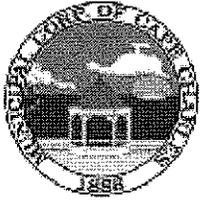


TOWN COUNCIL
Special Meeting
Town Hall
October 27, 2011
6:00 PM

1. Call to Order: Roll Call

2. Order of Business
 - A. Technology Zone
 - B. Cape Charles Community Trail 2011 Transportation Enhancement Application
 - C. Cape Charles Trail Project Agreement Amendment
 - D. Proclamation for Rosenwald School

3. Motion to Adjourn



TOWN OF
CAPE CHARLES

AGENDA TITLE: Technology Zone

AGENDA DATE:
October 27, 2011

SUBJECT/PROPOSAL/REQUEST: Review and discuss the
Technology Zone Ordinance

ITEM NUMBER:
7A

ATTACHMENTS: Ordinance, Administrative Procedure

FOR COUNCIL:
Action ()
Information (x)

STAFF CONTACT (s):
Tom Bonadeo - Heather

REVIEWED BY:
Heather Arcos, Town Manager

BACKGROUND:

The Town Council and staff reviewed Technology Zone Ordinances from around the state and selected appropriate features for the Town of Cape Charles. At the last work session discussion centered on the administration of the ordinance and the requirements to participate in the Technology Zone.

DISCUSSION:

The Technology Zone Ordinance has been discussed at previous meetings. The attached documents are a review of the ordinance discussed in the past, an administrative procedure requested at the last work session and a copy of another "procedure" document from the Town of Kilmarnock.

The areas of previous discussion are:

- The definition of a Qualified Technology Manufacturing Business states "as defined in another jurisdiction of the Commonwealth" – This means that we can use any definition in any existing technology zone in the state. This allows the most flexibility without writing every definition in our code. This feature is used by other localities in the State.
- "Marine Installation" could be changed to "Marine Technology installations" and could be added to the Manufacturing definition by adding "Marine Technology Development"
- The requirement to participate was originally listed as 25 new employees and \$1,000,000 capital investment. Many localities have a minimum and a maximum such as:
 - 5 new employees and \$250,000 to qualify for 25% grant
 - 25 or more new employees and \$1,000,000 or more to qualify for up to 100% grant
- A question was posed about the existing tax relief programs and what they were.
 - Enterprise Zone – County/Federal
 - Real Estate Rehabilitation Tax Relief
 - County & Town for Commercial building Rehabilitation
 - County only for Residential Rehabilitation
 - Historic Rehabilitation Tax Credits
 - State and Federal for Commercial Rehabilitation
 - State only for Residential Rehabilitation

RECOMMENDATION:

Review the ordinance changes and forward the document to legal for final review and comment.

Chapter 23. -Technology Zone

Sec.-1. Purpose

The Town Council finds that the creation of a local technology zone, with incentives for growth, will foster the development, maintenance and expansion of commercial, tourist and industrial businesses engaged in the development and implementation of technology to the Town.

Sec.-2. Administration

This chapter shall be administered by the Town Manger or his/her designee (Administrator). The Administrator shall determine and publish the procedures for obtaining the benefits created by this chapter and determining whether a business is a qualified technology business. The final incentive package shall be approved by the Town Council.

Sec.-3. Definitions

Business Type (Technology):

1. Qualified Technology Manufacturing Business: A business engaged in the activity that constitutes the technology-driven research or production of advanced materials, automation and computer software including but not limited to robotics, computer hardware and software, *marine technology development*, the manufacture of high tech products or any other similar activity which is deemed appropriate for a technology zone *as defined in another jurisdiction of the Commonwealth*, and as found as such by the Town Council or by the administrator or his/her designee.
2. Qualified non-manufacturing Applied Technology Business: A business engaged in the application, upgrading, repair or installation of computer and technology equipment and software in any business sector including but not limited to transportation, food equipment and marine *technology* installations or any other similar activity deemed appropriate for a technology zone *as defined in another jurisdiction of the Commonwealth*, and found as such by the Town Council or by the administrator or his/her designee.

Existing business means a business that is actively engaged in the conduct of trade or business in the Town prior to the implementation of the technology zone.

