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HOUSE BILL NO. 1319

Offered January 22, 1996

A *BILL to amend and reenact §§ 59.1-274 and 59.1-274.1 of the Code of Virginia, relating to enterprise zones.*

Patrons—Jones, D.C., Christian, Crittenden, Cunningham, Hall, Jones, J.C., McEachin, Melvin and Spruill; Senators: Benedetti, Lambert, Marsh, Maxwell and Miller, Y.B.

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That §§ 59.1-274 and 59.1-274.1 of the Code of Virginia are amended and reenacted as follows:

§ 59.1-274. Enterprise zone and rural enterprise zone designation.

A. The governing body of any county, city or town may make written application to the Department to have an area or areas declared to be an enterprise zone. Such application shall include a description of the location of the area or areas in question, and a general statement identifying proposed local incentives to complement the state and any federal incentives. Two or more adjacent jurisdictions may file a joint application for an enterprise zone lying in the jurisdictions submitting the application.

B. The Governor may approve upon the recommendation of the Director of the Department of Housing and Community Development the designation of up to fifty areas as enterprise zones for a period of twenty years. Any county, city, or town shall be eligible to apply for more than one enterprise zone designation; however, each county, city, and town shall be limited to a total of three enterprise zones. Counties with a population density of 150 or fewer persons per square mile at the most recent decennial census shall be limited to a total of two enterprise zones, one of which may contain two zone areas, each consisting of at least one square mile, which are non-contiguous. Such additional areas shall not be considered as separate zones for the purpose of calculating the maximum number of zone designations established by this chapter, but shall serve as extensions of the existing zones. Any such area shall consist of contiguous United States census tracts or block groups or any part thereof in accordance with the most current United States Census or with the most current data from the Center for Public Service or the local planning district commission. Any such area seeking designation as an enterprise zone shall also meet at least one of the following criteria: (i) have twenty-five percent or more of the population with incomes below eighty percent of the median income of the jurisdiction, (ii) have an unemployment rate 1.5 times the state average, or (iii) have a demonstrated floor area vacancy rate of industrial and/or commercial properties of twenty percent or more.

C. Any enterprise zone so designated shall conform to the following size guidelines:

1. In metropolitan central cities, the enterprise zone shall have a minimum size of one-half square mile (320 acres) and a maximum size of one square mile (640 acres) or ten percent of the jurisdiction's land area or population, whichever is largest;

2. In towns and cities other than metropolitan central cities, the enterprise zone shall have a minimum size of one-quarter square mile (160 acres) and a maximum size of one-half square mile (320 acres) or ten percent of the jurisdiction's land area or population, whichever is largest; and

3. In unincorporated areas of counties, the enterprise zone shall have a minimum of one-half square mile (320 acres) and a maximum size of six square miles (3,840 acres).

§ 59.1-274.1. Changes in the boundaries of enterprise zones.

Upon designation of an area as an enterprise zone, the local governing body may make written application to the Department to expand or delete the area areas of the enterprise zone. Such application for expansion or deletion shall be considered by the Department in accordance with the requirements of §§ 59.1-274 and 59.1-275 and such regulations of the Department as may be applicable. The local governing body must hold at least one public hearing on the requested changes prior to the submission of its application to the Department. In the case of a boundary amendment involving the elimination of area from a zone, the local governing body must separately notify each property owner and business firm located within the effected area of the proposed amendment prior to holding the public hearing pursuant to regulations promulgated by the Department. Any such boundary changes cannot impact the enterprise zone's ability to meet the required distress criteria and cannot involve more than ten percent of the total zone acreage.

INTRODUCED

HB1319