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# VIRGINIA STATE BUDGET

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1998 Special Session I

## Budget Bill - HB4001 (Introduced)

Bill Order » Office of Commerce and Trade » Item 92

Department of Housing and Community Development

### Item 92

First Year - FY1999    Second Year - FY2000

<b>Economic Development Research, Planning, and Coordination (53300)</b>	<b>\$71,182,667</b>	<b>\$53,457,753</b>
Regional and Community Developmental Planning (53301)	\$15,652,303	\$8,726,300
Financial Assistance for Substate Planning (53303)	\$2,066,516	\$2,066,516
Financial Assistance for Community Development (53305)	\$53,463,848	\$42,664,937
Fund Sources:		
General	\$35,019,233	\$17,294,319
Federal Trust	\$36,163,434	\$36,163,434

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Authority: Title 36, §§ 36.85.16 through 36.85.36, Chapter 8 and Title 15.2, Chapter 42, Code of Virginia.

A. This appropriation includes annual membership dues to the Appalachian Regional Commission, \$128,091 the first year and \$128,091 the second year, from the general fund. These dues are payable from the amounts for Regional and Community Developmental Planning.

B.1. Out of the amounts provided to the Department shall be provided \$3,030,000 the first year and \$3,030,000 the second year from the general fund for the Indoor Plumbing Program. In addition, an annual allocation of federal dollars will be made available to this program dependent upon the level of federal support each year. Any unexpended balance in this program at the close of business on June 30, 1998 and June 30, 1999 shall not revert to the general fund, but shall be carried forward and reappropriated.

2. The Department and local program administrators shall make every reasonable effort to provide participants basic financial counseling to enhance their ability to benefit from the Indoor Plumbing Program and to foster their movement to economic self-sufficiency.

C. Out of the amounts for Financial Assistance for Substate Planning shall be paid from the general fund to each planning district commission a sum of \$20,000 each year. In addition, there shall be paid from the general fund:

1. To the Lenowisco Planning District Commission, \$75,753 the first year and \$75,753 the second year, which includes \$38,610 the first year and \$38,610 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

2. To the Cumberland Plateau Planning District Commission, \$78,812 the first year and \$78,812 the second year which includes \$42,390 the first year and \$42,390 the second year for responsibilities originally undertaken and continued pursuant to § 15.2-4207, Code of Virginia, and the Virginia Coalfield Economic Development Authority.

3. To the Mount Rogers Planning District Commission, \$40,687 the first year and \$40,687 the second year.

4. To the New River Valley Planning District Commission, \$40,687 the first year and \$40,687 the second year.
5. To the Fifth Planning District Commission, \$56,030 the first year and \$56,030 the second year.
6. To the Central Shenandoah Planning District Commission, \$49,698 the first year and \$49,698 the second year.
7. To the Lord Fairfax Planning District Commission, \$40,687 the first year and \$40,687 the second year.
8. To the Northern Virginia Planning District Commission, \$323,852 the first year and \$323,852 the second year.
9. To the Rappahannock-Rapidan Planning District Commission, \$40,687 the first year and \$40,687 the second year.
10. To the Thomas Jefferson Planning District Commission, \$40,687 the first year and \$40,687 the second year.
11. To the Central Virginia Planning District Commission, \$45,526 the first year and \$45,526 the second year.
12. To the West Piedmont Planning District Commission, \$52,777 the first year and \$52,777 the second year.
13. To the Southside Planning District Commission, \$40,687 the first year and \$40,687 the second year.
14. To the Piedmont Planning District Commission, \$40,687 the first year and \$40,687 the second year.
15. To the Richmond Regional Planning District Commission, \$163,371 the first year and \$163,371 the second year.
16. To the RADCO Planning District Commission, \$40,687 the first year and \$40,687 the second year.
17. To the Northern Neck Planning District Commission, \$40,687 the first year and \$40,687 the second year.
18. To the Middle Peninsula Planning District Commission, \$40,687 the first year and \$40,687 the second year.
19. To the Crater Planning District Commission, \$40,687 the first year and \$40,687 the second year.
20. To the Accomack-Northampton Planning District Commission, \$40,687 the first year and \$40,687 the second year.
21. To the Hampton Roads Planning District Commission \$312,818 the first year, and \$312,818 the second year.

