

Financial Assistance Resources for the Eastern Shore of Virginia

Table of Contents

Federal Resources	1
F-1. USDA Rural Development	1
F-2. US Small Business Administration	2
F-3. US Economic Development Administration	3
State Resources	5
S-1. VA Department of Housing & Community Development	5
S-2. VA Economic Development Partnership	6
S-3. VA Small Business Financing Authority	10
S-4. VA Tourism Corporation	11
S-5. VA Housing Development Authority	12
Local Resources	13
L-1. Accomack County	13
L-2. Northampton County	15
L-3. Accomack-Northampton Planning District Commission	17
L-4. Town of Cape Charles	17
L-5. Town of Exmore	18
L-6. Town of Parksley	19
L-7. Accomack-Northampton Electric Cooperative	19
Private Resources	20
P-1. Local Financing Institutions	20
P-2. Shore Growth Ventures	20
P-3. Virginia Community Capital	20
P-4. 757 Angels	21
P-5. Tidewater Business Financing Corporation	21
P-6. Crowdfunding	21

FEDERAL RESOURCES

F-1. USDA Rural Development (USDA-RD)

USDA provides funding opportunities for rural small businesses through loans, loan guarantees, and grants.



Committed to the future of rural communities.

Programs & Services for Businesses

- **Advanced Biofuel Payment Program**
- **Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program**
- **Business & Industry Loan Guarantees –**

This program bolsters the availability of private credit by guaranteeing loans for rural businesses. The project must be located in a town or city with smaller than 50,000 in population to qualify for this program.

 - Maximum loan guarantee of 80% for loans of \$5 million or less, lower percentages for larger loans
 - Maximum term of 30 years for real estate, 15 years on machinery & equipment, and seven years for working capital
- **Community Connect Grants**
- **Distance Learning & Telemedicine Grants**
- **Distributed Generation Energy Project Financing**
- **Energy Resource Conservation**
- **Farm Bill Broadband Loans & Loan Guarantees**
- **Intermediary Relending Program -**

This program provides loans to local intermediaries that re-lend to businesses to improve economic conditions and create jobs in rural communities.

 - Maximum loan of \$250,000 to borrower, or up to 75% of the total cost of the project
 - Funds can be used for real estate, equipment, working capital; rates, terms, and payment structure are set by the intermediary
- **Repowering Assistance Program**
- **Rural Business Development Grants**
- **Rural Business Investment Program**
- **Rural Economic Development Loan & Grant Program**
- **Rural Energy for America Program Renewable Energy Systems & Energy Efficiency Improvement Loans & Grants**
- **Rural Microentrepreneur Assistance Program**
- **Socially-Disadvantaged Groups Grant**
- **Strategic Economic and Community Development**
- **Telecommunications Infrastructure Loans & Loan Guarantees**

FEDERAL RESOURCES

- Value Added Producer Grants

F-2. U.S. Small Business Administration (US SBA)

The US SBA provides loans, investment capital, disaster assistance, surety bonds, and grants to support small businesses. For more information on these programs contact:
**400 North 8th Street, Suite 1150
Richmond, VA 23219
(804) 771-2400**



U.S. Small Business Administration

Types of SBA Loans- When borrowers discuss SBA loans, they typically are referring to the SBA 7a loan, or the SBA 504 loan for commercial real estate. However, there are actually 6 types of SBA loans:

1. SBA 7(a) Loans

SBA 7(a) loans are the most common type of SBA loan. These loans of up to \$5,000,000 can be used for working capital, to refinance debt, or to buy a business, real estate, or equipment. The SBA 7(a) program includes the SBA Express Loans and SBA Advantage Loans. [Read more...](#)

2. CDC / SBA 504 Loans

CDC / SBA 504 loans combine a loan from a nonprofit CDC with a loan from a bank to create a long term, low interest rate loan for up to \$20,000,000 for the purchase of owner occupied commercial real estate and heavy equipment. [Read more...](#)

3. SBA CAPLines Lines of Credit

CAPLines are SBA lines of credit meant to help small businesses meet short-term and seasonal working capital needs. The SBA offers 5 types of these lines of credit. They can be fixed or revolving, have a max term of 5 years, and otherwise adhere to SBA 7(a) rules. [Read more...](#)

4. SBA Export Loans

Export loans are designed to help small businesses fund new exporting operations and offer cash flow solutions to small business so they can be more flexible with the terms they offer their international customers. [Read more...](#)

5. SBA Microloan Program

Microloans are up to \$50,000 with up to 6-year terms. They have higher interest rates (8% -13%) than most other SBA loans. The SBA issues Microloans through nonprofit, community-based organizations. Microloans cannot be used to refinance debt or purchase real estate. [Read more...](#)