New Business means a business not previously located and actually doing business in the Town.

Qualified Business:

1. A business must create and maintain a minimum of *5 new full-time employees for a manufacturing business to qualify for up to 25% grant and 25 new full-time employees for up to a 100% grant*, for at least a one-year period.
2. Each new employee must be compensated at one and one half the wage rate of the currently-defined federal minimum wage.
3. The business must make a new verified minimum capital investment on the property either in building improvements or of machinery and tools of *\$250,000 to qualify for up to a 25% grant and \$1,000,000 to qualify for up to a 100% grant* as a manufacturing business and \$100,000 as a non-manufacturing business. Land purchase does not count towards the capital investment.

Sec.-4 Boundary Area:

1. The Technology Zone – the entire area of the Town of Cape Charles is designated a Technology Zone pursuant to 58.1 – 3850 of the Code of Virginia.

Sec.-5 Incentives and Enforcement:

1. Economic Stimulus Grants for qualified businesses.
 - a. Up to 100% of the amount of new or increased machinery and tools tax paid to the Town.
 - b. Up to 100% of the amount of the net increase in Real Estate Tax paid to the Town.
 - c. Up to 100% of the amount of BPOL Tax paid to the Town.
 - d. Up to 100% of the Facility and Connection fees paid to the Town for a manufacturing facility employing 25 or more persons.
 - e. Up to 100% of the Building Permit fee paid to the Town.
2. The stimulus grant incentives are offered for up to five years starting with the tax year of the required initial investment.
3. A contract will be established between the Town and the applicant to specify the amount of the Qualified Investment, the amount of the Stimulus Grant, and the terms of authentication of the investment and the terms of the grant

Sec.-6 Waiver

Unless expressly stated herein, this chapter shall not be construed to waive the requirement of any ordinances, regulations, and policies that require permits and approvals for land use and construction. Additionally, unless stated otherwise herein, nothing in this chapter shall be construed as waiving the right of the Town of Cape Charles to enforce its ordinances, regulations, or policies or to collect taxes, fees, fines, penalties, or interest imposed by law on a qualified technology or tourism business or upon real or personal property owned or leased by a qualified business.

Notes:

1. The incentives are described as grants. This means the applicant pays the actual cost at the time the fee is due and once the criteria have been satisfied, a credit is given to the account.
2. When a business plans to locate in Cape Charles, an application would be made for the Technology Zone grant and the business applicant would specify how the business plans to meet the criteria and an agreement is made with the Zoning Administrator or Town Manager. If the incentive is real estate tax abatement, depending on the timing the tax may be paid and the grant given in the year following the review in item #1.
3. Both Cape Charles and Northampton County have existing programs for tax relief on rehabilitated buildings. The incentives for Technology could be handled in a similar fashion.

 <p>TOWN OF CAPE CHARLES</p>	AGENDA TITLE: Cape Charles Trail Project Agreement Amendment		AGENDA DATE: October 27, 2011
	SUBJECT/PROPOSAL/REQUEST Amendment to Project Development and Administration Agreement (Appendix A) re: \$307K allocation by the Commonwealth Transportation Board		ITEM NUMBER: 7C
	ATTACHMENTS: Appendix A for the Project Development and Administration Agreement		FOR COUNCIL: Action (x) Information ()
	STAFF CONTACT (s): Heather Arcos	REVIEWED BY: Heather Arcos, Town Manager	

BACKGROUND:

The Cape Charles Master Trail Plan was adopted by the Town Council on September 11, 2007. In November 2010, as part of the Phase 2 design and construction, the Town submitted an application for a Transportation Enhancement Program Grant in the amount of \$307,403. Prior to this application, the Town has received \$1,473,300 in grant funds for the Cape Charles Trail Master Plan Project.

DISCUSSION:

In June of this year, The Town was awarded \$307,000 and attached is the Amendment to the Project Development and Administration Agreement (Appendix A) which shows the \$307,000, reflected in column A \$1,780,300 total allocated funds. Appendix A does not reflect the current balance of the grant.

The 20% Town match will be budgeted by project by budget year.

In order to accept the additional funds, the agreement amendment must be signed and returned.

