

# The Port of Virginia— Incentives

## Port of Virginia Economic and Infrastructure Development (EID) Grant

A business entity that meets all five criteria listed below may be eligible for a cash grant from the EID Grant per [Section 62.1-132.3:2](#) of the Code of Virginia, subject to appropriation, beginning January 1, 2025:

- Locates or expands a facility within the Commonwealth of Virginia
- Creates at least 25 new, permanent full-time positions for qualified full-time employees at a facility within Virginia from commencement of the project through the first full year of operation or during the year when expansion occurs
- Is involved in maritime commerce, or exports or imports manufactured goods through The Port of Virginia
- Is engaged in one or more of the following: distribution, freight forwarding, freight handling, goods processing, manufacturing, warehousing, crossdocking, transloading, or wholesaling of goods exported and imported through The Port of Virginia; ship building and ship repair; dredging; marine construction; or offshore energy exploration and extraction
- Pays a minimum entry-level wage rate per hour of at least 1.2 times the federal minimum wage or the Virginia minimum wage, as required by the Virginia Minimum Wage Act (§ 40.1-28.8 et seq.), whichever is higher.

The amount of the grant is calculated by the following formula, subject to a distinct and shared appropriation cap of \$2 million:

- 25-49 new jobs: \$1,000 per job
- 50-74 new jobs: \$1,500 per job
- 75-99 new jobs: \$2,000 per job
- 100 + new jobs: \$3,000 per job



## Port of Virginia Facts

- Port of Virginia facilities: Newport News Marine Terminal, Norfolk International Terminals, Portsmouth Marine Terminal, Virginia Inland Port, Virginia International Gateway, and Richmond Marine Terminal
- Fiscal year 2024 Port of Virginia cargo movements: truck 56%, rail 41%, and barge 3%
- 50-foot channels and berths
- Zero air-draft restrictions
- Only U.S. East Coast port with congressional authorization for 55-foot depth channels
- Deepest, widest channel on the East Coast allows two-way passage of ultra-large container vessels (ULCV)
- First East Coast port to power all of its terminals with 100% clean energy (8 years ahead of the 2032 goal)
- 33% of cargo arrives and departs the port by rail, the largest percentage of any U.S. East Coast port
- Direct service to 45+ countries worldwide
- 2.5 hours to open sea
- 15 weekly vessel calls to and from Asia
- 13 weekly vessel calls to and from Europe

An eligible qualified company must pre-apply to the Virginia Port Authority between September 1 and October 31 of the year preceding the general application date by submitting a pre-application form found on the Port of Virginia's [webpage](#). Applicants will be notified of either pre-approval or renunciation of their pre-application no later than December 31 of the pre-application year.

- Companies receiving pre-approval should submit their general grant application by March 31st in the year immediately following the location or expansion of a facility within the Commonwealth; or the calendar year of which eligibility has been established and pre-application made.
- The qualifying company must also agree to maintain the jobs at the facility within Virginia and continue to move cargo through The Port of Virginia for each of the three years following the receipt of the grant by entering into a Memorandum of Understanding (MOU) with the Virginia Port Authority. In the event that the company fails to maintain the job number or cargo moving through The Port of Virginia during any of those three years, the company may be required to pay all or a portion of the grant back to the Virginia Port Authority.
- A company that has received a grant from this fund may be eligible for a second grant if it locates or expands an additional facility in a separate location within the Commonwealth, creates at least 300 new permanent jobs at the additional facility over and above those agreed upon in the company's original MOU with the Virginia Port Authority, and increases cargo volumes through The Port of Virginia by at least five percent from the additional facility, not including any volume increase resulting from the original grant.
- Please note, a company may not claim the Port of Virginia Economic and Infrastructure Development Grant, the Major Business Facility Jobs Tax Credit, or the International Trade Facility Tax Credit for the same jobs.

## Virginia Port Volume Increase Grant Program (PVI Grant)

The Virginia Port Volume Increase Grant Program (PVI Grant) is available, per [Code of Virginia Section 62.1-132.3:5](#) for eligible entities that increase cargo volume by a minimum of five percent (5%) year over year, while utilizing port facilities in the Commonwealth of Virginia.