FEDERAL RESOURCES

F-3. U.S. Economic Development Administration (US EDA)



US EDA PROGRAMS

- **Public Works**

Empowers distressed communities to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment.
[Printable Public Works Program \(PDF\)](#)
- **Economic Adjustment**

Assists state and local interests in designing and implementing strategies to adjust or bring about change to an economy. The program focuses on areas that have experienced or are under threat of serious structural damage to the underlying economic base. Under Economic Adjustment, EDA administers its [Revolving Loan Fund \(RLF\) Program](#), which supplies small businesses and entrepreneurs with the gap financing needed to start or expand their business.
[Printable Economic Adjustment Program \(PDF\)](#)
- **Planning**

Supports local organizations ([Economic Development Districts](#), Indian Tribes, and other eligible areas) with long-term planning efforts. The [Comprehensive Economic Development Strategy \(CEDS\) Content Guidelines](#), provides suggestions, tools, and resources for developing comprehensive economic development strategies.
[Printable Planning Program \(PDF\)](#)
- **Regional Innovation Strategies**

Spurs innovation capacity-building activities by creating and expanding cluster-focused proof-of-concept and commercialization programs and early-stage seed capital funds through the i6 Challenge and the Seed Fund Support (SFS) Grant competition, respectively.
- **Trade Adjustment Assistance for Firms**

A national network of [11 Trade Adjustment Assistance Centers](#) to help strengthen the competitiveness of American companies that have lost domestic sales and employment because of increased imports of similar goods and services.
[Printable Trade Adjustment Assistance for Firms Program \(PDF\)](#)
- **University Centers**

A partnership of the federal government and academia that makes the varied and vast resources of universities available to the economic development community.
[Printable University Centers Program \(PDF\)](#)

FEDERAL RESOURCES

Report: [Making Connections, Evaluation Project to Assess Best Practices in EDA's University Center Program \(PDF\)](#)

- **Research and National Technical Assistance**

Supports research of leading edge, world class economic development practices and information dissemination efforts.

[Printable Research and National Technical Assistance Program \(PDF\)](#)

- **Local Technical Assistance**

Helps fill the knowledge and information gaps that may prevent leaders in the public and nonprofit sectors in distressed areas from making optimal decisions on local economic development issues.

[Printable Local Technical Assistance Program \(PDF\)](#)

- **Economic Development Integration**

EDA possesses broad and deep experience in successfully coordinating resources across multiple programs and special initiatives. Based upon this experience and EDA's historic track record of successful collaboration with a range of stakeholders (both federal and non-federal), the Office of Management and Budget (OMB) has designated EDA to lead the federal government's efforts to maximize the integration of economic development resources from all sources, including federal, state, local and philanthropic, to achieve more impactful and sustainable outcomes for communities across America.

STATE RESOURCES

S-1. Virginia Department of Housing & Community Development (VDHCD)



VDHCD PROGRAMS

- [VA Enterprise Zone Grants](#)

VEZ is a partnership between state and local government that encourages job creation and private investment. VEZ accomplishes this by designating Enterprise Zones throughout the state and providing two grant-based incentives, the Job Creation Grant (JCG) and the Real Property Investment Grant (RPIG), to qualified investors and job creators within those zones, while the locality provides local incentives.

ELIGIBILITY

- *Qualifications*

State incentives are available to businesses and zone investors who create jobs and invest in real property within the boundaries of enterprise zones.

- Qualification for the [Job Creation Grant \(JCG\)](#) is based on permanent full-time job creation over a four job threshold, wage rates of at least 175 percent of the Federal minimum wage (150 percent in HUAs*), and the availability of health benefits. Personal service, retail, food and beverage positions are not eligible to receive job creation grants.

**As of 2010, firms located in High Unemployment Areas (HUAs) may qualify for the JCG at the reduced wage rate threshold of \$10.88 (150 percent of the Federal minimum wage). A list of HUAs is provided below in the Helpful Links section of this page.*

- Eligibility for the [Real Property Investment Grant \(RPIG\)](#) is based on qualified investments made to commercial, industrial, and mixed-use buildings or facilities located within the boundaries of an enterprise zone. To be eligible for the RPIG, an individual or entity must invest at least \$100,000 for rehabilitation or expansion projects and at least \$500,000 for new construction projects.

STATE RESOURCES

- [GO Virginia](#)

GO Virginia provides incentives that are matched with local, federal, and private funds to encourage collaboration at the regional level to grow and diversify each region, and ultimately the entire Commonwealth of Virginia. GO Virginia gives the Commonwealth an opportunity to build upon the new Virginia economy. The GO Virginia Board is the state-wide oversight group for the GO Virginia initiative, and there are nine Regional Councils that work on a regional level to develop strategies to grow the region's economy. The Regional Councils submit recommended projects to the GO Virginia Board for approval and funding. Accomack and Northampton Counties are located within GO Virginia Region 5.

