

## Establishment of Technology Zones

A technology zone can be a valuable tool for the encouragement of new and expanding technology businesses in a locality. Virginia's cities, counties, and towns have the ability to establish, by ordinance, one or more technology zones to attract growth in targeted industries.

Establishment of a technology zone allows localities to create special incentives for qualified businesses locating or expanding operations in a zone. These incentives may include; a reduction of user and permit fees, local tax incentives, special zoning treatment, exemption from local ordinances or other incentives adopted by ordinance.

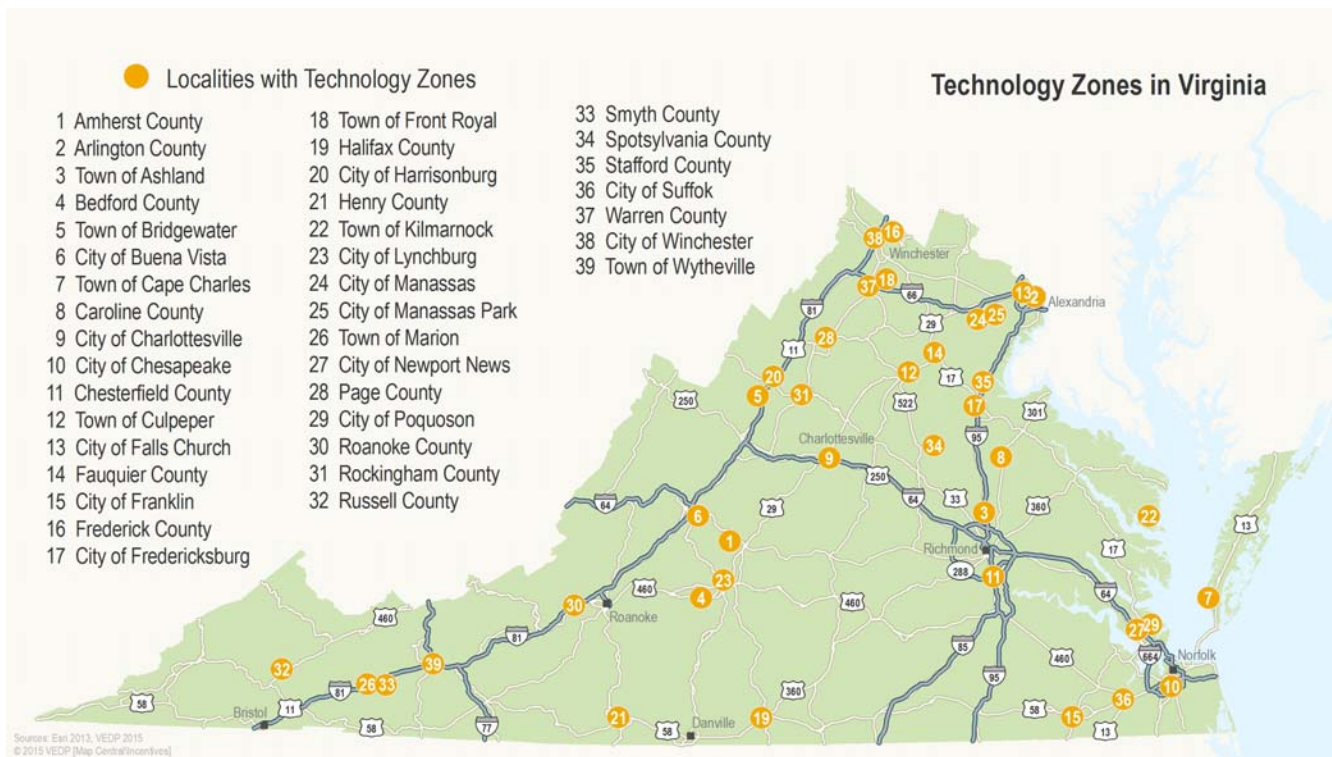
Once a local technology zone has been established, incentives may be provided for up to ten years. Each locality designs and administers its own program. The establishment of a technology zone shall not preclude the area from also being designated as an enterprise zone.

Localities that have established technology zones include the counties of **Amherst, Arlington, Bedford, Caroline, Chesterfield, Culpeper, Fauquier, Frederick, Halifax, Henry, Page, Roanoke, Rockingham, Russell, Smyth, Spotsylvania, Stafford and Warren**; the cities of **Buena Vista, Charlottesville, Chesapeake, Falls Church, Franklin, Fredericksburg, Harrisonburg, Lynchburg, Manassas, Manassas Park, Newport News, Poquoson, Suffolk and Winchester**; and the towns of **Ashland** in Hanover County, **Bridgewater** in Rockingham County; **Cape Charles** in Northampton County, **Front Royal** in Warren County, **Kilmarnock** in Lancaster County, **Marion** in Smyth County and **Wytheville** in Wythe County.

If your locality has established a technology zone and it does not appear in the list above, please contact us so that you may be included in our marketing literature. You may contact Michelle Mende at (804) 545-5785 or at [mmende@yesvirginia.org](mailto:mmende@yesvirginia.org). We would like a copy of the ordinance establishing the zone for our records, as well as an aerial or map showing the technology zone boundaries.

Virginia Code provisions governing Technology Zones can be found in section 58.1-3850.

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## TECHNOLOGY ZONE INCENTIVES CITY OF CHESAPEAKE, VIRGINIA

### **Business Type:**

Derives a substantial portion of its gross receipts from technological research and design services or from the sale, leasing, licensing, or servicing of technological products such as computers, hardware, software, telecommunication devices, electronic information devices and video, audio, electronic products; or uses advanced and innovative technological devices to conduct design, manufacture, sales, leasing, and service businesses, provided that at least fifty percent (50%) of total capital outlay is invested in the lease or purchase of technological products to be located in the technology zone and employed for purposes other than internal administrative operations.

### **Business Qualification:**

Employs a minimum of five (5) employees with average wages equal to or greater than two and one-half times the federal minimum wage as calculated without assignment of value to benefits.

Invests at least two hundred thousand dollars (\$200,000.00) in real estate, improvements and equipment located in the technology zone.

### **Area:**

South Norfolk Borough

### **Incentives:**

- ❖ Exemption from building code fees for 10 years.
- ❖ Exemption from zoning fees, including fees for land use applications, building permits and other fees for 10 years.
- ❖ Exemption from fees imposed under the Subdivision Ordinance, including fees for subdivision plat and site plan review for 10 years.
- ❖ Reduction of business license taxes and fees for 5 years:
  - Year 1 – 80%
  - Year 2 – 60%
  - Year 3 – 40%
  - Year 4 – 20%
  - Year 5 – 20%