



RESOLUTION #17-12

A RESOLUTION ESTABLISHING A SPECIAL REVENUE FUND AND PROGRAM POLICY FOR THE TOURISM DEVELOPMENT FUND

WHEREAS, the City of Williamsburg receives great benefit from past investment as a tourism destination in quality of life, attractions, dining opportunities, jobs, cultural amenities, and special events; and

WHEREAS, the Biennial Goals, Initiatives, and Outcomes of the City establish strategic goals to protect and enhance the Character of the City and increase Economic Vitality to maintain and enhance the quality of life for all residents, workers, and visitors; and

WHEREAS, the City seeks to increase patronage to restaurants, attractions, hotels, and events in the City of Williamsburg through financial assistance and reinvestment in tourism products, place-making projects, special events, public-private partnerships, and destination marketing; and

WHEREAS, comparative tourism markets use Tourism Development Funds as a financial method to invest and promote expansion of infrastructure, facilities, improvements, and events to advance efforts to improve the tourism destination and sense of place in the community; and

WHEREAS, pursuant to §15.2-2507 of the Code of Virginia (1950), as amended, the City Council of the City of Williamsburg held a duly advertised public hearing, the notice of such hearing having been published in the May 31, 2017 issue of the Virginia Gazette, and is of the opinion that it is in the best interests of the City of Williamsburg and its citizens to amend the General Fund and establish the Tourism Development Fund budgets for the fiscal year ending June 30, 2018; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Williamsburg hereby establishes the Tourism Development Fund as a special revenue fund subject to the following program policies:

Tourism Development Fund Policy

Section 1. Establishment of Special Revenue Fund and Fiscal Policy

A. Special Revenue Fund

- 1. The TDF will be established as a special revenue fund in the City Budget.**

2. The TDF will be subject to the fiscal controls of the City and shall abide by the adopted Budget Policies of the City regarding financial planning, revenues, expenditures, debt, investment, and fund balance.
3. The TDF annual budget shall include a 5-year financial plan with year one being the budget appropriation and the following four years for planning.
4. Unspent or unallocated funds shall remain in the fund and be a carryover to the next fiscal year.
5. Funds can be used to pay debt service obligations and borrowing expenses associated with TDF projects.
6. Funds are subject to the City audit and Comprehensive Annual Finance Report (CAFR) policies and processes.

Section 2. Tourism Development Fund Purpose and Eligible Expenditures

- A. Purpose – The purpose of the Tourism Development Fund (TDF) is to increase patronage to restaurants, attractions, hotels, and events in the City of Williamsburg through financial assistance and reinvestment in tourism products, place-making projects, special events, public-private partnerships, and destination marketing.
- B. Types of Expenditures Allowed
 1. Development, expansion, or renovation of tourism product and infrastructure for tourism products.
 2. Place-making projects and events.
 3. Provide funding for marketing of the destination to the Williamsburg Area Destination Marketing Committee.
 4. Support projects and programs of the Economic Development Authority (EDA) for for-profit companies that meet the eligibility criteria and receive recommendations for funding.
 5. Administrative costs of up to 10% shall be retained by the City.
- C. Examples of Eligible Products
 1. Streetscape renovations and enhancements
 2. Transit improvements (bike share, pedestrian access, enhanced bus shelters)
 3. Convention and group meeting facilities
 4. Outdoor and indoor recreation facilities and amenities
 5. Public parks
 6. Tourism venues
 7. Business improvement grants (through EDA)
 8. Public art and place-making
 9. Special events grants and marketing
 10. Visitor infrastructure
 11. Culinary arts incubators
 12. Regional trails and cultural sites
 13. Other projects that meet the eligibility criteria, demonstrate feasibility, and receive recommendation.

Section 3. Tourism Development Fund Process and Project Application

A. Project Applications

The TDF application process will consist on two phases of application. The Phase 1 application is to establish eligibility and the Phase 2 process is to provide details necessary for staff and the TDF review committee to provide recommendation to City Council.

1. Phase 1 Application – At a minimum, the Phase 1 application will include information on the applying organization, amount of funding requested, identify if the project is new or an expansion, a project description, and the initial project budget and construction values.
2. Phase 2 Application – At a minimum, the Phase 2 application will include information on project feasibility, room night calculations, marketing plan, business plan, drawings, photos, renderings, site plans, organization leadership, project management, detailed project description, description on impact to local tourism, timeliness, project schedule, phasing, uniqueness of project, potential to stimulate other projects, letter of funding commitment, brand consistency, and methodology intended to capture visitation statistics provided.

B. Process

Requests for funding from the Tourism Development Fund shall follow the following process:

1. Submission of Phase 1 applications in August.
2. Submission of Phase 2 applications in October
3. TDF Review Committee application review, interviews, and site visits in November and December.
4. TDF Review Committee application recommendation to City Council provided to the City Manager in December.
5. Planning Commission review of projects in January.
6. City Manager proposed budget released prior to April with TDF recommendation.
7. City Council considers approval of budget in May.
8. Funding is appropriated and available to the TDF in July.

Section 4. Tourism Development Fund Review Committee

A. Purpose of the Review Committee

The TDF Review Committee will review and evaluate proposals from applicants for Tourism Development Fund projects for the purpose of providing a recommendation to the City Council and City Manager for the budgeting and appropriation of funds. Recommendations shall be based on consistency and impact of the project and the purpose of the TDF.

- B. Appointment –** The TDF Review Committee shall be appointed by the City Council and serve two (2) year terms. TDF Review Committee members are eligible for re-appointment to serve three (3) consecutive terms (six years). TDF Review Committee members must be residents of the City, own or represent a City business, or represent an event that occurs in the City.

C. Committee Composition – The TDF Review Committee shall consist of five (5) members with three (3) members representing the tourism industry and two (2) members being selected at-large.

This Resolution shall take effect upon its adoption by City Council.

Adopted: August 10, 2017



Paul T. Freiling, Mayor



Donna Scott, City Council Clerk