

WOOD COUNTY, WV HOUSING INCENTIVES



BUILD WV ACT

Passed in the 2022 Legislative Session, the BUILD WV Act aims to assist West Virginia's growing communities in attracting much-needed housing development projects. The credit offers a State Sales and Use Tax exemption for building materials and a 10-year property value adjustment refundable tax credit to offset building costs. West Virginia is one of the fastest growing in-bound states, and the demand for new, residential properties has never been higher.

The West Virginia Department of Economic Development (WVDED) oversees the program and reviews all applications. A non-refundable application fee of \$5,000 is required to apply. Projects must apply and be approved prior to the completion of construction. The Wood County Build WV district was approved in 2023, please see the map below.

THE BUILD WV ACT ALLOWS FOR THE FOLLOWING INCENTIVES FOR APPROVED BUILD WV PROJECTS:

SALES TAX EXEMPTION

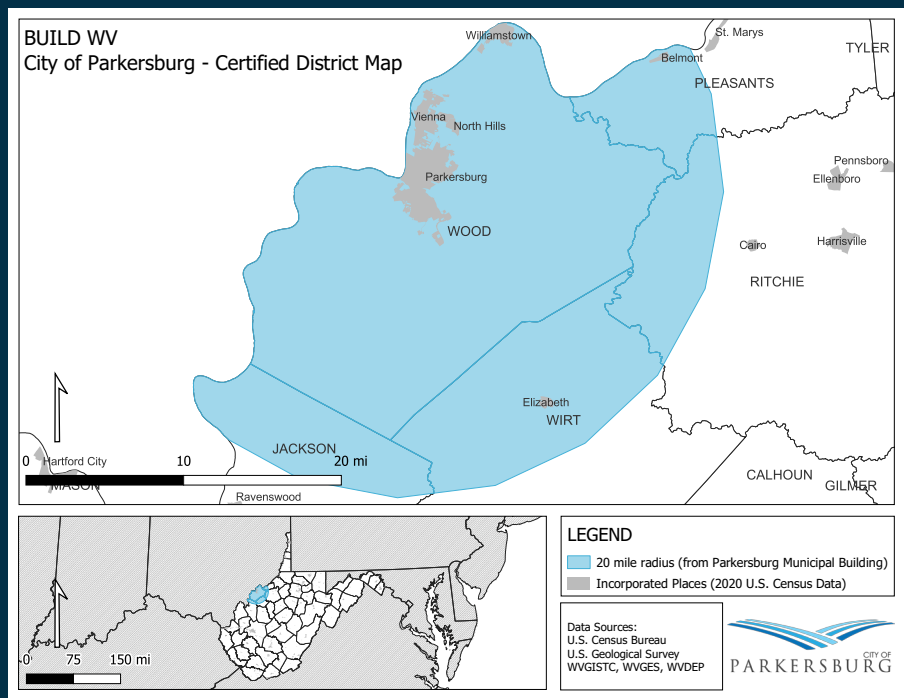
Purchases of building materials, tangible personal property, and services by a construction contractor or subcontractor directly used in the construction of a certified BUILD WV project are exempt from consumer sales and service tax.

PROPERTY VALUE ADJUSTMENT CREDIT (PVAC)

PVAC credit can be taken against personal or corporate income tax of the eligible taxpayer, beginning in the tax year in which construction of the project property is completed and ending in the 10th taxable year thereafter. This tax credit is refundable, up to \$100,000 per project.

