

# Welcome Home to Historic Downtown Marion, VA!



A Guide for Making the Most of Your Investment in  
Marion's Historic Downtown District.

*The Marion Downtown Revitalization Association, Inc.  
A Virginia Main Street Community Since 1995!*

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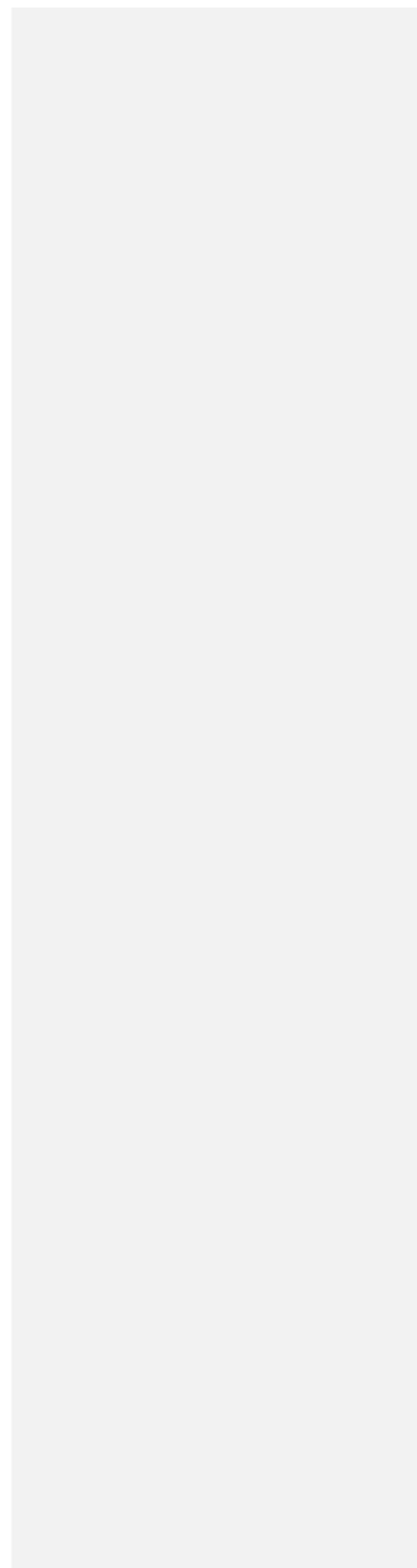
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This informational packet has been compiled by the Marion Downtown Revitalization Association, Inc.



# Historic Downtown Marion, VA!

Welcome to the neighborhood! You have chosen to invest in one of the most vibrant and exciting downtowns in the region. Downtown Marion has much to offer, but much more is needed. We would like to help acquaint you with the downtown district and offer our hopes for future development in this district.

Downtown Marion has a strong history as a commercial center. Dating back to the early 1800's, "The District" was the original development of the community then known as "Royal Oak". The county seat of Smyth County, our downtown still has many examples of unique architecture, especially from the 1920's "Art Deco" period. Marion's Downtown has been recognized as a National Main Street Community by the National Trust for Historic Preservation, and as a semifinalist for the Great American Main Street Award. The Downtown District also lies within the town's state-designated Historic District, and the Marion Technology and Marion Enterprise Zones.

## What We Have...

Spas and Salons  
Clothing Stores  
Gift and Specialty Shops  
Jewelry Shops  
Flower Shops and Wedding Boutique  
Restaurants and Eateries  
Antiques and Collectibles  
Coffee Shops  
General Professional Businesses  
Traditional Retailers  
Banks  
Law Firms  
Bed-and-Breakfasts  
Churches

The Historic Lincoln Theatre  
The 1927 General Francis Marion Hotel  
Historic markers and monuments  
The Staley-Collins House  
The Smyth County Museum  
Smyth-Bland Regional Library  
The Sherwood Anderson Archives  
The Appalachian Spirit Gallery  
The Black Rooster Art Gallery

## Downtown Events...

"Song of the Mountains"  
*(First Saturdays)*  
Marion ArtWalk  
*(Second Fridays)*  
"Downtown Days" Festival  
*(Third Weekend in July)*  
Christmas Parade  
*(Third Sunday in November)*

# Getting Started

*Begin with a walk-through appointment with us. Location assistance, business planning, marketing and advertising consulting, Grand Opening packages and more – all free of charge! Please call (276) 783-4190.*

