

**REGULAR MEETING OF
LURAY PLANNING COMMISSION
MARCH 10, 2015**

The Luray Planning Commission met on Tuesday, March 10, 2015 at 7:00 p.m. in regular session. The meeting was held in the Luray Town Council Chambers at 45 East Main Street, Luray, Virginia at which time there were present the following:

Commissioners Present:

Ronald Good
Brian Sours
Grace Nowak
Jerry Dofflemyer
Tracie Dickson
John Shaffer

Absent: Mark Malone

Others Present:

Ligon Webb, Town Planner
Charlie Hoke, Town Manager
Jason Spitler, Town Attorney

The meeting was called to order by Chairman, Ronald Good, at 7:00 p.m. and everyone joined in the Pledge of Allegiance to the flag.

APPROVAL OF MINUTES:

One correction was made to the minutes of February 11, 2015. The meeting was held at 7:00 p.m. and not 6:00 p.m. A motion was made by Commissioner Nowak that the minutes of the February 11, 2015 Regular Meeting be approved as corrected and motion was seconded by Commissioner Dofflemyer with the vote as follows: YEA: Commissioners Good, Sours, Nowak, Dofflemyer, Dickson and Shaffer. **Approved 6-0**

PUBLIC HEARING – LURAY ENTERPRISE ZONE

Commissioner Good stated we discussed the matter of the Enterprise Zone at length last month and it has been advertised. We will have the public hearing tonight.

Mr. Webb stated he thought the map was in the digital packet when he printed it out. One thing about the zone, even if someone adjacent to the zone wants to benefit from it, all you have to do is amend the map the next year. Amending this is a simple, straightforward process. You have to submit it in early spring if there is something you want to change or bring someone in or even

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change the incentives. The bottom line is that there are some state incentives but most of them are local. With this ad, we are trying to educate people that we have this program. We want to push it out there and advertise on our website and social media to let people see it's there. Right now we probably have about five projects that are in some engagement with this with the town staff media. We haven't officially adopted it so I think it is a good start and a cornerstone Economic Development program for the state. Potential customers have not been approached, but just people who have been in the office looking at real estate. The Enterprise Zone has been tailored for Page County and specifically Luray. There will be three zones within the county; one in Stanley, Shenandoah and Luray. Each town has the same opportunity with a fair amount also in the outlying areas.

On page 2 (a) 1) and 2) is the state program. This is one that almost anybody can qualify for as long as you make that minimal investment of \$100,000 in real estate. Right now the lady who is rehabilitating the Laurence, seems to be the first recipient of this. She is not creating jobs, but she can get the RPIG real property investment grant, at least \$100,000. That buy back is a direct cash payment back. Another thing about these programs is the larger your potential enterprise or investment, the more the return. If you make a capital investment in machines, tools, or real estate, you can get a rebate on those taxes. When a new business employs over 5 full-time jobs, they can get a 5 year step down on their business and professional occupancy license tax. The folks that are already here wouldn't necessarily be left out in the cold. If there was an investment and creation of jobs, they can also take advantage of these programs. An existing business could just be rebated the amount of the new investment. The EDA has some funds to loan out. One loan that the EDA has made has been for a piece of equipment.

In the commercial real estate exemption this will hold your property taxes, so if you invest money into a piece of property, basically your assessment is going to be held at the pre-improvement value. For example, if you have \$300,000 and you bought it for \$50,000, you would get a rebate on all the increase. All of these items work in rebate. You pay it and you get rebated.

We are going to sit down with the EDA and people in town and put together an application that will state all the ways we can help every individual project and individual, but they must participate in the enterprise zone. We'll sit down with them beforehand and put together a list in the packet that says they will agree to certain investment goals and job creations. It is under the umbrella of the State. Most of it is a locally generated rebate tax program. In Front Royal and others areas where they have a more industrial base than we have, it has been a big deal. They said in the 20 years they have been involved, they saw their economy grow and this was a main player in that growth. It may not have the same effect in Luray as it would in an area that has a little more industrial capacity, but it shows that if we are willing to step out there and give people something back and they put something in, it also can be a considerable savings over a long period for time.

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A question was asked where are the other towns in the county on this. Are they going to approve it? Mr. Webb stated they are actually approving one just like this. He shared it with them and they are going to put it in various places and adopt it in their code. If a prospect comes into town, they need to be told about it and that it is a benefit if you are thinking about an investment. They will review it once a year and they want to see over those 5, 6 or 7 years that you can show you had 18 projects that have taken advantage of this; some at the minimum threshold, and some at the upper threshold, but this is the number of people involved and seeing through and making sure that they are paid, rebated and are following our agreement with them. Ligon already has 5 out there that are talking about it.

A question was asked what is keeping one of the other towns from making an adjustment; do they all have to be the same and does the county then have to approve one that is the same as the town's? Mr. Webb stated they don't necessarily have to but the lion's share of most of the taxes we are talking about are county levies. The town would be BPOL and real estate. The real estate from the county part would be a bigger rate than the town, so that's why we all want to be on the same page. The big thing is when we find someone who wants to take advantage of this, that we go into it and make a sort of contract. The towns could all adopt separate ones. Every town's benefit could be different.

The Public Hearing was then officially opened. There being no one to speak, the public hearing was closed.

A motion was made by Commissioner Nowak that the Enterprise Zone ordinance for the Town of Luray be adopted as written. Motion was seconded by Commissioner Dofflemyer. The vote was as follows: YEA: Commissioners Good, Sours, Nowak, Dofflemyer, Dickson and Shaffer.
APPROVED: 6-0

Mr. Webb stated we have a potential for a special use permit next month. There are still some details being worked out. It's a real estate venture.

There being no further business, the meeting adjourned at 7:30 P.M.

Ligon Webb
Town Planner

ATTEST:
