhancing Workforce Development

<https://oldcc.gov/our-programs/industry-resilience>

Federal Funding Incentives Infrastructure Bill Incentives



Rebuilding American Infrastructure Sustainably and Equitably (RAISE) Grants

This existing competitive grant program at the Department of Transportation provides \$7.5 billion with an additional \$7.5 billion subject to Congressional approval in funding for road, rail, transit, and other surface transportation of local and/or regional significance. Selection criteria safety, sustainability, equity, economic competitiveness, mobility, and community connectivity.

Projects are evaluated on statutory criteria of safety, environmental sustainability, quality of life, economic competitiveness and opportunity, state of good repair, partnership and innovation.

<https://www.transportation.gov/RAISEgrants>

Federal Funding Incentives Infrastructure Bill Incentives



National Infrastructure Project Assistance

This \$5 billion competitive grant program supports multi-modal, multi-jurisdictional projects of regional or national significance. Communities are eligible to apply for funding to complete critical large projects that would otherwise be unachievable without assistance.

Eligible Applicants:

State or a group of States; a metropolitan planning organization; a unit of local government; a political subdivision of a State; a special purpose district or public authority with a transportation function, including a port authority; a Tribal government or a consortium of Tribal governments; a partnership between Amtrak and 1 or more entities described in subparagraphs (A) through (F); and; a group of entities described in any of subparagraphs (A) through (G).

Eligible Uses: Projects eligible under the Megaprojects program include — a highway or bridge project carried out on the National Highway System, United States Code

<https://www.transportation.gov/bipartisan-infrastructure-law>

Federal Funding Incentives Infrastructure Bill Incentives



Infrastructure for Rebuilding America (INFRA) Grants

This Department of Transportation program supports highway and rail projects of regional and economic significance to improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas.

Eligible Applicants:

State or a group of States; a metropolitan planning organization; a unit of local government; a political subdivision of a State; a special purpose district or public authority with a transportation function, including a port authority; a Tribal government or a consortium of Tribal governments; a partnership between Amtrak and 1 or more entities described in subparagraphs (A) through (F); and; a group of entities described in any of subparagraphs (A) through (G).

Eligible Uses: Projects that improve safety, generate economic benefits, reduce congestion, enhance resiliency, and hold the greatest promise to eliminate freight bottlenecks and improve critical freight movements.

<https://www.transportation.gov/grants/infra-grants-program>

Federal Funding Incentives Water Infrastructure Incentives



Water Infrastructure Investments

The Bipartisan Infrastructure Law provides more than \$50 billion to the **Environmental Protection Agency** to improve the nation's drinking water, wastewater, and stormwater infrastructure to overcome the lack in underinvested of the nation's current water infrastructure system.

\$20+ billion for safe drinking water

\$15 billion in dedicated funding to replace lead pipes

\$12+ billion to ensure clean water for communities

\$1.8 billion to protect regional waters

\$135 million for additional water improvements

<https://www.epa.gov/green-infrastructure/green-infrastructure-funding-opportunities>