

## CHAPTER 8

### ENTERPRISE ZONE

- Art. I. General Provisions, §§8-1--8-25  
Art. II. Exemption from Land Development Fees, §§8-26--8-40

#### ARTICLE I - GENERAL PROVISIONS

##### SECTION 8-1. PURPOSE.

The purpose of this chapter is to establish an enterprise zone as authorized and guided by the Code of Virginia, § 59.1-251 *et seq.*, to improve the economic conditions of the downtown and other areas of Winchester. (Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

##### SECTION 8-2. APPLICABILITY.

The provisions of this chapter shall apply only to the area described herein and designated by the Commonwealth of Virginia as an enterprise zone. If for any reason the Commonwealth of Virginia ceases to recognize the area as an enterprise zone, the provisions of this chapter shall be void. (Ord. No. 033-95, 9-12-95)

##### SECTION 8-3. ADMINISTRATION.

The Local Zone Administrator of the Winchester Enterprise Zone shall be the city manager or his designee. The Local Zone Administrator shall determine and publish the procedure for obtaining the benefits created by this chapter. (Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

##### SECTION 8-4. DEFINITIONS.

When used in this chapter, the definitions found in Code of Virginia §59.1-271, *et seq.*, as amended from time to time, shall control and are incorporated herein by reference. (Ord. No. 033-95, 9-12-95)

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**Editor's note**--Ord. No. 033-95 adopted on September 12, 1995 enacted this chapter.

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### **SECTION 8-5. BOUNDARIES.**

The boundaries of the Winchester Enterprise Zone (“the Zone”) are those established pursuant to Code of Virginia, §59.1-543, *et seq.*, (the “Enterprise Zone Grant Program Act” or, “the Act”, as referred to herein this Chapter), and the designation as an enterprise zone of such area(s) as approved by the Governor of the Commonwealth of Virginia and described in those official Winchester Enterprise Zone real estate parcel maps, which shall be retained by the Local Zone Administrator, and as may be amended from time to time (the “designation”). (Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

### **SECTIONS 8-6 - 8-14. RESERVED.**

### **SECTION 8-15. LOCAL ENTERPRISE ZONE INCENTIVES.**

Pursuant to the Act and the designation; and pursuant to the requirement of the Act that local incentives be offered to qualifying recipients located within an enterprise zone as pledged by enterprise zone applicant and approved by the Governor of the Commonwealth of Virginia and described in the application made by the City of Winchester for the designation of the Zone, and as may be amended from time to time, such local incentives as are delineated in this section are hereby authorized.

The Local Zone Administrator is authorized to administer and deliver, and the City of Winchester is authorized to fund, as required, the following local enterprise zone incentives as further authorized subsequently in this Chapter: Exemption from Land Development Fees for commercial, industrial or residential properties. The Local Zone Administrator and the Winchester Economic Development Authority are authorized to administer and deliver, and the City of Winchester and the Winchester Economic Development Authority are authorized to fund, as required, the following local enterprise zone incentives: Business Growth Revolving Loan Fund, Commercial Façade Program, Real Estate Development Revolving Loan Fund, and Winchester Enterprise Zone Micro-loan Program. The Local Zone Administrator and the Winchester Economic Development Authority are authorized to administer and deliver, and the City of Winchester is authorized to enter into a funding agreement with Winchester Economic Development Authority in order to fund the following enterprise zone incentives: Business Development Grant for Vacant Properties, Entrepreneurship Incentives, Knowledge-based Jobs Grant, Major Economic Development Project Incentives, Major Mixed-use Development Incentive, New or Expanding Technology-driven Business Grant, and Retail Mix Enhancement Grant. The Commissioner of the Revenue is authorized to administer the Substantially Rehabilitated Enterprise Zone Property Tax Exemption for commercial, industrial or residential properties as described in Chapter 27, Article II, Division 4A of the Code of the City of Winchester. (Ord. No. 2014-03, 2-25-14)

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**SECTION 8-16 – 8-18. REPEALED.**  
(Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

