

ORDINANCE #15-02

AN AMENDMENT TO CHAPTER 3, ARTICLE I OF THE WILLIAMSBURG CITY CODE TO AMEND THE ELIGIBILITY REQUIREMENTS FOR ARTS DISTRICT INCENTIVES

WHEREAS, upon adoption of the Arts District Incentive Program in 2011, Council adopted strict requirements regarding consistent and timely payment of taxes as a factor in determining eligibility for program qualification each year; and

WHEREAS, Chapter 18 of the City Code already provides certain penalties for failure to pay taxes due to the City of Williamsburg when due; and

WHEREAS, Council desires to make qualifications for the incentive program less strict so that late tax payment of a tax bill will not immediately disqualify a qualified arts business for taking advantage of the Incentive Program, so long as the qualified arts business has paid all taxes in full by the end of the calendar year for which the tax is due.

NOW, THEREFORE, Sections 3-5 and 3-6 of Chapter 3, Article I, of the Williamsburg City Code is hereby amended as follows:

Sec. 3-5. - Eligibility requirements.

Economic incentives and regulatory flexibility may be made available on a one-time basis to any new or expanded qualified arts business physically located in the Arts District that carries on at least one of the activities described in [Section 3-3](#) above and that to the satisfaction of the District Administrator, meets the following criteria:

- (1) The qualified arts business must advance the City's strategic goals identified in the City's most recently adopted Economic Development Strategic Plan and its current Comprehensive Plan.
- (2) The qualified arts business must enter into a written Arts District agreement that, among other things, is a description of the principal business activities to be carried on in the Arts District; a description of the location of said business within the Arts District and whether such location is owned by the applicant business or organization or leased and if leased, the name of the landlord and the length of the lease term; details regarding the structure of the business (i.e. type of entity and if other than a sole proprietorship, the names and addresses of all principals of the business); a narrative description of the current and past activities of the business or organization, and in the case of an already operating business or organization, information regarding current and past locations of the business or organization; and a five-year business plan including pro-forma. The agreement shall be subject to review and approval by the City Attorney.

- (3) The qualified arts business must at all times comply with all applicable Federal, State and City laws and regulations as provided herein and pursuant to the written Arts District agreement.

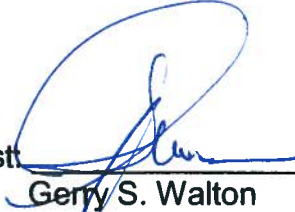
Sec. 3-6. - Compliance.

Failure of a qualified arts business to pay taxes ~~when due~~ or to comply with the requirements of this chapter shall result in loss of qualification as follows:

- (1) The qualified arts business has entered into an agreement as provided in Section 3-5 above and fails to pay in full any tax imposed along with any penalty and interest for late payment, by imposed by the City by the end of the calendar year for which the tax was due and payable due date, shall lose its qualification for the year ~~of~~ such tax was due and its entitlement to any incentives afforded under this chapter during such period. Notwithstanding the foregoing, failure to pay any tax due which results in the issuance of criminal charges to enforce the payment of said tax shall result in the loss of the incentive for the year the tax was due, and, if the delinquent tax, along with penalty and interest is not fully paid by end of the calendar year for which the tax was due, shall also result in a loss of the incentive for the remainder of the incentive term as provided in (2) below. This provision is for purposes of determining the qualification of Arts District incentives only. Nothing in this section shall amend Chapter 18 of the City Code or alter or otherwise amend the obligation of any person or business, including a qualifying arts business, to pay all taxes when due and owing, or shall relieve any person or business from any other penalty of law imposed for failure to timely pay any tax due pursuant to the laws of the Commonwealth of Virginia and of the City of Williamsburg.
- (2) Except as provided in Section 3-6(1), A a qualified arts business receiving incentives under this chapter that fails to at all times comply with all applicable Federal, State and City laws and regulations or that fails to comply with the terms of the agreement entered into as provided in Section 3-5 above shall in the case of a first offense lose its qualified arts business qualification for the remainder of the current fiscal year. A and in the case of any second or subsequent failure to comply with applicable law or regulation, including failure to pay taxes in full as provided in Section 3-6(1), the qualifying arts business shall lose its ~~qualified arts business~~ qualification for the duration of the total remaining incentive term.
- (3) A qualified arts business that loses its qualification under Section 3-6(1) or (2), shall be liable to reimburse the City the full amount of all monies that it has received as incentives under this chapter during the calendar year of the period of non-compliance; such reimbursement to be paid to the City in full within 30 days of the loss of qualification.

EXCEPT as here amended, the Williamsburg Code shall remain unchanged.

Adopted: February 12, 2015

Attest 
Gerry S. Walton
Deputy Clerk of Council


Clyde A. Haulman, Mayor