

**ORDINANCE ENACTING
A TOURISM ZONE TO
THE CODE OF ORDINANCES FOR THE
TOWN OF CLIFTON FORGE, VA.**

BE IT ORDAINED by Clifton Forge Town Council that the following Ordinance is enacted as follows:

SEC. 27-1. TOURISM ZONE INCENTIVES

- a. **Purpose.** The purpose for creating a tourism zone is to attract more investment and prioritize the zone for tourism development. Qualified new or expanding businesses that are interested in locating in the zone may be eligible for incentives.

- b. **Downtown Business Tourism Zone Created.**

There is hereby established the “Downtown Business Tourism Zone” (DBT) which broadly overlaps the Historic District of downtown Clifton Forge and is designated on the attached map entitled “Map of the Tourism Zone in downtown Clifton Forge, VA.” and is incorporated herein.

- c. **Eligibility Requirements.**
 1. **Investment Criteria.** In order to qualify for incentives, new or expanding businesses must make a capital investment of at least \$150,000 or create at least 5 jobs.

 2. **Level of Incentives.** The level of incentives is based on the size of the capital investment, the number of jobs created and how the project meets the following areas of interest to the Town of Clifton Forge:
 - a. Increase in local sales tax generation;

- b. BPOL tax generation (BPOL is business, professional and occupational license tax);
 - c. Location within a priority area of the 2013 Comprehensive Plan;
 - d. Connecting to the Town's Pathways Plan;
 - e. Incorporation of public art and performances and/or support of these attractions into the project;
 - f. Sensitivity to environmental issues;
 - g. Historic Preservation.
- d. Incentives.** The incentive value, for up to a 5 year term, is generated from among the following:
- 1. BPOL Tax. BPOL Tax may be reduced or waived.
 - 2. Performance Grants. Based on tax revenue generated from meals, lodging, machinery and tools and business personal property taxes as applicable.
 - 3. Permit fee. May be reduced or waived.
- e. Administration and Interpretations.**
- 1. Each project must submit a project description and financial projections, along with an incentive application, to the Town Manager. Once the application is received, the Town of Clifton Forge will review and score each project based on a weighted scale, which addresses the areas of interest described herein. Each project will be given a recommended incentive package, which will include the amount and duration of the incentive package.

2. The Town Manager, or designee, shall draft a performance agreement for applicants that qualify for incentives.
3. Performance agreements shall specify all incentives that are to be authorized and may include conditions of approval, such as, but not limited to, requirements that the applicant maintain certain hours of operation or site improvement requirements.
4. Incentives are not authorized until a performance agreement is approved by Town Council, and nothing herein shall be interpreted to require or obligate the Town to approving any incentives until a performance agreement is approved by Town Council.
5. Town Council may revoke, reduce, or suspend incentives after approval of the performance agreement if the conditions, or other term, of the performance agreement are not complied with.

FIRST READING September 13, 2016

SECOND READING September 27, 2016