**SECTIONS 8-19 - 8-25. RESERVED.**

### **ARTICLE II. EXEMPTION FROM LAND DEVELOPMENT FEES**

#### **SECTION 8-26. PERMIT AND FEE EXEMPTIONS**

##### **COMMERCIAL, INDUSTRIAL AND MIXED-USE PROPERTY**

- (a) Pursuant to the Act and the designation, an exemption from certain building permit, zoning and subdivision fees is hereby authorized for the new construction and renovation or rehabilitation of commercial, industrial, or mixed-use real estate which is located within the Zone and which have met the qualification criteria described in this Article. For purposes of this article, the term “mixed-use” shall mean any building developed as a mixed-use building, as defined in the Code of Virginia, §59.1-548(A) or, if a development qualifying for a Major Mixed-use Development Incentive and consisting of more than a single building, structure(s) developed on a tract of land for two or more different uses, such as, but not limited to, residential, office, retail, institutional, public or entertainment and including the on-site infrastructure necessary to support such uses. The said exemption shall be in the form of a refund of such fees as are described in this Article, except that no fee or portion of any fee which is remanded to the Commonwealth of Virginia or to any entity other than the City of Winchester shall be refunded.

##### **RESIDENTIAL PROPERTY**

- (b) Pursuant to the Act and the designation, an exemption from certain building permit, zoning and subdivision fees is hereby authorized for the new construction and renovation or rehabilitation of residential real estate which is located within those portions of the North Loudoun Street District located in the Zone and which have met the qualification criteria described below. The boundaries of the North Loudoun Street District are described in those official real estate parcel maps, which shall be retained by the Local Zone Administrator, and as may be amended from time to time. (Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

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### SECTION 8-27. QUALIFIED RECIPIENTS.

#### (a) SUBSTANTIALLY REHABILITATED REAL ESTATE.

Qualified recipients shall be those owners of residential, commercial, industrial or mixed-use property who complete a substantial rehabilitation project as defined in Chapter 27, Article II, Division 4A of the Code of the City of Winchester.

#### (b) BUSINESS DEVELOPMENT GRANT FOR VACANT PROPERTIES.

Qualifying recipients shall also include eligible businesses that conduct a substantial rehabilitation of a property within the Zone equal to or more than 75% of the assessed value of the property. The property must be at least 5,000 square feet, have been consecutively vacant for the two years prior to the commencement of the renovation and the business must be new to the City, or an expansion located within the City.

Completion shall be evidenced by the issuance of a final certificate of occupancy or, where no certificate of occupancy is required, by a final building inspection certificate.

#### (c) INCENTIVE VALUATION.

The value of the incentive shall be measured and determined by the property's assessed value immediately before commencement of substantial rehabilitation and the assessed value immediately after completion of substantial rehabilitation, as determined by the City's assessing official.

#### (d) EXCLUDED RECIPIENTS.

Properties that possess or will possess not-for-profit enterprises are excluded from receiving any of the aforementioned incentives. Mixed-use properties that possess a not-for-profit enterprise must house residential or for profit businesses that amount for sixty percent (60%) or more are qualified recipients.

(Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

### SECTION 8-28. AMOUNT.

Fees to be refunded to a qualified recipient shall include and be limited to the building permit fees imposed by Winchester City Code §6-27, the fees imposed by §23-8-1, *et seq.* of the Zoning Ordinance, and the charge for the submission of a subdivision plat imposed by the Subdivision Ordinance §4-8.

(Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

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### **SECTION 8-29. OWNER'S APPLICATION.**

The owner of property which is qualified to be exempted from those fees described above shall be required to file an application requesting the exemption provided for in this article with the Local Zone Administrator not later than one year after completing the qualifying construction. No property owner may apply for an exemption under this article on the basis of a building permit issued prior to the establishment of the enterprise zone. (Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

### **SECTION 8-30. REPEALED.**

(Ord. No. 033-95, 9-12-95; Ord. No. 2014-03, 2-25-14)

### **SECTION 8-31. NONWAIVER.**

This article shall not be construed to waive the requirement of any application, permit, or approval from the City as mandated by other code sections. Nothing in this article shall be construed as waiving the right of the City of Winchester to collect any fines or penalties imposed by other sections of the Code. (Ord. No. 033-95, 9-12-95)

### **SECTIONS 8-32 - 8-40. RESERVED.**

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