

**ORDINANCE CREATING CHAPTER 18, ARTICLE III
OF THE CODIFIED ORDINANCES OF BLAND COUNTY**

Local Tourism Zone

WHEREAS, Bland County has adopted a Comprehensive Plan that identifies targeted growth areas for development, designated planned growth districts; and

WHEREAS, the Code of Virginia 58.1-3851, authorizes Virginia localities to establish, by ordinance, one or more tourism zones for the purpose of fostering tourism related business growth.

It is hereby ordained as follows:

Sec. 18-101. - Authority and purpose.

Pursuant to authority granted to the Board of Supervisors of Bland County, Virginia under Code of Virginia §§ 58.1-351 and 58.1-3851.1 as amended, the board of supervisors ordains the following to promote tourism, to enhance recreational opportunities for residents, and to encourage tourism business investment in the county.

Sec. 18-102. - Definitions.

For purposes of this article, the following words and phrases shall have the meanings subscribed below, unless clearly indicated to the contrary:

Base year is defined as the calendar year preceding the calendar year in which the applicant submits the tourism zone program qualification application to Bland County EDA.

Business means any corporation, partnership, electing small business (subchapter S) corporation, limited-liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia. "Business" does not include organizations that are exempt from state income tax on all income except unrelated business taxable income as defined in the Internal Revenue Code, Section 512; nor does it include homeowners associations as defined in the Internal Revenue Code, Section 528.

Capital investments or investment means moneys used by a tourism business to purchase fixed assets and not moneys used for day-to-day operating expenses. Fixed assets owned by the tourism business that are moved into the tourism zone from another location within the county shall not be included in the calculation of capital investments.

County Code means the Code of the County of Bland, Virginia, as amended.

EDA means the county's economic development authority, including at least the economic development chair, the economic development secretary, or the county administrator.

Existing tourism business means a tourism business that was actively engaged in the conduct of trade or business in the county prior to submitting a completed tourism zone program qualification application.

Fixed asset means long-lived tangible property owned by a tourism business that is used by the tourism business in the production of its income including real estate, plant, machinery, and equipment.

Incentive period means a period during which a qualified tourism business receives the benefit of tourism zone incentives.

Internal Revenue Code means the Internal Revenue Code of 1986, as amended, Title 26 of the United States Code.

New tourism business means a tourism business which has not been actively engaged in the conduct of trade or business in the county prior to submitting a completed tourism zone program qualification application.

Planned growth district means portions of developable land in what has been considered potential growth areas, as designated in the Comprehensive Plan which is adopted by the Planning Commission and the Board of Supervisors.

Qualified tourism business means a tourism business that has met the qualifications necessary to receive tourism zone incentives, as certified by the EDA and county administrator according to the requirements and qualifications as set forth herein and continues to meet such qualifications and requirements.

Tourism business means a business whose primary purpose is to establish a desirable destination to attract tourists from outside of the county or within the community by creating an environment for those visitors that will deliver a memorable experience or promote educational opportunities while increasing travel-related revenue.

Tourism products, processes or related services means engaging in activities which promote and provide an experience for visitors including but not limited to: cultural or historical sites; recreation or athletic facilities; areas of scenic beauty or distinctive natural phenomena; family oriented destinations; tours; events on location; museums; wineries or related activities; and lodging. Provided the lodging involves construction of new facilities with architecture consistent with the appurtenant tourist attraction

Tourism zone means a specific geographic area or areas created pursuant to Code of Virginia of 1950, tit. 58.1, ch. 38, as amended, to foster the development and expansion of tourism businesses in the county. The tourism zone shall be the same as the Planned Growth Areas as defined in this article and as may be amended from time to time by subsequent ordinances or revisions to the Comprehensive Plan.

Tourism zone program annual review application means an application to be completed annually, available from the EDA, to request incentives.

Tourism zone program qualification application means an application, available from the EDA, which is submitted by a tourism business seeking certification as a qualified tourism business to receive tourism zone incentives established by this article.

Year one (1) means the calendar year in which the tourism business submits a tourism zone program annual review application to the EDA on or before March 1 of that year and is qualified as a qualified tourism business in such year, pursuant to the certification procedure described in this ordinance.