- [Opportunity Zones](#)

The Federal Tax Cuts and Jobs Act of 2017 included provisions for a new revitalization tool. Opportunity Zones and Funds will allow investors to receive tax benefits on currently unrealized capital gains by investing those gains in qualified census tracts (Opportunity Zones). There are 2 designated zones on the Eastern Shore: one in the vicinity of northern Accomack County and one in the vicinity of southern Northampton County, and they can be found on this [interactive map](#). The rules associated with qualification for Opportunity Investment Funds and Qualified Opportunity Investments are posted for review [here](#), and must be approved before they are formalized.

[S-2. Virginia Economic Development Partnership \(VEDP\)](#)



Business Incentives

Virginia works enthusiastically with new and expanding employers that create a high standard of living for Virginians and enhance local and state economies through increased revenue growth. Incentives are Virginia's investment in its economic future and a business decision for both the Commonwealth and the company. As a result, they must make good fiscal sense for all parties.

Designed to target the needs of the company and the development plans of localities and the state, Virginia offers a variety of performance-based incentives.

[Click here for VEDP's 2017-2018 Guide to Business Incentives.](#)

STATE RESOURCES

Discretionary Incentives

The Commonwealth of Virginia offers an array of discretionary incentives for competitive projects evaluating a Virginia location, providing financial inducements that make good fiscal sense for all parties. Performance-based incentives target the needs of companies as well as the development plans of localities and the Commonwealth.

- [**Agriculture & Forestry Industries Development Fund \(AFID\)**](#)
Provides grants to localities for businesses that add value to Virginia-grown agriculture and forestry products
- [**Commonwealth's Development Opportunity Fund \(COF\)**](#)
Provides “deal-closing” grants at the Governor's discretion to secure a company location or expansion in Virginia
- [**Major Eligible Employer Grant \(MEE\)**](#)
Provides grants to companies to make investments and provide a significant number of stable jobs through a significant expansion or new operation
- [**Port of Virginia Economic and Infrastructure Development Grant \(POV\)**](#)
Provides grants to companies that construct new maritime-related employment centers or expand existing centers
- [**Virginia Economic Development Incentive Grant \(VEDIG\)**](#)
Provides grants to companies that invest and create new employment opportunities by locating significant headquarters, administrative, or service sector operations in Virginia
- [**Virginia Investment Performance Grant \(VIP\)**](#)
Provides grants to existing Virginia manufacturers or manufacturing-related research and development services that continue capital investment in the Commonwealth

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.

- [**Economic Development Access Program**](#)
Provides funds to localities for road improvements needed to create adequate access for new or substantially expanding companies
- [**Rail Industrial Access Program**](#)
Provides funds to construct railroad tracks to new or substantially expanded industrial and commercial projects having a positive impact on economic development in Virginia

STATE RESOURCES

- [Transportation Partnership Opportunity Fund \(TPOF\)](#)
Awards grants, revolving loans, or other financial assistance to an agency or locality for projects related to transportation capacity expansion

Recruitment and Training Incentives

Virginia offers financial assistance and training to companies that seek to attract and retain qualified employees in the Commonwealth.

- [Virginia Jobs Investment Program](#)
Provides services and funding to companies creating new jobs or implementing technological change to reduce human resource development costs for new companies, expanding companies, and companies retraining their employees

Regional and Local Assistance

A number of targeted incentive programs exist in designated regions of the Commonwealth and within individual localities to attract businesses and assist in their growth. These programs can be statutory or discretionary and may offer additional financing options in some areas of Virginia.

- [Virginia Enterprise Zone – Job Creation Grant](#)
Provides grants to businesses that create high-wage, full-time, permanent positions with health benefits in an Enterprise Zone that are net new jobs for Virginia
- [Virginia Enterprise Zone – Real Property Investment Grant](#)
Provides grants to investors that undertake rehabilitation, expansion, or new construction projects within the boundaries of an Enterprise Zone
- [Foreign Trade Zones \(FTZs\)](#)
Allows businesses to defer paying U.S. Customs duties on imported goods held within the zones until the goods enter the United States for domestic consumption

Tax Incentives

Virginia offers stable, low-tax costs for companies, including the benefits of no franchise or net-worth tax, a modest sales tax with a broad range of exemptions, and a 6% corporate income tax rate, which has not changed since 1972. Aiding the stable tax environment in the Commonwealth is a toolbox of credits and exemptions that companies can claim on taxes ranging from the sales and use tax to the corporate income tax.

