



ECONOMIC DEVELOPMENT POLICY
FOR
ROCKINGHAM COUNTY, VIRGINIA

Effective July 1, 2020

Introduction:

Rockingham County is built on a foundation of agriculture and industry where integrity and responsible stewardship lead to a prosperous future. Our mission is to support established businesses, promote expansion projects and attract new industry. We will work to enhance the vitality of our businesses and citizens alike by diversifying new capital investment as well as showcasing a variety of existing businesses that build upon our agricultural base.

Goals and objectives:

- Continue to be a leading locality in the Commonwealth for the agriculture industry
- Build stronger relationships with existing businesses
- Retain and educate a strong and leading workforce
- Strategically attract new businesses that align with Rockingham County culture and values
- Support healthy expansion and a diversified business community
- Educate the business community on the availability of local and regional incentives

Elements of Economic Development in Rockingham County

I. Economic Growth

Rockingham County will work to identify specific market needs that matter to our local economy. The County will prioritize relationships with existing businesses to better understand how we can help them grow and find the skilled labor they need to be able to endure future market fluctuations. The County will continue to work to support businesses that create new wealth.

II. Business Retention

Rockingham County will meet regularly with local business leaders to stay apprised of their specific needs, including new opportunities for expansion and complimentary businesses needed to support our existing industry. The County will work with state and federal agencies to target and initiate grants and funding opportunities that enhance both local business and the lives of our citizens. Business people and developers are encouraged to inform the County of new projects before applications are submitted so the County can help business people and developers realize potential funding opportunities at the earliest opportunity.

III. Workforce Education

The County will work with public and private schools, Massanutten Technical Center, James Madison University, Blue Ridge Community College and other local colleges and universities to promote and develop diversified training opportunities through curricula that target local business and community needs.

IV. Growth and Development

Rockingham County will work to encourage growth and new development in locations that are compatible with surrounding land uses and consistent The County zoning ordinance and Comprehensive Plans for development. The County will determine development potential by evaluating the utilities and infrastructure in the area as well as the impact on other services we provide locally, such as education and emergency response. A potential site must also have the ability to comply with all local, state and federal environmental regulations.

V. Technology Grants

A business located in the County that designs, assembles, manufactures or develops, or maintains goods or provides services related to, advanced and innovative technological systems or devices; or uses advanced and innovative technological systems or devices to design, assemble, manufacture, develop and maintain goods and services, may be eligible for a technology grant. Grant eligibility requires that existing businesses must have invested at least 50 percent of the prior years' assessed value for Machinery and Tools as defined in the Virginia State Code or invest \$20 million in new capital outlay for Machinery and Tools, either leased or purchased. New businesses must invest at least Five Hundred Thousand and no/100 Dollars (\$500,000.00) in Machinery and Tools. Application for participation in the technology grant program must be made prior to purchasing the equipment that will become the new machinery and tools so that the taxpayer and the County can reach an understanding on what the expansion project entails and the tax for specifically which pieces of equipment will be included in the grant calculation. The beginning and ending dates of the installation period, up to twenty-four (24) months, shall be agreed upon in the approved application.

Existing Business Criteria:

Within the Twenty-four (24) month period determined during the application process, an existing business must either:

1. Invest in new machinery and tools having an assessed value of at least Fifty percent (50%)of the previous tax year's machinery and tools assessed value,

or

2. Invest in new machinery and tools having an assessed value of at least Twenty Million Dollars (\$20,000,000), whichever is less.

The investment referred to in paragraphs 1 and 2, immediately preceding, may be through either long term lease arrangement or purchase.

Before payment of each annual rebate described below, the taxpayer must satisfy the Commissioner of the Revenue that the machinery and tools associated with the expansion are installed and in use by filing an itemized schedule with the next annual tax return after the equipment is put in service, the schedule to include purchase price and date put in service. The installation must have occurred within the period of time

agreed to in the application process, up to twenty-four (24) months. The Commissioner must certify to the County the same, and the Treasurer must certify that all taxes for pre-existing and new machinery and tools have been paid in full by the due date.