POTENTIAL FOR B&O TAX EXEMPTION

To be determined by individual municipalities, authorized by an ordinance. *The City of Parkersburg has an existing B&O program.*



BUILD WV ELIGIBLE PROJECTS WILL MEET THE FOLLOWING CRITERIA

- 1 Be located in a certified BUILD WV District, as designated by the Secretaries of Commerce, Economic Development, and Tourism.
- 2 Generate approved costs in excess of \$3,000,000 OR includes at least six residential units or houses.
- 3 Create a significant and positive economic impact on the state or will directly or indirectly improve opportunity in the area where the project will be located for the successful establishment or expansion of other commercial businesses

OTHER INCENTIVES/PROGRAMS

CITY OF PARKERSBURG PROGRAMS

HOME FUNDS

The City of Parkersburg strives to encourage and stimulate housing opportunities for income-eligible households. Parkersburg is charged with the proficient administration of HOME funds. To increase the efficiency in which HOME funds are utilized and increase the impact of these dollars on our community. The intent of the HOME program is to:

- ▶ Provide decent, safe, and affordable housing to low-income families, up to 80% of Area Median Income (AMI)
- ▶ Expand the capacity of non-profit housing providers
- ▶ Strengthen the ability of state and local governments to provide housing
- ▶ Leverage private sector participation through public, private, and non-profit partnerships to address affordable housing.

PROPERTY TAX REBATES

100% of the increased property tax payable to the City shall be rebated back for a period of 15 years to encourage private investment and redevelopment. Because this property was vacant, the assessed taxes will be significantly lower that they will be after construction is complete. Wood County is currently considering implementing the real property tax rebate program well.

For more information on City of Parkersburg Incentives/Programs please contact Ryan Barber, Development Director at Ryan.Barber@parkersburgwv.gov

ADDITIONAL CITY OF PARKERSBURG HOUSING PROGRAMS

- ▶ New Construction or Rehabilitation of Multifamily Housing Tax Credit Program
- ▶ Vacant Building Revitalization Tax Credit Program
- ▶ New Development Annexation Tax Rebate Program
- ▶ Downtown Parkersburg Facade Rehabilitation Loan Program
- ▶ Owner Occupied Rehabilitation, Down Payment Assistance Program
- ▶ Rental Rehab Program
- ▶ Emergency Repair Program
- ▶ Minor Home Repair Program
- ▶ Real Estate Assisted Demolition Program
- ▶ New Business Tax Credit Program

Learn more about these programs at https://parkersburgwv.gov/departments/community_development/housing_programs.php

DEMOGRAPHICS

83K+ WOOD COUNTY POPULATION

4TH LARGEST CITY IN WV - PARKERSBURG

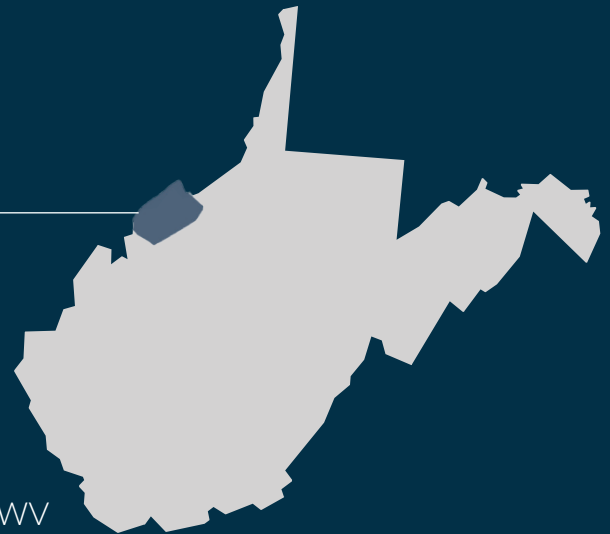
130K LABOR SHED

LOCATION *(approximate distances)*

45m Berkshire Hathaway Energy site in Jackson County, WV

1hr 15m Nucor Steel site in Mason County, WV

1hr 10m West Virginia Capital City - Charleston, WV



WOOD COUNTY
ECONOMIC DEVELOPMENT

For more information contact Lindsey Piersol, Executive Director Wood County Economic Development. lindsey@developwoodcountywv.com | 304-422-5650

The Wood County housing study can also be viewed at www.developwoodcountywv.com

Data is from the US Census Bureau www.census.gov



BUILD WV PROJECT CERTIFICATION GUIDANCE

OVERVIEW

Created during the 2022 Legislative Session, the BUILD WV Act aims to assist West Virginia's growing communities in attracting much-needed housing development projects. The credit offers a State Sales and Use Tax exemption for building materials and a 10-year property value adjustment refundable tax credit to offset building costs. West Virginia is one of the fastest growing in-bound states, and the demand for new, residential properties has never been higher.