## **Local Utilities Contacts**

Electricity: Appalachian Power ..... (276) 669-4112  
Water: The Town of Marion ..... (276) 669-4112  
Natural Gas: ATMOS Energy ..... (888) 824-3434  
Building Inspection: Smyth County .....(276) 783-3298

## **Local Business Development Contacts**

### **Marion Downtown!**

Ken Heath, Executive Director  
(276) 783-4190  
[mdra@smyth.net](mailto:mdra@smyth.net)

### **The Town of Marion**

John E.B. Clark, Jr., Town Manager  
(276) 783-4113 extension 222  
[jclark@marionva.org](mailto:jclark@marionva.org)

### **Smyth County Community Development and Planning**

Sally Morgan, Director  
276-783-3298 ext. 206  
[smorgan@smythcounty.org](mailto:smorgan@smythcounty.org)

### **The Chamber of Commerce of Smyth County**

Jerry Jones, Executive Director  
(276) 783-3161  
[jjones@smythchamber.org](mailto:jjones@smythchamber.org)

### **BusinessStart**

Ernie Maddy  
(276) 356-9256  
[emaddy@peopleinc.net](mailto:emaddy@peopleinc.net)

### **Virginia Highlands Small Business Development Center**

Jim Tilley  
(276) 739-2515  
[jtilley@vhcc.edu](mailto:jtilley@vhcc.edu)

### **Bristol SCORE**

Steve Wellinger  
(423) 989-4850

# Local Reinvestment Incentives

Whether you're a property owner or the owner of your own business who's chosen to rent your space, we're always searching for ways to "bridge the gap" and make your reinvestment in our downtown a smart business decision!

Incentives currently offered for downtown property reinvestment include an historic tax abatement, state and federal tax credits, and a variety of incentives offered as part of Marion's Enterprise Zone.

## **1. The Historic Downtown Marion Real Estate Tax Abatement Program**

Eligible commercial and industrial buildings within Marion's Historic District are eligible to essentially "freeze" their tax rate for up to 15 years to allow property owners an opportunity to recapture some of their investment.

The buildings must be at least 20 years old, and all improvements must receive prior approval from the Marion Architectural Review Board and be in compliance with the Secretary of the Interior's Standards of Rehabilitation (United States Department of Interior Regulations, 36 CFR 67).

Normal reassessment increases still apply, based on average assessment increases for Town of Marion commercial or industrial properties, as assessed by Smyth County.

Essentially, Town of Marion and Special Service District taxes will be based on the pre-rehabilitation value of the building for up to fifteen (15) years, as determined by the amount of reinvestment. An investment increasing the value of the property of between twenty (20%) and thirty-nine (39%) percent shall be eligible to receive five (5) years abatement. An investment increasing property value of between forty (40%) and fifty-nine (59%) shall be eligible to receive ten (10) years abatement. And investments increasing the value of the property of sixty (60%) or more shall be eligible for the maximum abatement of fifteen (15) years."

The abatement is based upon new private investment for improvements on eligible properties within the Marion Historic District, and is contingent upon all work and materials being pre-approved by the Town of Marion, and all work inspected by the Town of Marion, to ensure compatibility with the existing historic character of the District.

For more details, contact Marion Downtown at (276) 783-4190.

## **2. Virginia Enterprise Zone State Incentives for the Marion Enterprise Zone**

The Marion Enterprise Zone provides two grant incentive programs that can offer substantial cost savings for businesses. The following is a summary of those State programs:

### **Wage-Based Job Creation Grants**

- Businesses are eligible to receive job creation grants, over a five-year period, if new permanent full-time jobs are created above a four-job minimum.
- Grant amounts are based on the amount each created job pays in wages and health benefits. Jobs that pay 200% more than the federal minimum range and provide health benefits will be eligible to receive a grant of \$800 every year for five years. Jobs that pay above 175% of the minimum wage and provide health benefits, but pay below 200% of the minimum wage will be eligible to receive a grant of \$500 every year for five years. Any job that pays less than 175% of the minimum wage or does not provide health benefits will not be eligible for grants.
- Jobs are not available to retail, local service, or food/beverage establishments
- These grants are based on a calendar year, and any position that is filled for less than a year will be prorated based on the number of months worked in that position
- A business can apply for a grant for up to 350 new jobs per year

