

AN ORDINANCE NO. 24-5

Amending Chapter 30, Finance, of the Colonial Heights City Code by grouping existing §§ 30-1 through 30-11 into Article I of such chapter, and adding an Article II, Tourism Improvement District (consisting of new §§ 30-12, 30-13, 30-14, 30-15, 30-16, and 30-17) to the chapter. The new sections relate to the establishment, operation, duration, and administration of a Tourism Improvement District.

THE CITY OF COLONIAL HEIGHTS HEREBY ORDAINS:

1. Chapter 30 of the Colonial Heights City Code is amended by grouping existing §§ 30-1 through 30-11 into Article I of such chapter, and adding an Article II, Tourism Improvement District (consisting of new §§ 30-12, 30-13, 30-14, 30-15, 30-16, and 30-17) to the chapter as follows:

ARTICLE I  
Miscellaneous

§ 30-1. **Department of Finance established; functions.**

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ARTICLE II  
Tourism Improvement District

§ 30-12. **Scope and definition.**

There is hereby created a Tourism Improvement District ("TID"), pursuant to the provisions of Article 3 of Chapter 24 of Title 15.2 of the Code of Virginia, which shall include all lodging businesses, existing and in the future, with 41 or more rooms located within the boundaries of the City of Colonial Heights. As used in this article, "lodging business" means any business in the City of Colonial Heights providing accommodations subject to transient lodging taxes, also referred to as transient occupancy taxes.

§ 30-13. **Purpose of TID; approval of plan.**

The TID is designed to aid the lodging business paying the 2% TID business fee this article establishes by applying the fee towards marketing the lodging businesses as tourist, meeting, and event destinations as described in a tourism improvement district plan that Richmond Region

Tourism ("RRT") and the City's lodging business owners drafted. The City Council approves the tourism improvement district plan.

**§ 30-14. Findings.**

City Council makes the following findings:

(1) The notice of hearing for all hearings required to be held was published and mailed as the law requires and is otherwise sufficient;

(2) All businesses to be charged a fee within the boundaries of the proposed TID will benefit from the establishment of the TID; and

(3) The establishment of the TID is in the public interest.

**§ 30-15. Levying and paying the 2% fee.**

Each lodging business with 41 or more rooms shall assess a fee of 2% of its gross short-term room rental charge. Charges made directly to, and paid directly by, the federal government are exempt from the fee. All lodging businesses that are part of the TID shall pay the 2% fee to the City each month; and the City shall, in turn, remit the collected funds to RRT on a monthly basis. The 2% fee shall be reported to the Commissioner of the Revenue and paid to the Director of Finance in the same manner as transient lodging taxes.

**§ 30-16. Duration of the TID.**

The TID shall begin on June 1, 2024, and shall end on June 30, 2033, unless its existence is continued thereafter. Provided, however, that the TID may be dissolved in accordance with Code of Virginia § 15.2-2413.11.

**§ 30-17. Administration of the TID.**

Pursuant to Code of Virginia § 15.2-2413.10, RRT shall be the TID's administering nonprofit. RRT shall apply the 2% fee to marketing the participating City lodging businesses as tourist, meeting, and event destinations. The 2% fee shall not be used to pay for capital or infrastructure improvements. Funds remaining with RRT at the end of any year may be used in subsequent years in which TID fees are levied to market the participating lodging businesses.

2. This Ordinance shall be in force and effect upon approval on second reading.

Approved:

T. Gregory Kochuba  
Mayor

Attest:

Danella B. Wallace  
City Clerk

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I certify that the above ordinance was:

Adopted on its first reading on April 9, 2024

Ayes: 5 Nays: 2 Absent: 0 Abstain: 0

The Honorable Kenneth B. Frenier, Councilmember: Aye

The Honorable Elizabeth G. Luck, Councilmember: Nay

The Honorable, John E. Piotrowski, Councilmember: Aye

The Honorable Dr. Laura F. Poe, Councilmember: Nay

The Honorable John T. Wood, Councilmember: Aye

The Honorable Robert W. Wade, Vice-Mayor: Aye

The Honorable T. Gregory Kochuba, Mayor: Aye

Adopted on its second reading on April 24, 2024

Ayes: 7 Nays: 0 Absent: 0 Abstain: 0

The Honorable Kenneth B. Frenier, Councilmember: Aye

The Honorable Elizabeth G. Luck, Councilmember: Aye

The Honorable, John E. Piotrowski, Councilmember: Aye

The Honorable Dr. Laura F. Poe, Councilmember: Aye

The Honorable John T. Wood, Councilmember: Aye

The Honorable Robert W. Wade, Vice-Mayor:

Ag

The Honorable T. Gregory Kochuba, Mayor:

Ag

Pamela B. Wallace  
City Clerk

Approved as to form:

Hugh P. Foster III  
City Attorney