D. Out of the amounts provided to the Department shall be provided \$1,440,339 the first year and \$1,290,339 the second year from the general fund for the Virginia Water Project for operating costs and water and wastewater grants.

E. This appropriation includes annual membership dues in the DELMARVA Advisory Council, \$7,500 the first year and \$7,500 the second year from the general fund.

F.1. This item includes \$2,200,000 the first year and \$2,200,000 the second year from the general fund to carry out the provisions of §§ 59.1-282.2 and [59.1-282.3](#), Code of Virginia, related to the Enterprise Zone Act. Should actual grants to be awarded in each fiscal year be less than the above amounts, the excess shall revert to the general fund on June 30, 1998 and June 30, 1999.

2. The Department shall study the impact of the Enterprise Zone Program on stimulating new investments and job creation since the program's inception. The Department shall report on the program's costs in terms of general

fund appropriations and revenue loss to the state and participating local governments as well as the program's benefits as measured by investments and jobs created by qualified and nonparticipating businesses in the zones. The study shall also address future costs of the program, specifically addressing tax credit benefits and increasing the number of zones. The Department shall submit the study by November 4, 1998, to the Chairmen of the Senate Finance Committee and the House Finance Committee.

G. Any remaining balances in the Abandoned Housing Fund, the Rural Economic Development Grant Fund, the Clean Sites Fund, the Virginia Enterprise Initiative, and the Southside Economic Development Commission shall not revert to the general fund, but shall be carried forward and reappropriated.

H.1. Out of this item, \$10,185,239 the first year and \$6,250,000 the second year from the general fund is appropriated to carry out the provisions of §§ 15.2-1306 through 15.2-1310, Code of Virginia, related to the Regional Competitiveness Act. The Department may use up to \$150,000 the first year from the general fund for staff support for the Regional Competitiveness Program. This appropriation shall be deemed sufficient to meet the state's portion to fund the workforce training and development activities of the qualified plans for the Crater Regional Partnership, Northern Virginia Regional Partnership, Region 2000, Shenandoah Valley Partnership, Southside Regional Partnership, Hampton Roads Partnership, and Richmond Regional Partnership.

2. The Department shall provide copies of the annual reports prepared by the regional partnerships under §15.2-1309.3, Code of Virginia, to the Chairmen of the Senate Committees on Local Government and Finance, and the House Committees on Appropriations, and Counties, Cities and Towns.

3. Incentive funds shall be distributed on a formula based on the population of the qualified region. Each qualified region shall receive no less than \$200,000 the first year.

I. Out of this item \$10,000,000 the first year from the general fund shall be provided to the fiscal agent for the Richmond Centre for expansion of the Centre's convention facility.

J. Out of the amounts in this item shall be provided \$350,000 the first year from the general fund to the Alleghany Highlands Economic Development Authority. Funds may be used to assist with (i) the I-64 Center for Industry and Technology, (ii) the creation of the Alleghany Highlands Innovation Park, and (iii) the development of a small business development center. State funds shall be matched by at least three dollars of nonstate funds for every state dollar.

K. The Department shall report to the Chairmen of the Senate Finance and House Appropriations Committees by November 4, 1998, on the activities of the Virginia Enterprise Initiative in fiscal year 1998. The report shall include, but not be limited to, program costs, the number and location of participating local organizations, the amount of nonstate money matched by state dollars, the number of loans made, the amount of interest and principal collected, the number of persons trained, the number of new businesses started, the number of businesses still in operation 12 months after receiving program assistance, and the number of new jobs created.

L.1. Out of the amounts in this item shall be provided \$3,000,000 the first year from the general fund for the creation of an Industrial Site Development Fund. Funds shall be used to assist communities with the cost of developing industrial properties in distressed areas of the Commonwealth.

2. The Department shall develop criteria and guidelines for the use of such funds. In developing the guidelines, the Department shall give preference to communities in development of regional industrial sites. Such regional sites shall include two or more localities; have identified, purchased, or placed under option the land for the project; and have contracted for or have finished an engineering study of the proposed site. Forty-five days prior to the expenditure of any funds, the Department shall submit for review the guidelines for this program to the Governor and Chairmen of the House Appropriations and Senate Finance Committees.

