

# Williamsburg Tourism Zone





# Increase Investment in NET

- Tourism Zone is one tool allowed by State
  - Local Tax Incentives
  - Access to State Incentive Program



# What Businesses?

- Primary customer resides outside local area
- Culinary and Hospitality Uses
  - Hotels/Motels
  - Timeshares
  - Theaters/Assembly Halls
  - Museums/Art Galleries
  - Restaurants
  - Bake Shops
  - Micro-Beverage
  - Culinary Schools
  - Retail
  - Art Studios/Workshops



# Chain & Franchise Businesses

- Allowed only if brand is not currently in the Greater Williamsburg Area
- Does not prohibit a locally owned business from opening a second location in the zone



# Minimum Investment Criteria

- Capital Investment Requirement
- New business must invest \$250,000+
- Existing business must invest \$50,000+



# Additional Scoring Criteria

- Forecasted local tax generation
- Job creation
- Public art contribution
- Live performing arts or art for sale
- Healthy food concept or pedestrian-friendly designs that exceed City requirements



# Local Incentives

- No forfeit of any existing tax revenue
- Refunds a portion of future new tax revenue
  - BPOL
  - Local portion of Sales Tax
  - Room and Meals taxes
- Zoning and Building Fee Waiver





# Incentive Time Frame

- Maximum of 5 years
- Scoring Criteria Impact Time and Percentage

Incentive	Year One	Year Two	Year Three	Year Four	Year Five
BPOL (Business License Fee) Refund	30-100%	20-80%	10-60%	0-40%	0-20%
Sales Tax Benefit	30-100%	20-80%	10-60%	0-40%	0-20%
Room Tax Benefit	30-100%	20-80%	10-60%	0-40%	0-20%
Meal Tax Benefit	30-100%	20-80%	10-60%	0-40%	0-20%
Zoning and Building Fee Exemption	100%				



# New Restaurant

- \$800,000 CapEx, 20 new jobs, Healthy Locally Sourced Food
- \$1,000,000 Annual Sales (Year 1)
- \$1,500,000 Annual Sales (Years 2-5)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
New Revenue to City	\$24,800	\$55,800	\$74,400	\$93,000	\$93,000	\$341,000
Refund to Business	\$37,200	\$37,200	\$18,600	0	0	\$93,000



# Expansion of Existing Restaurant

- \$100,000 CapEx, 8 new jobs, Healthy Food, Contribution to Public Art, Live Music
- \$750,000 NEW Annual Sales (Year 1)
- \$1,000,000 NEW Annual Sales (Years 2-5)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
New Revenue to City	0	\$12,400	\$24,800	\$37,200	\$49,600	\$124,000
Refund to Business	\$46,500	\$49,600	\$37,200	\$24,800	\$12,400	\$170,500



# New Hotel with Restaurant

- \$11,000,000 CapEx, 25 new jobs, Pedestrian Friendly
- \$2,300,000 Annual Sales (Year 1)
- \$3,000,000 Annual Sales (Years 2-5)

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
New Revenue to City	0	\$37,200	\$74,400	\$111,600	\$148,800	\$371,000
Refund to Business	\$142,600	\$148,800	\$111,600	\$74,400	\$37,200	\$514,600



# Next Steps

- Professional Targeted Marketing
- Packaged with Zoning, Infrastructure Plans, Small Business Investment Grant
- Monitor Investment, Vacancy Rate, Use Mix, Available Property
- Reports to City Council and EDA

