

**ORDINANCE NUMBER 2020-**

**AN ORDINANCE ENACTING CHAPTER 22, ARTICLE VI, TECHNOLOGY ZONE,  
OF THE CITY CODE OF THE CITY OF WAYNESBORO, VIRGINIA**

**WHEREAS**, the City Council of the City of Waynesboro has determined it to be in the best interest of the City to create technology zones to encourage investment and create employment opportunities for the citizens of Waynesboro.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY  
OF WAYNESBORO, VIRGINIA THAT:**

1. Pursuant to § 58.1-3850 of the Code of Virginia, 1950, as amended, the City Code of the City of Waynesboro is hereby amended by enactment of Chapter 22, Article VI, Technology Zone, as follows:

**ARTICLE IV - TECHNOLOGY ZONE**

**Sec. 22-212 - Purpose**

The City of Waynesboro finds that the development of its commercial and industrial tax base requires incentives and determines that the most appropriate method of offering incentives for the area described below is to create a technology zone in sections of the City suited for such development, as guided and authorized by the Code of Virginia, § 58.1-3850. The City believes that the establishment of a technology zone will improve the economic conditions of the City which could, in turn, benefit the welfare of the citizens of Waynesboro.

**Sec. 22-213 - Administration**

- (a) The administrator of the city technology zone shall be the city's economic development director or his functional successor. There is hereby established a review committee consisting of one representative each from the city's Economic Development office, the Commissioner of the Revenue's office, and the Economic Development Authority ("EDA"), which shall approve or deny all applications submitted based on the standards of this ordinance.
- (b) The administrator shall be the single point-of-contact for qualified businesses to take advantage of the technology zone incentive described in this article and shall

provide recommendations as necessary to streamline the processes for a business to qualify and obtain the incentive.

- (c) In the case of rebates, each business desiring inclusion in the incentive program shall pay the applicable taxes in the manner prescribed by the Waynesboro City Code. Upon certification and proof that no taxes are outstanding at the time of application, the business shall be entitled to qualify for the exemptions created by this article.
- (d) The business shall apply to the Administrator for certification as a qualified technology business ("QTB").
- (e) After a technology business has been certified as a QTB, it shall annually submit a technology zone program annual review application to the Director of the Economic Development on or before March 1st of each year of the incentive period, indicating the number of full-time employees employed, wage verification, the amount of business personal property, machinery and tool, real estate, building permit, and or business license fees or taxes paid during the incentive period, and any other information as requested by the office of economic development for purposes of administering the technology zone. Applications must be signed by an official representative of the QTB authorized to sign on its behalf. Applications received after March 1st will not be eligible to receive technology zone incentives for that year.
- (f) If a QTB fails to pay in full the taxes imposed by the city by the due date, this will result in the forfeiture of the technology zone incentives for that year.
- (g) If a QTB files for bankruptcy during the incentive period, this will result in disqualification and the business will be ineligible to receive technology zone incentives for the remainder of the incentive period.
- (h) In the event that the technology business ceases to be a QTB, ceases to meet the minimum employment and capital investment criteria, or removes itself from operation from the city during any year within the incentive period, it shall be required to repay the total amount of technology zone incentives received.

- (i) A Memorandum of Understanding (MOU) will be entered into by the QTB, the city, and the EDA, which will detail the business incentives, procedures, and performance measures.

#### **Sec. 22-214 – Boundaries**

The following districts have been identified as sections of the city that have the infrastructure necessary to support QTBs. Boundaries are defined in Appendix A and shown on the map in Appendix B.

1. Downtown Central Business District
2. Lew DeWitt Business District
3. Portions of Nature’s Crossing Technology Center
4. Portions of Waynesboro Commerce and Industrial Park and surrounding area.

