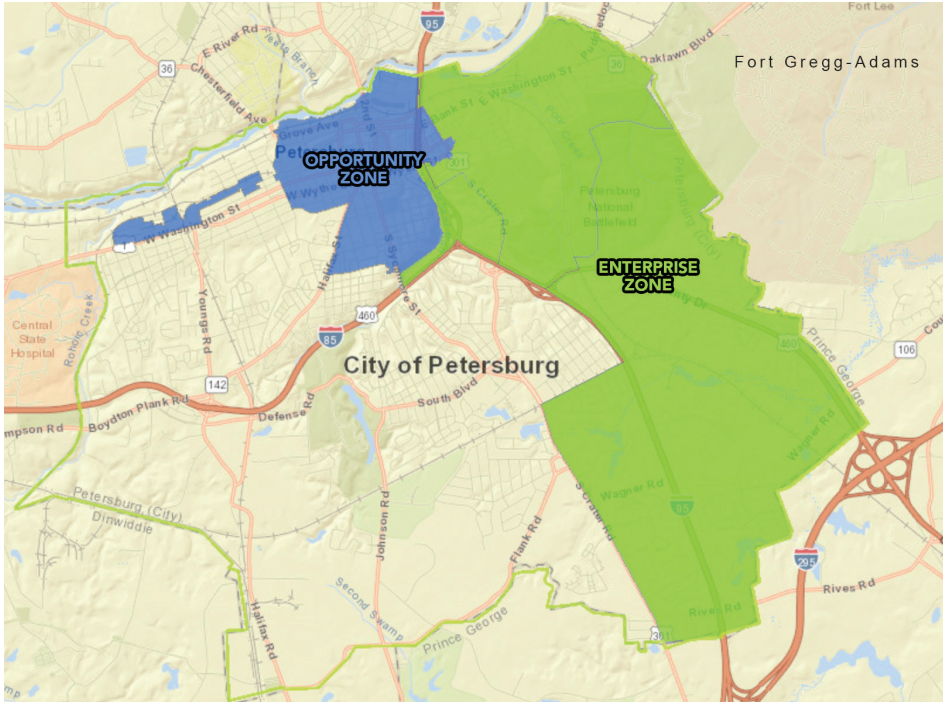


PETERSBURG BUSINESS INCENTIVES



Opportunity Zone

An Opportunity Zone is an economically distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as Opportunity Zones if they have been nominated for that designation by the Commonwealth and that nomination has been certified by the Secretary of the U.S. Treasury delegation of authority to the Internal Revenue Service.

<https://www.dhcd.virginia.gov/opportunity-zones-oz>

Tourism Zone

Commonwealth of Virginia Tourism Development Financing Program

The Commonwealth of Virginia has established a financing program for qualified Virginia tourism development projects. This program provides two different tiers of financing to compensate for a shortfall in project funding. <https://www.vatc.org/TDFP>.

Historic District

The purpose of the ordinance is to preserve, protect, and enhance the City's cultural resources. All alterations to structures located in the Federal, State, or Local Historic Zone are subject to review by the Architectural Review Board. Businesses and residential homes located in the Historic Zone are eligible for Historic Tax Credits based on their designation (Federal, State, or Local).

Arts and Cultural District

The City of Petersburg has established an Arts and Culture District (Petersburg Municipal Code of Ordinances Chapter 38, Article V) to encourage the continued development and success of its arts and cultural venues. Attached with this District is an incentive program, authorized by the Code of Virginia §15.2-1129.1. This incentive permits an exemption of the admissions tax to qualified arts organizations for no more than 10 years.

Central Business District Incentive

Enterprise Zone

The zone has an incentive to promote the development of properties within this zone. The locations of the Enterprise Zone (green) and Opportunity Zone (blue) are outlined on the below map.

Tap Fee Reduction

Fees associated with connecting to the city's water and wastewater systems are reduced by 50% for commercial properties converted to at least five residential units.

City Assessor Enhancement to Real Estate

Rehabilitation Tax Exemption

The partial exemption of real estate property taxes provided under this program is equal to the increase in the assessment above the predetermined assessed base value. The exemption is limited to the first two million dollars of increased value for a period of five years.

Machinery and Tool Tax Reduction

The City of Petersburg will provide a rebate of 50% of machinery and tools taxes collected from new industries located in the Central Business District Enterprise Zone. The rebate starts the year that the industry begins operations, and it is available for five consecutive years.

City of Petersburg Technology Zone

A Capital Investment grant is available to eligible businesses located in the City of Petersburg's I-95 Technology Zone. The grant is administered based on the qualified technology business having new equipment or existing equipment that qualifies during the grant period. The grant is equal to 100% of the machinery and tools taxes calculated by the Commissioner of Revenue in accordance with the Commissioner's depreciation schedule.