

# DATA CENTERS INCENTIVES

## Dominion Energy Certified Data Center Site

As of October 5, 2017, Corporate Landing Business Park has been approved as a Dominion Energy Certified Data Center Park. The Dominion Energy Data Certification is a rigorous program reserved for sites with very unique characteristics and validated by independent, third-party partner.

## Cable Protection Zone

The City of Virginia Beach has begun the process of establishing offshore cable protection zones for all transatlantic telecommunications cable landing locations.

## Technology Zone Incentives

The City of Virginia Beach is creating a Technology Zone program that will include variety of incentives targeted to data centers and other key technology companies, including:

- Rebate of business license tax
- Reimbursement of development fees
- Reimbursement of water and sewer connection fees

## Competitive Data Center Taxes

### Depreciation Methods and Tax Rates Comparisons

County	Method of Depreciation			Tax Rate per \$100 of Assessed Value
	Year 1	Year 2	Year 3	
Prince William County	50%	35%	20%	\$1.25
Fairfax County	50%	35%	20%	\$4.57
Loudoun County	50%	40%	30%	\$4.20
Fauquier County	60%	40%	20%	\$2.30
Culpeper County	65%	50%	40%	\$2.00
Henrico County	50%	30%	20%	\$0.40
Virginia Beach	40%	40%	40%	\$0.40

Source: City of Virginia Beach Economic Development, 2021

NOTE: Data Center equipment is normally replaced every 3 years; the depreciation rate for year 4 is 30% and for year 5 forward is 15%

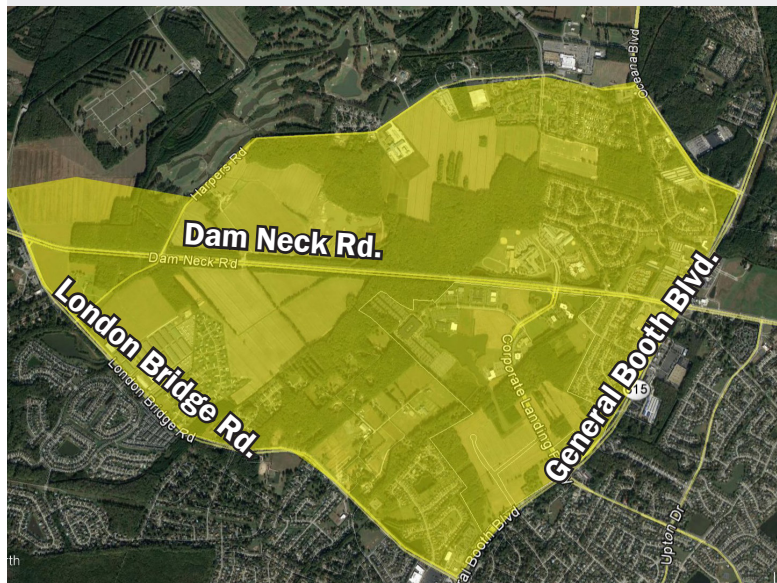
## Tax Comparisons

The estimate is based on equipment cost of \$100 per square foot for 1,000,000 square foot facility.

County	Value	Rate	Year 1	Year 2	Year 3	TOTAL
Prince William County	\$100,000,000	\$1.25	\$625,000	\$437,500	\$250,000	\$1,312,500
Fairfax County	\$100,000,000	\$4.57	\$2,285,000	\$1,599,500	\$914,000	\$4,798,500
Loudoun County	\$100,000,000	\$4.20	\$2,100,000	\$1,680,000	\$1,260,000	\$5,040,000
Fauquier County	\$100,000,000	\$2.30	\$1,380,000	\$920,000	\$460,000	\$2,760,000
Culpeper County	\$100,000,000	\$2.00	\$1,300,000	\$1,000,000	\$800,000	\$3,100,000
Henrico County	\$100,000,000	\$0.40	\$200,000	\$120,000	\$80,000	\$400,000
Virginia Beach	\$100,000,000	\$0.40	\$160,000	\$160,000	\$160,000	480,000

Source: City of Virginia Beach Economic Development, 2021

## Proposed Technology Zone



## Dominion Energy Certified Park



## Other Business Cost Advantages

- Business Licence Fee Incentive Program
- Energy-Efficient Real Estate Tax Rate



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