#### **Sec. 22-215 - Qualified technology business**

- (a) To be certified as a QTB for the purposes of this article, a business must complete an application and submit to the Director of Economic Development. The administrative review committee will review the application and advise the business of the status of the application within thirty days of receipt.
- (b) A QTB shall mean a new or existing company or identifiable subdivision of a company that has fifty percent (50%) or more of its gross receipts derived from research, development, manufacturing, or rendering of advanced technological products or services and that expands or locates in a technology zone. A QTB would typically be classified under one of the following NAICS codes:
  - (1) 5112 Software Publishers;
  - (2) 5182 Data Processing, Hosting, and Related Services;
  - (3) 5191 Other Information Services;
  - (4) 5413 Architectural, Engineering, and Related Services;
  - (5) 5415 Computer Systems Design and Related Services;
  - (6) 5416 Management, Scientific, and Technical Consulting Services; or
  - (7) 5417 Scientific Research and Development Services.

- (c) New or emerging technology categories not included in the definition above may be considered as a QTB after a review of the nature of the work and or research by the administrative review committee and approval by the EDA.
- (d) In no case shall the use of computers or telecommunication services by a company or identifiable subdivision of a company in its administrative operations qualify such company or subdivision as a QTB.

#### **Sec. 22-216 - General eligibility requirements**

In addition to the specific eligibility requirements established for each of the districts and zones described in this article, a business applying for one or more of the incentives described in this article must enter into a MOU with the city and EDA in which it commits to one or more performance measures and meet these basic requirements:

- (1) Minimum of three employees;
- (2) Average weekly wage equal to or greater than the current Waynesboro average weekly wage as published by the Bureau of Labor Statistics;
- (3) An initial three-year investment of at least \$75,000. The investment may be established by the value of personal property, lease hold improvements or real estate owned, or the value of a lease of real property.

#### **Sec. 22-217 - Business Incentives**

A QTB locating in a Technology Zone district that meets the general eligibility requirements will be eligible to receive business incentives. Type, level, and duration of incentives are based on employee wage (average weekly wage compared to Waynesboro average weekly wage), number of full-time employed employees, and total capital investment. All incentives are partial reimbursements of taxes or fees paid to the City. Appendix C is a matrix used to determine the level of incentives based on wage rate, number of employees, and capital investment, and Appendix D details the type, amount, and duration of incentives.

#### **Sec. 22-218 - Restrictions.**

No property owner may apply for business incentives under this article on the basis of a building permit issued prior to the establishment of the technology zone.

#### **Sec. 22-219 – Education and Promotion**

The Administrator or his designee shall develop programs to educate the public and potential businesses of the benefits of the technology zone. It is the intention of the council that the technology zone and the city be promoted regionally, nationally and internationally. The administrator or his designee shall carry out such promotion with the advice and assistance of the economic development entities in the community, including, but not limited to, the Shenandoah Valley Partnership, the Virginia Economic Development Partnership, and in cooperation with local businesses participating in the technology zone.

#### **Sec. 22-220 - Special service Districts not affected**

The establishment of the Technology Zones shall not be construed to affect any provision or requirement of the City Code or state statute creating special service districts, including but not limited to the collection of special taxes.

#### **Sec. 22-221 - Zoning ordinance not affected**

This article is an economic development incentive and is not a zoning change. Nothing herein shall be construed to affect any provision or requirement of any city zoning ordinance.

#### **Sec. 22-222 - Nonwaiver**

Nothing in this article shall not be construed to waive the requirement of any ordinance, regulation, or policy of the city including, but not limited to, those ordinances, regulations and policies that require permits and approvals for land use and construction. Additionally, unless stated otherwise herein, nothing in this article shall be construed as waiving the right of the city to enforce its ordinances, regulations, or policies to collect any taxes, fees, fines, penalties, or interest imposed by law on a QTB or upon real or personal property owned or leased by a QTB. The City Manager, acting as designee of the City Council, in consultation with the City Attorney, may remove QTB status from any business that is not compliant with any article, regulation, policy, or other legal requirement.

**Sec. 22-223 - Confidentiality**

To the extent permitted under the Virginia Freedom of Information Act, confidential QTB business records will be safeguarded from disclosure.

2. The City Manager is hereby authorized to take all actions reasonably necessary, including executing such documents as are reasonably necessary, to effectuate and carry out the purposes of this Ordinance.