- [Barge and Rail Usage Tax Credits](#)
Offers per-unit credit for “international trade facilities” that transport containers using barge or rail, rather than trucks or other motor vehicles on Virginia’s highways
- [Commercial and Industrial Sales and Use Tax Exemption](#)
Offers sales and use tax exemption for purchases used directly in production or research and development

STATE RESOURCES

- [**Data Center Retail Sales and Use Tax Exemption**](#)
Offers exemption for qualifying computer equipment or enabling software purchased or leased for use in certain data centers in the Commonwealth that meet minimum investment and job creation requirements
- [**Green Job Creation Tax Credit**](#)
Offers annual individual or corporate income tax credit for each new green job meeting minimum hours requirements in taxable years beginning before January 1, 2021
- [**International Trade Facility Tax Credit**](#)
Offers income tax credit for capital investment or job creation related to an international trade facility
- [**Major Business Facility Job Tax Credit**](#)
Offers \$1,000 income tax credit for each new full-time job created over a jobs threshold for companies locating or expanding in Virginia
- [**Major R&D Expenses Tax Credit**](#)
Offers individual and corporate income tax credit for incurring more than \$5 million of Virginia qualified research and development expenses in taxable years beginning on or after January 1, 2016
- [**Port Volume Increase Tax Credit**](#)
Offers corporate income tax credit for manufacturing, distribution, agriculture, and mineral and gas companies that increase usage cargo volume at Virginia's port facilities
- [**Recyclable Materials Processing Equipment Tax Credit**](#)
Offers income tax credit to manufacturers for the purchase of certified machinery and equipment used for processing recyclable materials beginning before January 1, 2020
- [**Refundable R&D Expenses Tax Credit**](#)
Offers individual and corporate income tax credit for taxpayers with qualified research and development expenses in Virginia under \$5 million per year
- [**Worker Retraining Tax Credit**](#)
Offers employer tax credit for eligible retraining costs of providing eligible worker retraining to qualified employees

STATE RESOURCES

S-3. Virginia Small Business Financing Authority (VSBFA)

For more information about these programs contact the VSBFA at 804-371-8254.

- **Cash Collateral Program**

Credit risk reduction program that provides collateral coverage for companies that have collateral that is insufficient for the bank's normal underwriting standards.

- Maximum of 40% of the loan amount, up to \$500,000.
- Term of up to five years
- Interest rate is set by the lender

- **Economic Development Loan Fund**

Fills the gap between private debt financing and private equity.

- Maximum of 40% of project costs, up to \$1,000,000 in economically distressed areas of the state, up to \$500,000 in other areas of the state
- Term of up to 10 years
- Interest rate is tied to "like-treasuries", with a spread based on bank risk

- **Loan Guaranty Program**

Reduces the bank's credit risk and helps a business qualify for financing that would not otherwise be available.

- Maximum guaranty of \$750,000 or 75% of the loan amount, whichever is less
- Term of guarantees up to five years on lines of credit, up to seven years on term loans
- Guarantee fees on loans over \$150,000

- **Small Business Investment Grant**

Assists Virginia small businesses seeking to raise equity to capitalize their growth.

- Maximum grant of 50% of the qualified investment or \$50,000 that is made to one or more small businesses, not to exceed \$250,000 per eligible investor

- **SSBCI Capital Access Program (CAP)**

Provides access to capital for Virginia businesses by helping banks in Virginia to make loans to businesses that may have difficulty obtaining a conventional loan without credit enhancement. This is done through the establishment of a loan loss reserve fund at a participating bank.

- The maximum, aggregate outstanding loan amount(s) which may be enrolled for any single borrower, or any common enterprise in which the borrower has an ownership interest, is \$500,000
- Maximum term of the loan enrolled under CAP is 10 years from date of enrollment

STATE RESOURCES

- **SWaM Business Microloan Fund**

Assists existing small businesses (in business two years or more) with short-term loans, to be coupled with technical assistance provided by a Virginia SBDC.

- Maximum loan amount of \$10,000; however, special consideration will be given to increase the loan amount to \$25,000 if the business has a referral from a Virginia SBDC
- Maximum term of 48 months
- Interest rate determined by VSBFA, not to exceed Prime rate plus 3%

S-4. Virginia Tourism Corporation (VTC)

For more information about these programs contact the VTC at 804-545-5600.



Tourism Development Financing Program (TDFP) – This is a two-tiered financing program for qualified tourism development projects in Virginia that have been identified as filling a void in a community’s tourism industry development plan.