The West Virginia Department of Economic Development oversees the program and reviews all applications. A non-refundable application fee of \$5,000 is required to apply. Projects must apply and be approved prior to the completion of construction.

HOW IT WORKS

The BUILD WV Act allows for the following incentives for approved BUILD WV Projects:

- 1. Sales Tax Exemption** - Purchases of building materials, tangible personal property, and services by a construction contractor or subcontractor directly used in the construction of a certified BUILD WV project are exempt from consumer sales and service tax.
- 2. Property Value Adjustment Credit (PVAC)** - PVAC credit can be taken against personal or corporate income tax of the eligible taxpayer, beginning in the tax year in which construction of the project property is completed and ending in the 10th taxable year thereafter. This tax credit is refundable, up to \$100,000 per project.
- 3. Potential for B&O Tax Exemption** - To be determined by individual municipalities, authorized by an ordinance.

Please read [WV §5B-2L-7](#), [§5B-2L-8](#), [§5B-2L-9](#), [§5B-2L-10](#), [§5B-2L-11](#) for additional specifications and requirements.

DETERMINING ELIGIBILITY

Projects eligible for the BUILD WV Act will meet the following criteria:

- Be located in a certified BUILD WV District, as designated by the Secretaries of Commerce, Economic Development, and Tourism
- Generate approved costs in excess of \$3,000,000 OR includes at least six residential units or houses
- Create a significant and positive economic impact on the state
- Will directly or indirectly improve opportunity in the area where the project will be located for the successful establishment or expansion of other commercial businesses
- Provide additional employment opportunities in the state

Please read [WV §5B-2L-16](#) for the entire list of approval considerations.

BUILD WV PROJECT CERTIFICATION GUIDANCE



AN EXAMPLE

PROJECT ASSUMPTIONS:

- \$5,000,000 investment
- 30 Residential Units
- 50% of cost is taxable materials
- 10-Year Incentive Program From 2023 - 2032

TAX INCENTIVES	PROJECTED VALUE IN FIRST YEAR	LENGTH	PROJECTED VALUE OVER 10 YEARS (ESTIMATED)
Sales Tax Exemption-Building Materials	\$150,000	One-Time	\$150,000
Property Value Adjustment Tax Credit	\$66,300	Per Year	\$663,000
Sum Totals Per \$5 Million Project	\$216,300		\$813,000



If you are interested in learning more or discovering if your project may be eligible, or located within a BUILD WV District, please reach out to the WV Department of Economic Development.

CONTACT:

Meghan Smith | 304-558-2234 | meghan.e.smith@wv.gov

almost heaven

BUILD WV

Better United In Long-Term Development PROJECT APPLICATION CHECKLIST

ABOUT THE PROGRAM

The BUILD WV Housing Development Tax Credit was an initiative of Governor Jim Justice in the 2022 Legislative Session. It was passed by the West Virginia Legislature with overwhelming support and signed into law on April 1, 2022. It aims to assist West Virginia's growing communities in attracting much-needed housing development projects. The credit offers a State Sales and Use Tax exemption for building materials and a 10-year property value adjustment refundable tax credit to offset building costs. West Virginia is one of the fastest growing in-bound states, and our demand for new, residential properties has never been higher.

The West Virginia Department of Economic Development (WVDED) oversees the program and reviews all applications. Contact Meghan Smith of WVDED with any questions at 304-993-3564 or Meghan.E.Smith@wv.gov.