Sec. 18-103. - Establishment of tourism zone.

A tourism zone is hereby established in the county in accordance with Code of Virginia, § 58.1-3851, as amended. The geographic boundaries of said zone are within the boundaries of the Designated Growth Areas. The tourism zone shall include only those particular parcels, any portion of which is located within the tourism zone as determined by the county's geographic information system to be in the tourism zone.

Sec. 18-104. - Incentives.

Qualified tourism businesses located within the boundaries of the tourism zone may be afforded incentives and provide certain regulatory flexibility in accordance with Code of Virginia §58.1-3851.

Nothing herein shall be construed as limiting the board's power to grant additional incentives as may be permitted by Code of Virginia, § 58.1-3851.1 or any other law of the commonwealth to a particular tourism business on a case-by-case basis including, but not limited to, incentives granted pursuant to performance agreements and individualized arrangements with or without the involvement of the Bland County Economic Development Authority. Nor shall this article entitle qualified tourism businesses to such grants, loans, or incentives.

Sec. 18-105. - Qualifications.

A tourism business may not be certified as a qualified tourism business unless the following qualifications are met:

- (1) An existing tourism business must meet the following criteria:
 - a. Provide additional capital investment, within the tourism zone, of at least one hundred thousand dollars (\$100,000.00) over the base year.
- (2) A new tourism business must meet the following criteria:
 - a. Provide capital investments of at least two hundred thousand dollars (\$200,000.00) within the boundaries of the tourism zone.
- (3) Both existing tourism businesses and new tourism businesses must meet and maintain the minimum qualifying investment levels each year of the incentive period.
- (5) The applicant must present proof of use of the investment for tourism business purposes and demonstrate that the applicant is a tourism business as herein defined.
- (6) An otherwise qualified tourism business shall not become eligible to receive tourism zone grant incentives until such time as the qualified tourism business has commenced operations within the boundaries of the tourism zone.

Sec. 18-106. - Certification.

- (a) No business may receive tourism zone incentives until the business is certified by the EDA as a qualified tourism business according to the following procedure and in compliance with the following restrictions and limitations:
 - (1) An applicant must submit written notification to the EDA for certification as a qualified tourism business. The county administrator or his designee hereby is authorized to draft and employ an application process, requesting such information as to him may seem necessary to carry out his duties under this article.
 - (2) The EDA will review each letter of application to determine whether each applicant is in compliance with the tourism zone qualifications and follow the administrative procedures herein outlined.
 - (3) If the EDA certifies that the applicant is a qualified tourism business, the applicant must annually submit a tourism zone program annual review report to the EDA on or before March first of each year of the incentive period. The application shall indicate the number of full-time employees employed by the qualified tourism business, the amount of local tax paid by the qualified tourism business during the incentive period, and any other information as requested by the EDA for purposes of administering the tourism zone. Such applications must include an authorization for the commissioner of revenue to verify to the EDA whether the representations contained in the application are true. Applications also must be signed by an official representative of the qualified tourism business authorized to sign on its behalf. Applications received after March first will not be eligible to receive tourism zone incentives for that year.

- (4) An existing tourism business shall not qualify for tourism zone incentives by reorganizing or changing its form in a manner that does not alter the basis of the tourism business assets or result in a taxable event.
- (5) Any qualified tourism business that fails to pay in full any taxes imposed by the federal, state, or local government, by the due date, will forfeit all tourism zone incentives for at least one (1) year and until such tax debt is satisfied.
- (6) Any qualified tourism business declaring bankruptcy is disqualified and will be ineligible to receive tourism zone incentives for the remainder of the incentive period.
- (7) Any tourism business that ceases to be a qualified tourism business ceases to meet the minimum capital investment criteria or removes its operation from the county during any year within any three-year incentive period must repay the total amount of tourism zone incentives received. A tourism business must sign an agreement, satisfactory to the county attorney, to this effect before receiving tourism zone incentives.
- (8) Any tourism business that ceases to operate within two (2) years after the incentive period must repay all incentives previously paid to the business. A tourism business must sign an agreement, satisfactory to the county attorney, to this effect before receiving tourism zone incentives.
 - (a) Once the EDA has determined that the tourism business is a qualified tourism business the EDA shall forward the tourism zone program qualification application and a recommendation to the county administrator. The county administrator, acting as designee of the board of supervisors, shall review the tourism zone program qualification application and, in consultation with the county attorney, make a final determination as to whether the tourism business meets the requirements of this ordinance for designation as a qualified tourism business. If the application is approved the EDA shall notify the applicant in writing, which shall constitute the certificate.
 - (b) If the application is denied the EDA shall notify the applicant in writing, which shall include the reasons for the denial. The applicant shall have thirty (30) days to appeal the decision to the Bland County Board of Supervisors by written request for appeal submitted to the county attorney.

