

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.

APPLICATION FORM

ASHLAND ECONOMIC DEVELOPMENT AUTHORITY

I-95 Corridor Hotel Incentive Program

Ashland Town Hall
Attn: Bobbie Carey
121 Thompson Street, P.O. Box 1600
Ashland, VA 23005
804.798.1073
Email: bcarey@ashlandva.gov

Date: _____

I. Applicant Contact Information

Applicant's Name _____

Address _____

Phone _____

Email _____

II. Property Information

Property Address _____

Real Estate Tax Parcel Number _____

Current property owner _____

If not owned by applicant, please specify current status (such as under contract, signed LOI, or verbal agreement)

III. Applicant Background

A. Previous Hotel Projects Completed

Please list up to three recent hotel projects (name, address, and year) in which the applicant has been involved (financially or otherwise).

1. _____
2. _____
3. _____

B. References

Please list three references who have worked on at least one of the projects listed above.

1. Name/Title _____
Email _____ Phone _____
2. Name/Title _____
Email _____ Phone _____
3. Name/Title _____
Email _____ Phone _____

C. Project Description

1. Name of Franchisor _____
2. Name of proposed hotel _____
3. Name of proposed hotel operator _____
4. Timeline of construction of new hotel

5. **Total investment** _____
6. **Amount requested** _____
7. **Term length requested** _____

IV. Proposed Hotel

Please attach a description of the proposed hotel to be constructed, along with any work that needs to be done to make the site ready. In addition, please include the following:

1. Any estimates of site work or demolition necessary
2. Any available pro forma and/or business plan
3. Surety or a letter of credit supporting the project

I-95 Corridor Hotel Incentive Program Guidelines Agreement:

I, the undersigned, agree that should this application be approved, I will adhere to the Program Guidelines and meet all requirements set forth by the Ashland Economic Development Authority.

Name & Title _____ Date _____

Please submit to:

Town of Ashland

Economic Development

P.O. Box 1600

Ashland, Virginia 23005

For more information, please contact Bobbie Carey, Business Development Manager, 804.798.1073 or bcarey@ashlandva.gov.