If all criteria are met, the taxpayer is eligible to receive rebates of:

- Year 1 - 60% of machinery and tools tax paid on the new investment
- Year 2 - 50% of machinery and tools tax paid on the new investment
- Year 3 - 40% of machinery and tools tax paid on the new investment
- Year 4 - 30% of machinery and tools tax paid on the new investment
- Year 5 - 20% of machinery and tools tax paid on the new investment

New Business Criteria:

A new business venture must invest a minimum of Five Hundred Thousand dollars (\$500,000) in machinery and tools through either long term lease arrangement or purchase.

Before payment of each annual rebate described below, the taxpayer must satisfy the Commissioner of the Revenue that the machinery and tools have been installed are in use and have been included on the annual tax return, the Commissioner must certify to the County the same, and the Treasurer must certify that all taxes for pre-existing and new machinery and tools have been paid in full by the due date.

If all criteria are met, the taxpayer is eligible to receive rebates of:

- Year 1 - 60% of machinery and tools tax paid on the new investment
- Year 2 - 50% of machinery and tools tax paid on the new investment
- Year 3 - 40% of machinery and tools tax paid on the new investment
- Year 4 - 30% of machinery and tools tax paid on the new investment
- Year 5 - 20% of machinery and tools tax paid on the new investment



County of Rockingham, Virginia

Application for Economic Development Grant

A company or identifiable subdivision of a company, or an individual, firm or corporation within a Technology Zone, applying for an Economic Development Grant shall:

1. Meet the requirements as outlined in the policy guidelines of the technology zone;
2. Remit the full payment of all taxes owed by such applicant and due to Rockingham County, including the taxes due on the new investment, and;
3. Cooperate in the verification of the above by Rockingham County. Initial applications may only be made within the investment period, as set forth in the technology zone.

To apply for Technology Zone designation, complete this form and return it to Stephen King, County Administrator, Rockingham County Administration Center, 20 East Gay Street, Harrisonburg, VA 22802, (540) 564-3012 or email sking@rockinghamcountyva.gov.

Technology Zone _____
Name of Company (applicant) _____
Street Address _____ Phone _____
Mailing Address _____ Fax _____
Name of Authorized Representatives _____
Title of Authorized Representative _____
E-mail address _____
Federal Identification No. _____ SIC Code _____
Estimated Value of New Investment \$ _____
Timeframe for New Construction/Investment: Date (from-to)
_____-_____
Current Number of Employees _____
Number of New Employees _____

I HEREBY CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE, ALL INFORMATION PRESENTED ABOVE IS CORRECT.

I will make available for review by the County Administrator and/or the Commissioner of the Revenue all of the records relevant to information required by this form.

Signature of Authorized Representative

Date



County of Rockingham, Virginia

Application for Economic Development Grant

Part I – Please provide a brief overview of the planned expansion.

Part II – Please Provide a brief description and schedule of the proposed improvements.



**County of Rockingham, Virginia
Application for Economic Development Grant**

******* FOR OFFICE USE *******

Annual Certification - Technology Zone

Name of Company (applicant) _____
Street Address _____
City/State/Zip _____
Phone _____

Based on my understanding of the information supplied in this application and any additional information I may have reviewed, the applicant company.

Check one:

- The applicant is hereby certified for Year 1 as a qualified Technology Zone business as defined by the Rockingham County Code.
- The applicant would not qualify for inclusion in the technology zone as defined by the Rockingham County Code.

County Administrator

Date

I hereby certify that the applicant company has no outstanding taxes due by the County.

Commissioner of the Revenue

Date

Effective Date of Tax Abatement: January 1 April 1 July 1 October 1

First quarter after date of application if already located in the County or first quarter after the company is located in the County. For example, if approved April 30, July 1 would be the first eligible quarter for the program.