Sec. 18-107. - Limitations on distributions.

No tourism zone incentive may be distributed to any qualified tourism business if such business is in default on any loan or grant agreement with the county, the Bland County Economic Development Authority, the Commonwealth of Virginia, or any agency of the United States. No business may receive any tourism zone incentive if the EDA has notice that such business has an unsatisfied judgment against it. Any incentives otherwise due a qualified tourism business that are withheld by reason of this section shall be held by the county until such judgments or other agreements are satisfied or for a period not to exceed one (1) year. If not distributed within one (1) year such incentive funds shall be returned to the county.

Sec. 18-108. - Zoning ordinance not affected.

This article is an economic development incentive and is not a zoning change. Nothing herein shall be construed to affect any provision or requirement of any county zoning ordinance.

Sec. 18-109. - Nonwaiver.

Nothing in this article shall be construed to waive the requirement of any ordinance, regulation or policy of the county including, but not limited to, those ordinances, regulations and policies that require permits and approvals for land use and construction. Additionally, unless stated otherwise herein, nothing in this article shall be construed as waiving the right of the county to enforce its ordinances, regulations, or policies to collect any taxes, fees, fines, penalties, or interest imposed by law on a qualified tourism business or upon real or personal property owned or leased by a qualified tourism business. The county administrator, acting as designee of the board of supervisors, in consultation with the county attorney may remove qualified tourism business status from any business that is not compliant with any article, regulation, policy or other legal requirement.

Sec. 18-110. - Confidentiality.

To the extent permitted under the Virginia Freedom of Information Act, confidential business records will be safeguarded from disclosure.

This chapter and ordinances shall be effective upon passage.