- Tier 1 Projects (less than \$100 million) – TDFP compensates for a shortfall in project funding, not to exceed 30% of a qualified project’s total cost.
 - Once the project is completed and generating income, a quarterly review of state sales and use taxes will be done and 1% of that quarterly revenue is contributed by each partner towards debt service on the project until debt services is paid
 - Developer owns all debt, while the locality and state only contribute to debt service
- Tier 2 Projects (over \$100 million) – TDFP compensates for a shortfall in project funding, not to exceed 20 of a qualified project’s total cost.
 - For larger scale projects of regional significance, excluding major retail
 - Once the project is completed and generating income, a quarterly review of state sales and use taxes will be done and 1.5% of that quarterly revenue is contributed by each partner towards debt service on the project until debt services is paid
 - Developer owns all debt, while the locality and state only contribute to debt service

STATE RESOURCES

S-5. Virginia Housing Development Authority (VHDA)



For more information about these programs contact the VHDA at 804-782-1986.

Workforce Housing, Mixed-Use/Mixed Income – This program helps finance mixed-use projects located in a designated revitalization area due to blight or deterioration.

- The program requires that a percentage of units be reserved for residents whose annual income does not exceed certain limits. The rest of the units may be rented to residents at any income level. There are several options available for the income limits, and the developer can choose the financing that best fits the community's needs.

LOCAL RESOURCES

L-1. Accomack County



Local Business Incentives

Enterprise Zones – Accomack County participates in a joint enterprise zone with Northampton County. The program provides reimbursement grants for real property improvements as well as new job creation within the zone.

Qualification for real property investment grants requires the participant spend a minimum of \$100,000 in qualifying investments for commercial, industrial, or mixed-use buildings or facilities or rehabilitation and expansion or a minimum of \$500,000 in qualifying investments for new construction. Participants may qualify for reimbursements for up to 20% of the qualified costs in excess of the minimums. For example, if you spent \$150,000 in qualifying expenses in renovating a business property in the Enterprise Zone, you could be eligible for a grant up to \$10,000. The amount of the reimbursements will depend on state funds available for reimbursement as well as total caps on funds depending on the type and amount of investment.

For job creation grants, funds are available for net new permanent full-time positions that pay a minimum of \$12.69 per hour as well as provide health benefits. Certain categories of positions, such as retail, personal service, or food and beverage positions, are excluded. A minimum of 5 new permanent full-time positions must be created in order to qualify for funding.

If you wish to verify whether or not a property you own or are considering owning is in the Enterprise Zone, the information is available on [AccoMap - Accomack County's Online Mapping Service](#).

Other Incentives – In addition to State Enterprise Zones, Accomack County offers other incentives for the qualified activities explained in the following tables.

LOCAL RESOURCES

Local Incentive Administration Process				
Incentive #	Application Development	Marketing	Application Processing	Qualifies and/or Awards
	Office/Individual	Office/Individual	Office/Individual	Office/Individual
<i>Example: 1. Waiver of Building Permit Fees</i>	<i>Building Dept./ Local Zone Administrator</i>	<i>Building Dept./IDA</i>	<i>IDA/ Local Zone Administrator</i>	<i>Building Dept.</i>
AC 1. Expedited Plans Review	Accomack Planning & Community Development, Building & Zoning/Local Zone Administrator (LZA)	Accomack Planning & Community Development, Building & Zoning, EDA/LZA	Accomack Planning & Community Development, Building & Zoning/LZA	Accomack Planning & Community Development, Building & Zoning/LZA
AC 2. Marketed in EDA/County Materials	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, EDA/LZA
AC 3. New Jobs Incentive in Accomack Industrial Park	Accomack Planning & Community Development, EDA/LZA	EDA/LZA	EDA/LZA	EDA/LZA
AC 4. Construction Permit Fees Rebated	Accomack Planning & Community Development, Building & Zoning/LZA	Accomack Planning & Community Development, Building & Zoning, EDA/LZA	Accomack Planning & Community Development/LZA	Accomack Planning & Community Development/LZA
AC 5. County Business License Fee Waiver	Accomack Planning & Community Development, Commissioner of Revenue, Finance/LZA	Accomack Planning & Community Development, Building & Zoning, EDA/LZA	Accomack Planning & Community Development, Commissioner of Revenue/LZA	Accomack Planning & Community Development, Commissioner of Revenue/LZA
AC 6. Landfill fee rebate for derelict buildings	Accomack Planning & Community Development, Public Works, Finance/LZA	Accomack Planning & Community Development, Building & Zoning, EDA/LZA	Accomack Planning & Community Development, Public Works/LZA	Accomack Planning & Community Development/LZA
AC 7. Land Acquisition	Accomack Planning & Community	Accomack EDA/LZA	Accomack EDA/LZA	Accomack EDA