RECOMMENDATION:

Authorize the Town Manager to execute the Amendment to Project Development and Administration Agreement (Appendix A).

Appendix A

Project Number: EN02-182-123, P101, R201, C501 **UPC:** 63563 **Locality:** Town of Cape Charles

Project Location ZIP+4: 23310-3241	Locality DUNS# 055881148	Locality Address (incl ZIP+4): 23310-3241
Project Narrative		
Scope: Design and construction of a pedestrian and bicycle pathway throughout the Town of Cape Charles		
Locality Project Manager Contact Info: Heather Arcos, Town of Cape Charles, Town Manager, 2 Plum Street, Cape Charles, VA 23310, (757)331-3259 (x12)		
Department Project Coordinator Contact Info: Steve Rowan, VDOT Hampton Roads District Enhancement Coordinator, 1700 North Main Street, Suffolk, VA 23434, Steve.Rowan@VDOT.Virginia.gov (757)925-2459		

Project Costs and Reimbursement				
Phase	Estimated Project Costs	Estimated Eligible Project Costs	Estimated Eligible VDOT Project Expenses	Reimbursement to Locality
Preliminary Engineering	\$1,092,009			
Right of Way & Utilities	\$0			
Construction	\$6,380,890			
Total Estimated Cost	\$7,472,899	\$2,225,375	\$15,000	\$1,765,300

Total Maximum Reimbursement / Payment by Locality to VDOT	N/A
Total Maximum Reimbursement by VDOT to Locality	\$1,780,300

Project Financing				
A	B	C	D	E
Transportation Enhancement (80%)	Local Match (20%)	Local Funds (100%)		Aggregate Allocations (A+B+C)
\$1,780,300	\$445,075	\$5,247,524		\$7,472,899

Program and project Specific Funding Requirements
<ul style="list-style-type: none"> This project shall be administered in accordance with VDOT's <u>Locally Administered Projects Manual</u> Any expenses above the combined federal (80%) and local (minimum 20% match) will be at 100% project sponsor cost. <p align="center">100% of eligible VDOT project expenses will be recovered as follows:</p> <ul style="list-style-type: none"> 20% will be deducted from reimbursement requests. 80% will be deducted from the Federal Enhancement allocation amount. <p>Any ineligible items identified throughout project development will not be reimbursable.</p> <p>For Transportation Enhancement projects, the LOCALITY shall maintain the Project, or have it maintained, in a manner satisfactory to the Department or its authorized representatives, and make ample provision each year for such maintenance unless otherwise agreed to by the Department.</p> <p>In accordance with CTB policy, the project must be completed and the \$1,780,300 Enhancement allocation expended by October 1, 2013 or the project may be subject to de-allocation.</p>

This attachment is certified and made an official attachment to this document by the parties to this agreement

Authorized Locality Official and date

Authorized VDOT Official Recommendation and Date

Typed or printed name of person signing

Typed or printed name of person signing

PROCLAMATION NO. 20111027
CAPE CHARLES ROSENWALD SCHOOL

WHEREAS , in the year of 1929, the Town of Cape Charles, the Julius Rosenwald Fund and the Colored Community of Cape Charles together had constructed the Cape Charles Colored School; and

WHEREAS, the Julius Rosenwald Fund helped support the construction of over 5400 schools throughout the south during an era of Jim Crow segregation and that they provided plans for this four classroom school as a center for the educational, social and cultural events of the Colored Community in Cape Charles; and

WHEREAS, the Cape Charles Rosenwald School Restoration Initiative has labored to have this plaque erected in recognition of the history of this building and community; and

WHEREAS, this building was closed on December 22, 1966 but not forgotten by this community;

NOW, THEREFORE, BE IT PROCLAIMED, I, Dora Sullivan, Mayor for the Town of Cape Charles, do hereby on this 27th day of October, 2011 recognize the important role this school building played in the history of our Town and do hereby, commend the Cape Charles Rosenwald School Restoration Initiative for it role in erecting this Historic Marker.

Adopted by the Town Council of Cape Charles on this 27th Day of October, 2011

Mayor Dora Sullivan

ATTEST:

Town Clerk