

I-95 Corridor Hotel Incentive Program



Office of Economic Development
121 Thompson Street
Ashland, Virginia 23005

phone: (804) 798-1073
fax: (804) 798-4892
www.ashlandva.gov

Sponsored by the
Ashland Economic Development Authority (EDA)

Policy Number: EDA-201

Date adopted: September 22, 2016

Policy Title: I-95 Corridor Hotel Incentive
Policy

Revised Date: N/A

- 1) **Purpose:** The Economic Development Authority of the Town of Ashland (EDA) desires to improve economic viability and the overall appearance of properties in and around the I-95 interchange in Town (see attached map for district boundaries). There is an increased cost associated with the redevelopment of hotel properties. Therefore, the EDA would like to encourage the demolition and replacement of dilapidated and underutilized properties with hotels to substantially improve both appearance and revenue.
- 2) **Incentive:** The EDA offers a rebate of up to fifty percent of transient occupancy taxes paid to the Town, over a period not to exceed six years, to qualifying businesses who have demolished an eligible property and constructed a new hotel. The hotel must generate a minimum of \$100,000 in transient occupancy tax to the Town every twelve months. The amount of the rebate is capped at \$550,000.
- 3) **Requirements:** To qualify for this incentive, a potential program participant must complete each of the following requirements:
 - a. Submit an application proposing to demolish an existing structure within the I-95 Corridor Hotel Incentive district boundary, as shown on the attached map, and construct a new hotel with a minimum of 85 rooms.
 - b. Applicants shall post a letter of credit or other appropriate surety until such time as the demolition and new construction are complete.
 - c. Applicant must demonstrate the need for assistance from the Town of

Ashland and the EDA to complete the project.

- d. Program applicants must demonstrate to the EDA an ability to complete the project successfully and provide such documentation as may be necessary and appropriate.
- e. Program applicants must supply references from past projects.
- f. To receive a rebate, program participants must:
 - i. Be in possession of a valid Town of Ashland Business License
 - ii. Be fully current on all taxes and fees due to the Town of Ashland
 - iii. Be operating in full compliance of any applicable town or county ordinances, as well as state and federal laws.

- 4) **Authority:** This policy is issued by the Economic Development Authority of the Town of Ashland.

For more information, please contact Nicole Preisner, Business Development Coordinator, 804.798.1073 or npreisner@ashlandva.gov.