LOCAL RESOURCES

Cost reductions in Accomack Industrial Park	Development, EDA/LZA			
AC 8. Discounted sewer hookup fees & rates in Melfa Industrial Park	Accomack Planning & Community Development, Public Works, Finance/LZA	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, Public Works/LZA	Accomack Planning & Community Development, Public Works/LZA, Public Works
AC 9. Grants based on Real Property Improvements	Accomack Planning & Community Development, Finance/LZA	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, Finance/LZA	Accomack Planning & Community Development, Finance/LZA
AC10. Personal Property Tax Grant for new businesses	Accomack Planning & Community Development, Finance/LZA	Accomack Planning & Community Development, EDA/LZA	Accomack Planning & Community Development, Finance/LZA	Accomack Planning & Community Development, Finance/LZA
AC11. Surplus County land made available at reduced costs.	Accomack Public Works, Planning & Community Development, Finance/Finance	Accomack Planning & Community Development, Finance/Finance	Accomack Planning & Community Development, Finance/Finance	Accomack Planning & Community Development, Finance/Board of Supervisors
AC12. Bond Conduit Issuer Fee Exemption	Accomack EDA/LZA	Accomack EDA, Planning & Community Development /LZA	Accomack EDA/LZA	Accomack EDA/LZA

L-2. Northampton County

Local Business Incentives

Enterprise Zones – Northampton County participates in a joint enterprise zone with Accomack County. The program provides reimbursement grants for real property improvements as well as new job creation within the zone.

Qualification for real property investment grants requires the participant spend a minimum of \$100,000 in qualifying investments for commercial, industrial, or mixed-use buildings or facilities or rehabilitation and expansion or a minimum of \$500,000 in qualifying investments for new construction. Participants may qualify for reimbursements for up to 20% of the qualified costs in excess of the minimums. For example, if you spent \$150,000 in qualifying expenses in renovating a business property in the Enterprise Zone, you could be eligible for a grant up to \$10,000. The amount of



LOCAL RESOURCES

the reimbursements will depend on state funds available for reimbursement as well as total caps on funds depending on the type and amount of investment.

For job creation grants, funds are available for net new permanent full-time positions that pay a minimum of \$12.69 per hour as well as provide health benefits. Certain categories of positions, such as retail, personal service, or food and beverage positions, are excluded. A minimum of 5 new permanent full-time positions must be created in order to qualify for funding.

If you wish to verify whether or not a property you own or are considering owning is in the Enterprise Zone, the County's enterprise zones are illustrated in the following maps:

[Cape Charles Area](#)

[Cape Charles - Sunset Beach Area](#)

[Cheriton Area](#)

[Eastville Area](#)

[Exmore - Willis Wharf Area](#)

[Machipongo Area](#)

[Nassawadox Area](#)

Other Incentives – In addition to State Enterprise Zones, Northampton County offers other incentives for residential and commercial property development. These programs are administered through the Commissioner of the Revenue's Office which may be contacted at 757-678-0440.

- **[Real Estate Tax Exemption for Rehabilitated Commercial or Industrial Structures](#)** – Tax reduction is eligible for approved applicants undergoing significant rehabilitation of commercial or industrial structures older than 20 years of age if not located within a designated enterprise zone or 15 years of age if located within a designated enterprise zone. See the link to the county ordinance for more information regarding program guidelines and application instructions.
- **[Real Estate Tax Exemption for Residential Structures](#)** - Tax reduction is eligible for approved applicants undergoing significant rehabilitation of residential structures older than 15 years of age. See the link to the county ordinance for more information regarding program guidelines and application instructions.

LOCAL RESOURCES

L-3. Accomack-Northampton Planning District Commission (A-NPDC)

The A-NPDC manages a \$500,000 revolving loan fund for economic development purposes occurring within Accomack or Northampton Counties. Contact Elaine Meil, Executive Director, for more information at emeil@a-npdc.org or 757-787-2936.



L-4. Town of Cape Charles

The Town of Cape Charles in Northampton County offers a tourism zone, technology zone, and participates with Northampton County in the enterprise zone to provide incentives for growth of new and existing businesses. Details regarding each program are provided below. Contact the Town Office for more information at 757-331-3259.



Local Business Incentives

Tourism Zone – Cape Charles maintains a tourism zone to provide incentives for growth through fostering the development, maintenance, and expansion of businesses engaged in the tourism industry. The entire area of the town is designated as the tourism zone and instructions for applying to the program are included in the link above. Qualified tourism businesses are eligible to receive the following:

- A credit equal to 25 percent of the new or increased capital improvement tax paid to the town with a verified capital investment of not less than \$2,000.00 to a maximum of \$1,000,000.00 capital investment.
- A credit equal to 50 percent of the amount of the net increase in real estate tax paid to the town.
- A credit equal to 50 percent of the amount of BPOL tax paid to the town.
- For a qualified tourism business that maintains at least 85 hours weekly of full time and part time staff employment, a credit of up to 50 percent of the facility and connection fees paid to the town.
- A credit of up to 50 percent of the building permit fees paid to the town for the approved project.