Adopted _____

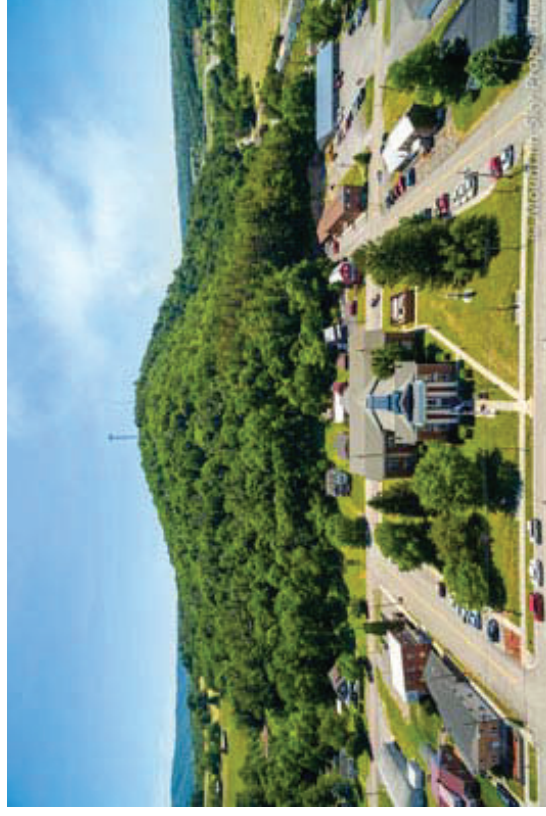
Attested: _____ Date: _____

Eric R. Workman, Ed.D., Clerk of the Board of Supervisors

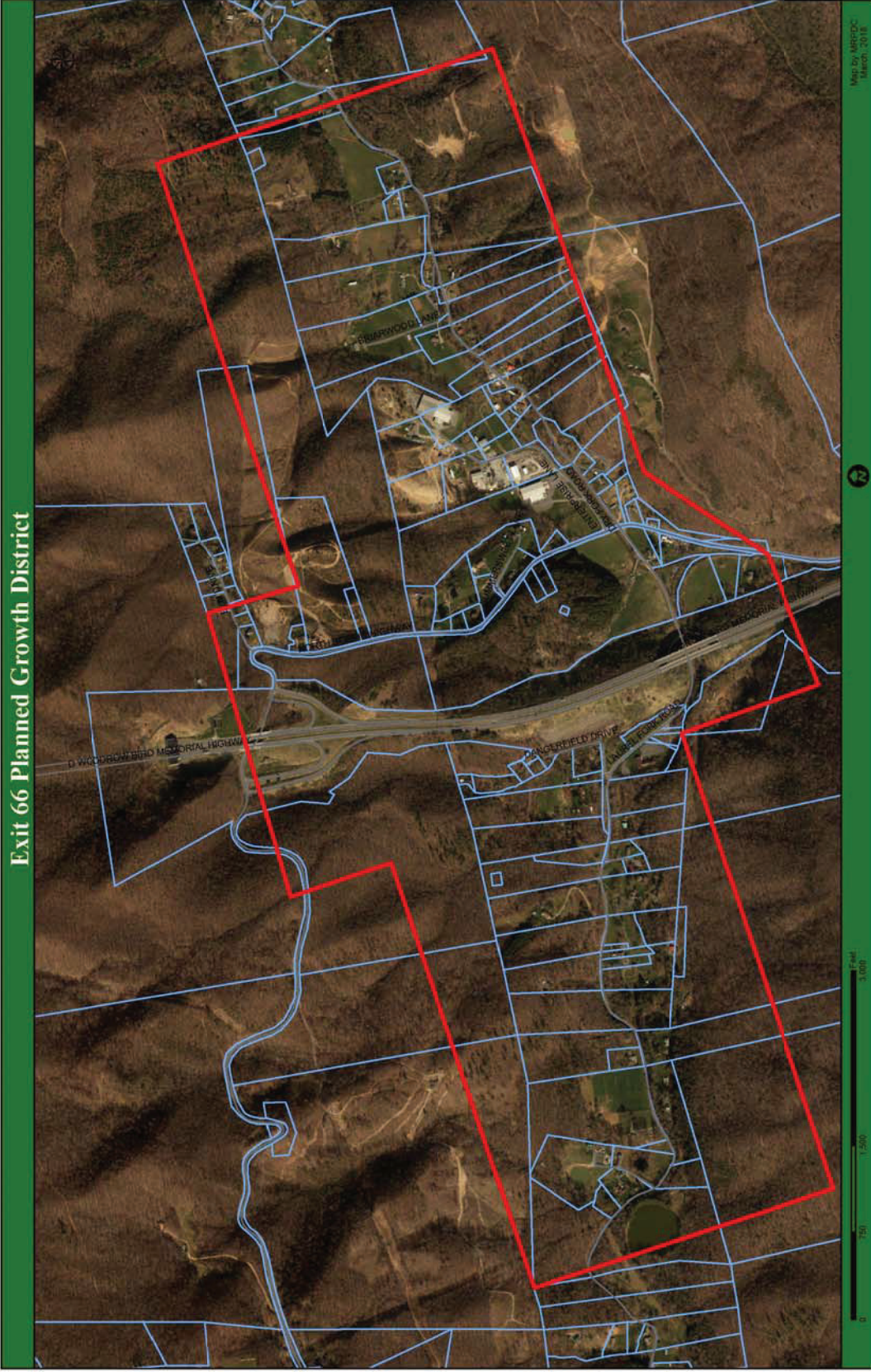
Planned Growth District (PG)

The PG district provides an area of transition between Agricultural Zones and the Commercial and Industrial Zones. The PG district applies to properties within the urban growth areas not platted for intensive development due to the low short-term prospects of the availability of community facilities and in consideration of existing land uses.