APPLICATION CHECKLIST

- ☐ Prior to completing this application, please read the Build WV Act, in [West Virginia Code §5B-2L](#).
- ☐ Complete the application questionnaire on the pages that follow.
- ☐ Attach letters or affidavits of good standing from (1) [the Department of Tax and Revenue](#); (2) [Workforce West Virginia](#); and (3) [the Secretary of State](#).
- ☐ Attach an Executive Summary, which summarizes the proposed project and describes how it addresses both economic problems and the immediate future needs of the area in which it will locate.
- ☐ Attach a written statement describing the business, developer, and/or builder's track record and ability to carry out the project
- ☐ Attach an economic impact summary, describing the anticipated employment, revenues and expenses generated by the project.
- ☐ Attach any available parcel maps, renderings, or conceptual site plans.
- ☐ Attach the resume and two professional references for any owners in excess of 20%
- ☐ Include a check (made out to "WVDED") with your application to cover the non-refundable fee in the amount of \$5,000. Applications will not be considered complete until the fee has been paid.
- ☐ Upon completion of the application, please either mail or e-mail a copy, including required supplemental materials, to the WVDED at the address below:

West Virginia Department of Economic Development
ATTN: Meghan Smith
1900 Kanawha Boulevard East, Building 3, Suite 600, Charleston, West Virginia 25305
Meghan.E.Smith@wv.gov

Within sixty (60) days of the application and fee submissions, the WVDED will review and notify the applicant of whether the application was approved or denied as a certified BUILD WV project. The WVDED's decision is final.



BUILD WV PROJECT APPLICATION

1. PROJECT BASICS

- a. Project Name: _____
- b. Type of housing project:
- ☐ New construction
 - ☐ Rehabilitation of existing, unoccupied structures
 - ☐ Both new construction and rehabilitation of existing structures
- c. Date of application: _____

2. PROJECT LOCATION

- a. Project is located in the following Certified BUILD WV District: _____
- b. Physical Street Address: _____
- c. City: _____
- d. County: _____
- e. State: _____
- f. Zip: _____

3. COMPANY INFORMATION

- a. Applying as: ☐ Company ☐ Multiple Party Project
- b. Company Name: _____
- c. Physical Street Address: _____
- d. City: _____
- e. State: _____
- f. Zip: _____
- g. Phone: _____
- h. Fax (if applicable): _____

4. TAX STRUCTURE

- a. Registered tax name with the WV Tax Department: _____
- b. Date of Business establishment: _____
- c. Federal Tax I.D. number: _____
- d. WV Tax I.D. Number: _____
- e. Organization Type:
- | | |
|--|--|
| <input type="checkbox"/> C Corporation | <input type="checkbox"/> S Corporation |
| <input type="checkbox"/> LLC | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Limited Liability partnership | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Business Trust | <input type="checkbox"/> Joint Venture |
| <input type="checkbox"/> Other: _____ | |



- f. If applying as a multiple party project, please supplement this application with a document summarizing the structure of the multiple party project participants, including first & last and how the credit is intended to be taken within the affiliated group of taxpayers. Please contact the WV Department of Economic Development with any questions.

West Virginia Department of Economic Development

ATTN: Meghan Smith

1900 Kanawha Boulevard East, Building 3, Suite 600, Charleston, West Virginia 25305

Meghan.E.Smith@wv.gov

5. OWNERSHIP

- a. Identify all individuals with ownership

(Attach additional pages if necessary to list all individuals with ownership positions of 20% or more)

OWNER 1

- i. First & Last Name: _____
- ii. Mailing Address: _____
- iii. Phone: _____
- iv. Email: _____
- v. % Ownership: _____

OWNER 2

- i. First & Last Name: _____
- ii. Mailing Address: _____
- iii. Phone: _____
- iv. Email: _____
- v. % Ownership: _____

- b. Legal Counsel

- i. Business Name: _____
- ii. Contact Name: _____
- iii. Mailing address: _____
- iv. City: _____
- v. State: _____
- vi. Zip: _____
- vii. Phone: _____
- viii. Email: _____

