

ARTICLE III. - TOURISM ZONES

DIVISION 1. - IN GENERAL

Sec. 40.2-17. - Purpose.

The City Council of the City of Newport News finds that the further development of its tourism tax base requires incentives and regulatory flexibility, and determines that an appropriate method of offering incentives for the areas described below is to create tourism zones as guided and authorized by section 58.1-3851 of the Code of Virginia. The city council finds that the establishment of tourism zones will create a more business-friendly environment and will foster development of tourism related businesses to the benefit of public health, safety, welfare and convenience through the enhancement of public revenues and the creation of employment opportunities.

(Ord. No. 6843-12, § 1)

Sec. 40.2-18. - Administration.

This article shall be administered and enforced by the city manager or his designee. The city manager or his designee shall develop criteria and guidelines for the level of investment required for any particular range of tax incentive and regulatory flexibility. The city manager or his designee is authorized to negotiate performance agreements with potential new or expanded qualified tourism businesses. The city manager or his designee is authorized to enter into performance agreements in instances where incentives included regulatory flexibility and where tax incentives are derived from the remittance of a portion of a qualified tourism business' business, professional, and occupational license tax. In addition, the incentives may include a combination of sales taxes, food and beverage taxes, lodging taxes and/or amusement taxes attributable to the qualified tourism business.

(Ord. No. 6843-12, § 1)

Sec. 40.2-19. - Boundaries of tourism zones.

The boundaries of the city's tourism zones are hereby established as shown on the "tourism zone maps." The tourism zone maps are hereby declared to be a part of this article and to have the same force and effect as if they were fully set forth and described herein. The tourism zone maps shall be kept on file in the office of the department of development.

(Ord. No. 6843-12, § 1)

DIVISION 2. - UPPER WARWICK BOULEVARD/DENBIGH TOURISM ZONE

Sec. 40.2-20. - Eligibility requirements.

- (a) Economic incentives and regulatory flexibility may be made available to any new or expanded qualified tourism business which seeks to attract customers from outside the City of Newport News. The qualified tourism business must advance the city's strategic goals as identified in the City of Newport News City-Wide Tourism Development Plan, the Newport News Retail Development Strategy, and the city's comprehensive plan. The qualified tourism business must commit to a performance agreement based upon investment, jobs, sales revenue, or other significant criteria.
- (b) An existing qualified tourism business must make a capital investment of at least one hundred twenty-five thousand dollars (\$125,000.00) or create and sustain at least two (2) new full time jobs in order to be eligible for economic incentives. A new qualified tourism business must make a capital investment of at least two hundred fifty thousand dollars (\$250,000.00) or create and sustain at least four (4) new full time jobs in order to be eligible for economic incentives and regulatory flexibility.
- (c) Economic incentives may be provided for up to twenty (20) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.
- (d) Regulatory flexibility may be provided for up to ten (10) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.

(Ord. No. 6843-12, § 1)

DIVISION 3. - SOUTHEAST COMMUNITY TOURISM ZONE

Sec. 40.2-21. - Eligibility requirements.

- (a) Economic incentives and regulatory flexibility may be made available to any new or expanded qualified tourism business which seeks to attract customers from the Newport News region and beyond. The qualified tourism business must advance the city's strategic goals as identified in the City of Newport News City-Wide Tourism Development Plan, the Newport News Retail Development Strategy, and the city's comprehensive plan. The qualified tourism business must commit to a performance agreement based upon investment, jobs, sales revenue, or other significant criteria.
- (b) An existing qualified tourism business must make a capital investment of at least one hundred twenty-five thousand dollars (\$125,000.00) or create and sustain at least two (2) new

full time jobs in order to be eligible for economic incentives. A new qualified tourism business must make a capital investment of at least two hundred fifty thousand dollars (\$250,000.00) or create and sustain at least four (4) new full time jobs in order to be eligible for economic incentives and regulatory flexibility.

- (c) Economic incentives may be provided for up to twenty (20) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.
- (d) Regulatory flexibility may be provided for up to ten (10) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.

(Ord. No. 6843-12, § 1)

DIVISION 4. - PATRICK HENRY TOURISM ZONE

Sec. 40.2-22. - Eligibility requirements.

- (a) Economic incentives and regulatory flexibility may be made available to any new or expanded qualified tourism business which seeks to attract customers from outside the City of Newport News. The qualified tourism business must advance the city's strategic goals as identified in the City of Newport News City-Wide Tourism Development Plan, the Newport News Retail Development Strategy, and the city's comprehensive plan. The qualified tourism business must commit to a performance agreement based upon investment, jobs, sales revenue, or other significant criteria.
- (b) An existing qualified tourism business must make a capital investment of at least two hundred fifty thousand dollars (\$250,000.00) or create and sustain at least four (4) new full time jobs in order to be eligible for economic incentives. A new qualified tourism business must make a capital investment of at least five hundred thousand dollars (\$500,000.00) or create and sustain at least eight (8) new full time jobs in order to be eligible for economic incentives and regulatory flexibility.
- (c) Economic incentives may be provided for up to twenty (20) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.
- (d) Regulatory flexibility may be provided for up to ten (10) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.

(Ord. No. 6843-12, § 1)

DIVISION 5. - GREATER HILTON TOURISM ZONE

Sec. 40.2-23. - Eligibility requirements.

- (a) Economic incentives and regulatory flexibility may be made available to any new or expanded qualified tourism business which seeks to attract customers from outside the City of Newport News. The qualified tourism business must advance the city's strategic goals as identified in the City of Newport News City-Wide Tourism Development Plan, the Newport News Retail Development Strategy, and the city's comprehensive plan. The qualified tourism business must commit to a performance agreement based upon investment, jobs, sales revenue, or other significant criteria.
- (b) An existing qualified tourism business must make a capital investment of at least one hundred twenty-five thousand dollars (\$125,000.00) or create and sustain at least two (2) new full time jobs in order to be eligible for economic incentives. A new qualified tourism business must make a capital investment of at least two hundred fifty thousand dollars (\$250,000.00) or create and sustain at least four (4) new full time jobs in order to be eligible for economic incentives and regulatory flexibility.
- (c) Economic incentives may be provided for up to twenty (20) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.
- (d) Regulatory flexibility may be provided for up to ten (10) years through the performance agreement. In the case of multi-year incentives, the qualified tourism business shall establish its qualification for the economic incentives and regulatory flexibility on an annual basis.

(Ord. No. 6843-12, § 1)

Secs. 40.2-24—40.2-29. - Reserved.