3. This Ordinance shall take effect immediately upon adoption by the City Council.

**CERTIFICATE**

The undersigned Mayor and Clerk of the City Council of the City of Waynesboro, Virginia hereby certify that the foregoing constitutes a true and correct copy of an ordinance entitled Ordinance Enacting Chapter 22, Article VI, Technology Zone, of the City Code of the City of Waynesboro, Virginia, adopted by the City Council at a meeting held on \_\_\_\_\_, 2020.

Introduced: \_\_\_\_\_, 2020

Adopted: \_\_\_\_\_, 2020

Effective: \_\_\_\_\_, 2020

[SEAL]

ATTEST: \_\_\_\_\_  
Clerk, City Council  
City of Waynesboro, Virginia

\_\_\_\_\_  
Mayor, City Council  
City of Waynesboro, Virginia

## ORDINANCE 2020-08



### WAYNESBORO TECHNOLOGY ZONE

#### APPENDIX A

##### Area One – Downtown

Central Business District includes area within these boundaries

- Arch Avenue from Federal Street to W. Broad Street
- Federal Street from Arch Avenue to Church Street
- Church Street from Federal Street to W. Broad Street
- W. Broad from Arch Avenue to Church Street
- Plus Parcel ID 45-2-23

##### Area Two – Lew Dewitt Blvd

Parcel ID numbers

- 30-2-6
- 30-2-7
- 31-6-1
- 31-6-2
- 31-6-3
- 31-6-4
- 31-6-5
- 31-6-9
- 31-6-10
- 31-6-14
- 31-6-15
- 31-6-16
- 31-6-17

##### Area Three – Waynesboro Commerce and Industry Park and surrounding areas

Parcel ID numbers

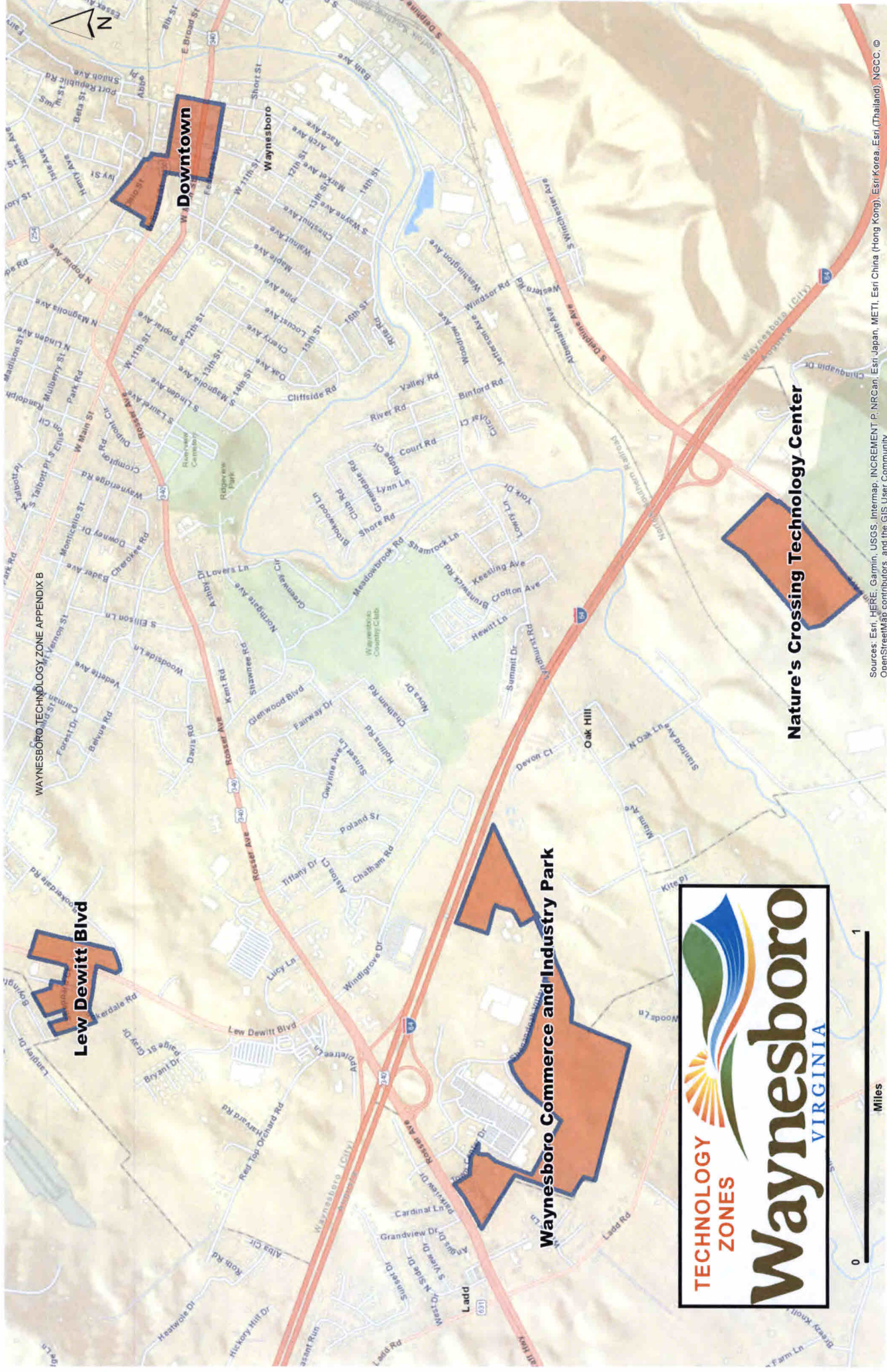
- 59-1-1
- 60-1-56
- 60-1-56B
- 61-1-2
- 61-1-102