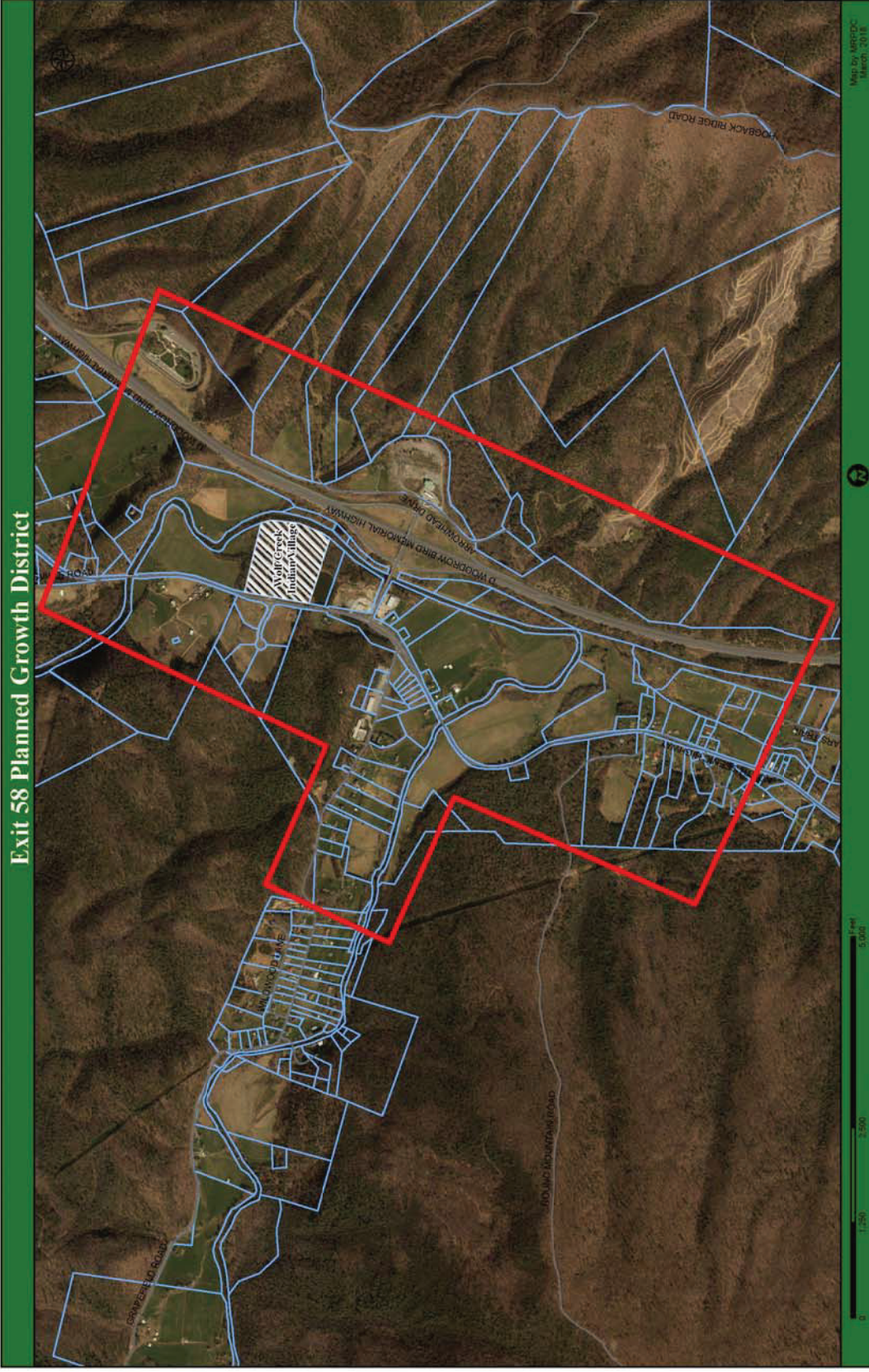
Because portions of developable land are in what the County considers potential growth areas, as designated in the Comprehensive Plan or any other plan adopted by the County, may not develop in the near future, the permitted uses in the PG district shall not lessen the potential for the potential growth areas to eventually develop as needed. On the following pages are maps of PG districts surrounding commercial areas within the county.



Exit 66 Planned Growth District







Exit 62 Planned Growth District



Exit 64 Planned Growth District