Technology Zone – Cape Charles maintains a technology zone to provide incentives for growth through fostering the development, maintenance, and expansion of commercial, tourist, and industrial businesses engaged in the development and implementation of technology. The

LOCAL RESOURCES

entire area of the town is designated as the technology zone and instructions for applying to the program are included in the link above.

Qualified technology manufacturing businesses are eligible to receive the following economic stimulus grants:

- A grant equal to 25 percent of the new or increased machinery and tools tax paid to the town with a verified capital investment of \$250,000.00 that shall increase proportionately up to 100 percent with a capital investment of \$1,000,000.00 or more.
- A grant of up to 100 percent of the amount of the net increase in real estate tax paid to the town.
- A grant of up to 100 percent of the amount of BPOL tax paid to the town.
- For a qualified technology manufacturing business that maintains at least 25 full time jobs, a grant of up to 50 percent of the facility and connection fees paid to the town.
- A grant of up to 100 percent of the building permit fee paid to the town.

Qualified technology non-manufacturing businesses are eligible to receive the following economic stimulus grants:

- A grant equal to 25 percent of the new or increased machinery and tools tax paid to the town with a verified capital investment of \$100,000.00 that shall increase proportionately up to 100 percent with a capital investment of \$1,000,000.00 or more.
- A grant of up to 100 percent of the amount of the net increase in real estate tax paid to the town.
- A grant of up to 100 percent of the amount of BPOL tax paid to the town.
- For a qualified non-manufacturing applied technology business that maintains at least 15 full time jobs, a grant of up to 50 percent of the facility and connection fees paid to the town.
- A grant of up to 100 percent of the building permit fee paid to the town.

L-5. Town of Exmore

The Town of Exmore in Northampton County participates with Northampton County in the enterprise zone and offers the following incentives for new businesses.

Contact the Town Office for more information at 757-442-3114.

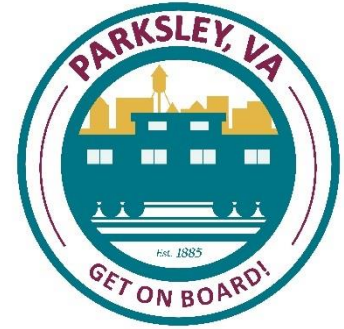


- **New Business Incentive** - For the first two years of operation, new businesses are offered a reduced business license rate (\$30) as opposed to the normal Business, Professional & License tax of 0.0015 of gross receipts for a retail establishment and 0.0020 for real estate or professional establishment.

LOCAL RESOURCES

L-6. Town of Parksley

The Town of Parksley in Accomack County manages a \$100,000 revolving loan fund for economic development purposes. Contact the Town Office for more information at 757-665-4618.



L-7. Accomack-Northampton Electric Cooperative (ANEC)

ANEC members are eligible for financing from the [National Rural Utilities Cooperative Finance Corporation \(CFC\)](#). CFC is a privately-owned, non-governmental organization that provides state-of-the-art financial products and business management services to more than 1,050 electric cooperative owners across the United States. These systems serve an estimated 32 million ultimate users of electricity.



PRIVATE RESOURCES

P-1. Local Financing Institutions

The following is a list of current financing institutions operating on the Eastern Shore of Virginia.

- [BB&T](#)
- [PNC](#)
- [Shore United Bank](#)
- [SunTrust](#)
- [Woodforest National Bank](#)

P-2. Shore Growth Ventures

Shore Growth Ventures (SGV) is a Virginia LLC formed to assist to economic development of the Eastern Shore of Virginia. SGV is similar to an “angel investor” and will provide loans or investments in startups or local expansions that show promise for improving economic growth and jobs for the Shore. Investors looking to assist in the health of the Shore or entrepreneurs looking for assistance are welcome. SGV goals are not only to provide some capital but also to provide business expertise and support. The members have broad backgrounds in business startups, banking, accounting, law, manufacturing and marketing to assist in assuring successful companies and investments.

Contact Ron Matthews at 757-894-4329 or Patrick Coady at 757-678-7712 for more information.

P-3. Virginia Community Capital



Virginia Community Capital is a Virginia-based community development financial institution (CDFI) committed to investing in and enhancing its local communities and their capacity. While the approach varies, one central premise is consistent: CDFIs often exist to promote economic development and revitalize their surrounding communities.

PRIVATE RESOURCES

P-4. 757 Angels

757 Angels is a catalyst to help build the Hampton Roads economy which consists of a select network of regional business leaders who provide investment capital, strategic advice and mentoring to selected start-ups and early-stage companies to help them achieve market leadership. 757 Angels is a clearinghouse for presenting quality Hampton Roads startup & early stage investment opportunities requiring funding in the \$100,000 to \$3,000,000 range to its membership, a broad base of angel investors, in order to enhance the growth of successful new businesses in Hampton Roads.



