



# NEON District Incentive Program

City Council Meeting – March 26<sup>th</sup>, 2019

# Overview

- Goals and Objectives
- Code of Virginia
- Eligible Businesses and Permitted Uses
- Current Incentives in the NEON
- Recommendation

# Goals and Objectives

- Reinforce the Arts & Design District
  - Review and confirm the uses that are desired in the NEON; ensure incentives support these
  - Ensure live-work space is supported by City Ordinances and codes
  - Encourage ground floor uses that involve art and are pedestrian friendly.



# Goals and Objectives

- Build the economy
  - Grow the tax base for the City of Norfolk and create jobs
  - Make owners and potential owners aware of incentives to encourage development
  - Achieve full occupancy in the district



# Code of Virginia

- **§ 15.2-943.1. Creation of arts and cultural districts.**

A. Any locality, or combination of localities, may by ordinance, or in the case of multiple localities by substantially similar ordinances, establish within the boundaries of such localities one or more arts and cultural districts for the purpose of increasing awareness and support for the arts and culture in the locality. The locality may provide incentives for the support and creation of arts and cultural venues in each district. The locality may also grant tax incentives and provide certain regulatory flexibility in each arts and cultural district.

B. The tax incentives for each district may be provided for up to 10 years and may include, but not be limited to, (i) reduction of permit fees, (ii) reduction of user fees, (iii) reduction of any type of gross receipts tax, and (iv) rebate of real estate property taxes. The extent and duration of such incentive proposals shall conform to the requirements of the Constitutions of Virginia and of the United States.

C. Each locality may also provide for regulatory flexibility in each district that may include, but not be limited to, (i) special zoning for the district, (ii) permit process reform, (iii) exemption from ordinances, and (iv) any other incentive adopted by ordinance, which shall be binding upon the locality for a period of up to 10 years.

# Eligible Businesses & Permitted Uses

Virginia Beach	Williamsburg	Richmond
<ul style="list-style-type: none"><li>• Antique Markets</li><li>• Architecture</li><li>• Craft breweries or distilleries</li><li>• Culinary Arts</li><li>• Farmer's Markets</li><li>• Film and other media</li><li>• Graphic, Industrial, Interior, Web or Fashion Design</li><li>• Historic Preservation</li><li>• Marketing &amp; Advertising</li><li>• Music</li><li>• Publishing</li><li>• Renewable Energy Technology</li><li>• Software Development</li><li>• Visual Arts &amp; Performing Arts</li></ul>	<ul style="list-style-type: none"><li>• Advertising</li><li>• Architecture</li><li>• Art and antiques</li><li>• Designing computer games or software</li><li>• Culinary arts</li><li>• Crafts</li><li>• Design</li><li>• Designer fashion</li><li>• Film and video</li><li>• Music</li><li>• Performing arts</li><li>• Publishing</li><li>• TV and radio</li></ul>	<p>Arts and Cultural Organizations including, but not limited to:</p> <ul style="list-style-type: none"><li>• Theaters</li><li>• Art galleries</li><li>• Museums</li><li>• Dance studios</li><li>• Music venues</li><li>• Historic sites</li><li>• Public art, or other imaginative works, exhibitions, or productions created by an artist or under an artist's direction and intended for unique production or limited reproduction</li></ul>



# Current Incentives

## City of Norfolk:

- Tax Abatement
- State and federal historic rehab tax credits for Auto Row Historic District
- Norfolk Technology Trail Incentives
- Norfolk Development CAP Program

## Downtown Norfolk Council:

- Vibrant Spaces Program – Vibrancy Grant
- Public Art Grant Program – Property Owner & Artist Grants

# Recommended Incentives

- Waive 100% of Permit Fees
  - Building
  - Electrical
  - Mechanical
  - Plumbing
  - Site Plan Application
- Provide BPOL Fee Relief with no minimum investment
  - 100% for first two (2) years
  - 50% for the third (3) year





# Recommendation

- Council support of an ordinance to adding a new chapter to establish the Downtown Arts and Cultural District and to provide incentives for the support and creation of the arts and cultural district.