- To be eligible for the PVI Grant, a company must be an agricultural entity, manufacturing-related entity, or mineral and gas entity that use port facilities in Virginia, and own the cargo at the time that port facilities are used.
- The PVI Grant award is generally equal to \$50 for each TEU above the base-year port cargo volume, or \$50 for each TEU transported through a port facility during a major facility's first calendar year. For shipments of 40-foot or 45-foot containers, one loaded container is equivalent to two TEUs. For purposes of calculating the amount of Port Volume Increase for eligible entities that ship non-containerized cargo, one TEU is equivalent to 16 net tons of non-containerized cargo. One net ton is equivalent to one short ton, or 2,200 pounds.
- An eligible qualified company must pre-apply to the Virginia Port Authority between September 1 and October 31 of the year preceding the general application date by submitting a pre-application form found on the Port of Virginia's [webpage](#). Applicants will be notified of either pre-approval or renunciation of their pre-application no later than December 31 of the pre-application year.
- The general application period begins January 1 of the calendar year immediately following the calendar year of port cargo volume growth and pre-application. Submission of the general grant application shall be made by March 1st.
- An eligible entity that is granted an award may not receive more than \$250,000 for a calendar year.

## Virginia Barge and Rail Usage Grant Program (BRU Grant)

The Virginia Barge and Rail Usage Grant Program (BRU Grant) benefits companies that use barge or rail to move cargo to or from public or private port terminals in Virginia rather than by truck or motor vehicle on Virginia's highways.

According to the established legislation, [Code of Virginia Section 62.1-132.3:2.6](#) to be eligible for the BRU Grant, a facility must be an international trade facility that is doing business and using port facilities in Virginia, and is engaged in port-related activities including, but not limited to, warehousing, distribution, freight forwarding and handling, and goods processing. The facility must increase its barge and rail cargo volume by a minimum of five percent (5%) year over year in order to be eligible for the program. Cargo qualifying for this grant award must result from a diversion of shipments from Virginia's highways.

The grant award is \$25 per one of the following:

- One TEU; or
- 16 tons of non-containerized cargo; or
- One unit of roll-on/roll-off cargo moved by barge or rail

An eligible qualified company must pre-apply to the Virginia Port Authority between September 1 and October 31 of the year preceding the general application date by submitting a pre-application form found on the Port of Virginia's [webpage](#). Applicants will be notified of either pre-approval or renunciation of their pre-application no later than December 31 of the pre-application year.

The general application period begins January 1 of the calendar year immediately following the calendar year of barge and rail growth and pre-application. Submission of the general grant application shall be made by March 1st.

The grant fund is subject to a distinct appropriation cap each year. For fiscal year 2025, the grant program has a spending cap of \$250,000.

## International Trade Facility Grant Program (ITF Grant)

Based on [Code of Virginia Section 62.1-132.3:2.3](#), the International Trade Facility Grant Program (ITF Grant) provides grant funding to eligible international trade facilities that increase qualified trade activities at port facilities located in the Commonwealth of Virginia.

- Grant funding is applied based on the capital investment made by the applicant to facilitate the qualified trade activities or an increase in employment at an international trade facility.
- The port cargo volume growth at these facilities must increase by a minimum of five percent (5%) in a single calendar year over its base year port cargo volume and requires the facility pay a minimum entry-level wage rate to all full-time positions.
- A qualified company that claims employees for the International Trade Facility Grant Program cannot receive an award for jobs previously claimed for the Major Business Facility Job tax credit. In addition, a qualified company that is claiming the International Trade Facility Grant Program cannot also claim the Economic and Infrastructure Development Grant.

The amount of the award is either:

- \$3,500 per new qualified full-time job that results from increased qualified trade; or
- 2% of qualified investment expenses made by the applicant to facilitate increased trade.

An eligible qualified company must pre-apply to the Virginia Port Authority between September 1 and October 31 of the year preceding the general application date by submitting a pre-application form found on the Port of Virginia's [webpage](#); applicants will be notified of either pre-approval or renunciation of their pre-application no later than December 31 of the pre-application year.

Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website, [ExportVirginia.org](https://www.ExportVirginia.org).

## Additional Resources

### **Port of Virginia**

[Port of Virginia](#)

### **Growth Incentive Grants**

[Port of Virginia](#)

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