P-5. Tidewater Business Financing Corporation

Tidewater Business Financing Corporation (TBFC) is a non-profit corporation formed in 1983 to promote commercial and industrial growth throughout Virginia and Eastern North Carolina and serves as a resource for small businesses in need of permanent financing to acquire fixed assets. TBFC is certified by the U.S. Small Business Administration to provide permanent financing through the SBA 504 Loan program and provides long-term financing at competitive interest rates for the purchase of fixed assets including land, buildings, and heavy equipment. Over the past 31 years, TBFC has loaned more than \$200 million enabling 500 small businesses to expand and prosper.

P-6. Crowdfunding

By definition, crowdfunding is generally described as either formal or informal efforts to obtain small amounts of capital from a large number of individuals to fund a project. Prior to the advent of the Internet, the concept of crowdfunding was generally limited to efforts of small business owners to borrow from, what was traditionally known as, “family, friends, and fools”.

The Internet has been a boom to crowdfunding, and a recent Google search for “crowdfunding for small business” found 1,220,000 results and, by the end of 2016, more funds were raised via this means than via venture capital.

Generally speaking, there are 3 different types of crowdfunding available for small business owners/entrepreneurs to access. These are: 1) Reward, 2) Debt, and 3) Equity

Reward Crowdfunding

Various internet websites offer vehicles for small business owners to solicit funding from outside investors. They are generally used in situations where the donor will receive items or services of value in return for his or her investment. In exchange for financial support,

PRIVATE RESOURCES

the donor, also known as “backers or supporters”, receives rewards in the form of free products, services or samples. The level of reward is generally based upon the amount of funding provided. The host site generally retains a percentage of the funds raised. There are 2 models currently in use: either an “all-or-nothing” funding model in which the recipient only receives funds if he or she meets or exceeds their respective funding targets, or a “keep-what-you-raise” model in which the business retains whatever funds it raises.

Recently, business blogs have rated the “best” reward crowdfunding sites, including the following:

- [Indiegogo](#) - Focuses on technology, design, film, travel, and eco-friendly businesses
- [Kickstarter](#) - Used by both consumers and businesses
- [EquityEats](#) - Site is designed for restaurants, cafes, bakeries, and food truck owners
- [Tilt](#) - Used by Microsoft, Reddit, and Soylent and claim a 91% success rate
- [Fundable](#) - Can only be used only by businesses
- [Patreon](#) - Accessible by artists and creators, and good for freelancing artists, Etsy sellers, and photographers
- [Plum Alley](#) - Designed specifically for women in food, fashion, art, tech, and other industries
- [GoFundMe](#) – Site generally used to raise small amounts
- [RocketHub](#) - Used by individuals, charities, and businesses
- [FundRazr](#) – Used by both individuals and businesses
- [Experiment](#) – Specializes in health, medicine, and scientific research

Debt Crowdfunding

Debt crowdfunding is similar to bank financing except, in this case, the lender either is an individual or a fund specifically designed to pursue this type of financing deal. The main benefit of this lending source is that it is typically much faster than a bank loan. Debt crowdfunding is appropriate for firms selling products or services to other businesses vs. consumers. There are fewer debt crowdfunding sites than reward sites. Included in this list are:

- [Kickfurther](#) – Provides loans for inventory financing
- [Lending Club](#) - Personal loans, up to \$40,000 which can be used for business purposes, Small businesses can borrow up to \$300,000

PRIVATE RESOURCES

- [Prosper](#) - Personal loans, which can be used for business purposes, can be made up to \$35,000, which is site's maximum
- [Funding Circle](#) – Business loans up to \$500,000
- [Bolstr](#) – Loans for up to \$500,000 for terms of 2-5 years
- [Kiva](#) – Maximum loan is \$10,000 with a 36-month repayment term
- [Reality Shares](#) – Used to fund residential “flip” properties and commercial real estate
- [Patch of Land](#) – Similar to Reality Shares but are more suitable for smaller projects

Equity Crowdfunding

When these funds are raised the business owner must be willing to give up a portion of the ownership of the enterprise in exchange for the investment. Of those sites, the following are some of the more well-known:

- [Angellist](#) – This is not a funding site but rather a way for borrowers to find accredited investors and a set of online fundraising tools
- [CircleUp](#) – Geared more towards technology or cutting-edge firms
- [Crowdfunder](#) – This site focuses on funding firms that have traditionally been challenged to find venture capital funds
- [SeedInvest](#) – Gives smaller firms access to large venture capital firms
- [EquityNet](#) – Amounts range from \$10,000 to \$10,000,000
- [RealityMogul](#) – Includes single family residential flips, office buildings, and commercial properties