##### Area Four – Nature's Crossing Technology Center (portion)

Portion of parcel ID 72-4-16A1

Eastern portion of parcel, 1,000 feet from S. Delphine Avenue





WAYNESBORO TECHNOLOGY ZONE APPENDIX B

**Lew Dewitt Blvd**

**Downtown**

**Waynesboro Commerce and Industry Park**

**Nature's Crossing Technology Center**



**Waynesboro**  
VIRGINIA

TECHNOLOGY  
ZONES



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community



# WAYNESBORO TECHNOLOGY ZONE ORDINANCE

## APPENDIX C

MATRIX TO DETERMINE INCENTIVE TABLE					
Number of Employees	% of City Ave wage	Capital Investment			
		\$75K-\$1M	\$5M-\$20M	\$20M-\$50M	>\$50M
3 to 24	100%	A	B	C	D
	150%	B	C	D	E
	200%	C	D	E	F
> 25	100%	D	E	F	G
	150%	E	F	G	H
	200%	F	G	H	J

MATRIX SHOWING INCENTIVES BY TABLE LETTER										
Incentives	Incentive Table	A	B	C	D	E	F	G	H	J
Building Permits	first 12 months	40	45	50	55	60	65	70	75	80
Zoning Review Fee	first six months					60	65	70	75	80
Site Devel. Fees	first six months					60	65	70	75	80
Utility Hookup	initial construction					30	35	40	45	50
Business License	Year 1	40	45	50	55	60	65	70	75	80
	Year 2	40	45	50	55	60	65	70	75	80
	Year 3	30	35	40	45	50	55	60	65	70
	Year 4					30	35	40	45	50
	Year 5					20	25	30	35	40
Business Personal Property and or Machinery and Tools Tax	Year 1	40	45	50	55	60	65	70	75	80
	Year 2	40	45	50	55	60	65	70	75	80
	Year 3	30	35	40	45	50	55	60	65	70
	Year 4					30	35	40	45	50
	Year 5					20	25	30	35	40
Real Estate	Year 1	60	65	70	75	80	85	90	95	100
	Year 2	50	55	60	65	70	75	80	85	90
	Year 3	40	45	50	55	60	65	70	75	80
	Year 4					40	45	50	55	60
	Year 5					20	25	30	35	40

INTRODUCED: ON JANUARY 27, 2020 BY COUNCILMAN SAM HOSTETTER  
 ADOPTED: ON FEBRUARY 10, 2020  
 EFFECTIVE: FEBRUARY 20, 2020

Clerk

Mayor