- c. Accountant

- i. Business Name: _____
- ii. Contact Name: _____
- iii. Mailing Address: _____
- iv. City: _____
- v. State: _____
- vi. Zip: _____
- vii. Phone: _____
- viii. Email: _____



6. PROJECT DESCRIPTION & INFORMATION

- a. Please provide a brief description of the project. Description should include, but not be limited to how many units or houses the proposed project will entail, how the project will positively impact the certified BUILD WV District in which it will be located, how the project will meet the immediate future needs of the region, and the projected cost of the project.

b. Total proposed units to be constructed: _____

c. Total existing, unoccupied units to be rehabilitated: _____

- i. If project includes rehabilitation of existing structures, are the structures historic:
(Listed individually on the National Register of Historic places) ☐ Yes ☐ No

d. If units/houses will be for sale, please provide the average anticipated listing price:

e. If units/houses will be available for rent or lease, please provide the anticipated monthly lease price:

f. Average square footage of each individual unit/house:

g. Indicate the number of beds and bathrooms (# bed/# bath) the proposed units and houses will have:

h. Project Development Timing:

- i. Construction start date: _____
ii. Projected construction completion date: _____
iii. Projected date units/houses will be ready for occupancy: _____

7. PROJECT FINANCING

- a. State code requires that applicants provide sources of funding planned for the proposed BUILD WV project. Please provide a breakdown of the project's planned financial structure and attach appropriate evidence (commitment letters, balance sheets, etc.) that funding is available.

b. Lending:

- i. Lending Institution Name: _____ \$ _____
ii. Lending Institution Name: _____ \$ _____
iii. Lending Institution Name: _____ \$ _____

c. Capital: \$ _____

d. Equity: \$ _____

e. Other source: \$ _____

f. Total Project Funding: \$ _____



8. ESTIMATED PROJECT COSTS

- a.** Note: Costs that are financed with any governmental incentives, grants or bonds are excluded. The exclusion of certain costs of a project does not automatically disqualify the remainder of the costs of the project.

- i.** Land acquisition: _____
- ii.** Site preparation (includes installation of utilities, access roads, improvements, etc.): _____
- iii.** Construction Costs:
 - 1.** New unit/house construction costs: _____
 - 2.** Common areas construction costs: _____
 - 3.** Improvements to any existing units/houses: _____
- iv.** Architectural and engineering services: _____
- v.** Machinery and/or equipment: _____
- vi.** Construction inspection and materials acceptance: _____
- vii.** Contract bonds/Insurance : _____
- viii.** Appraisals: _____
- ix.** Administrative costs: _____
- x.** Accounting fees: _____
- xi.** Legal fees: _____
- xii.** Commitment fees: _____
- xiii.** Project contingency: _____
- xiv.** Other: _____

- xv.** Total estimated development costs: _____

9. ECONOMIC IMPACT

- a.** Please describe or quantify any anticipated temporary jobs that will be generated by the project.

- b.** Please describe or quantify any anticipated permanent direct and indirect jobs that will be generated by the project.



c. Please describe or quantify any anticipated tax revenue increases that will be generated by the project.

10. REQUIRED SUPPLEMENTAL MATERIALS

a. The following information, in addition to this document, is required to be submitted for an application to be considered complete. Failure to provide any of the attachments may result in a delay of a formal review by the WVDED.

i. Executive Summary, to include the following:

1. Proposed project summary

a. Include how the proposed project addresses economic problems and the immediate future needs of the area in which it will locate.

2. Business/Developer/Builder history

a. Written statement for ability to carry out the project.

3. Economic impact summary

a. Describe the anticipated employment, revenues and expenses generated by the project.

ii. Maps

1. Any available parcel maps, renderings, or conceptual site plans.

iii. Resume and two professional references of owners in excess of 20%