### **Real Property Investment Grants**

- A real property investment grant is available to any entity or individual who makes real property improvements of at least \$50,000 **for rehabilitation or expansion, or at least \$250,000 for new construction.**
- Investments that are less than \$2 million are eligible to receive a grant in the amount of 30% of the real property investment not to exceed \$125,000 for any building or facility within a five-year timeframe.
- An investment that is \$2 million or more is eligible for a grant of 30% of the real property investment not to exceed \$250,000 for any building or facility within a five-year period.
- Mixed-use projects are eligible to receive real property investment grants if at least 30% of the project is for business.
- An entity or individual who is making the investment can receive a real property investment (Can be building owner/investor or business).
- There are no job creation requirements for this grant

### **3. Local Incentives for the Marion Enterprise Zone**

**a. Economic Stimulus Grant.** A three-year local grant provided to companies that make new machinery and equipment investments and create new jobs. The grant is provided through the Smyth County Industrial Development Authority and would be equivalent to the following percentage of the machinery and tools tax due and paid on new equipment and machinery investments. Note: A cap amount of \$50,000 grant per year currently applies to this incentive. In order to be eligible for the Economic Stimulus Grant, applicants must submit documentation of taxes paid and employment.

**b. Building Permit Fee Rebate.** The cost of the building permit fee for industrial and commercial buildings is rebated by Smyth County. The current charge for a building permit is \$.12 per square foot for commercial and industrial buildings with a maximum cap of \$2,000. Applicants must complete and submit the *Application for Building Permit Fee Rebate* and submit a copy of a paid receipt documentation payment of building permit.

**c. Water and Sewer Cost Rebate.** The costs of water and sewer service will be reduced through the form of a rebate for a five-year period based upon the number of jobs created. Water and sewer connection fees are rebated for businesses creating jobs. In order to receive rebates on water and sewer service and fee rebates for connections, applicants must complete and submit the *Application for Water and Sewer Fees Rebate*, and submit a copy of paid receipts documenting payment of connection fees and receipts documenting payment for water and sewer services.

**d. Real Estate Rehabilitation Tax Exemption.** For Smyth County property taxes, this offers a nine-year decreasing exemption on the increase in assessed property value resulting from qualifying rehabilitation of certain commercial and/or industrial real estate 15 years or older. In order to receive the Real Estate Rehabilitation Tax Exemption, the applicant must complete and submit the *Rehabilitation Tax Exemption Application*.

**e. BPOL Tax Credit.** A decreasing tax credit over a 5-year period following the creation of new jobs. In order to receive the BPOL Tax Credit, the applicant must complete and submit a *Business and Professional Operators License Tax Credit Application*. This is a Town-only incentive.

**f. Loan Application Assistance.** The Town of Marion and Smyth County will encourage and assist businesses in the Zone to take advantage of low-interest loan incentives available through the state and regional sources. In some instances, the Town will consider providing supplemental loan funds to these outside sources if the project merits local participation and meets the requirement of the particular program.

**g. Training Assistance.** The Town of Marion and Smyth County will assist any new or expanding employer in the Zone with finding available assistance for training and recruitment, including existing state programs. Other types of assistance will include assistance with job fairs and free job advertising on the Town and County websites.

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**h. Tourism-Business Marketing Incentive.** The Town of Marion will provide no-cost advertising and marketing support for tourism-related businesses through the town website and inclusion in town marketing materials.

**i. Downtown Revitalization Design Assistance.** The Town of Marion and Marion Downtown will provide qualified downtown property or business owners with professional design assistance for façade improvements and signage design at no charge.

**j. Downtown Revitalization Façade Grant.** The Town of Marion and Marion Downtown will provide qualified downtown property or business owners up to \$1,000 in matching funds for approved improvements to the façade of historic downtown buildings. Applicants must be members of the MDRA, have all plans pre-approved, and submit paid invoices for all work. The MDRA will then reimburse the applicant up to \$1,000 in matching funds for the project. Number of grants may be limited each year.

*For additional details on the Marion Enterprise Zone, including a chart showing exact rebates, credits, and exemptions, and for applications, please contact Sally Morgan at (286) 783-3298 ext 206 or Ken Heath at (276) 783-4190.*

#### **4. The Virginia and Federal Rehabilitation Tax Credit**

The Virginia Rehabilitation Tax Credits are dollar-for-dollar reductions in income tax liability for taxpayers who rehabilitate historic buildings. Credits are available from both the federal government and the State of Virginia.

The amount of the credit is based on total rehabilitation costs. The federal credit is 20% of eligible rehabilitation expenses. The state credit is 25% of eligible rehabilitation expenses. In some cases, taxpayers can qualify under both programs, allowing them to claim credits of 45% of their eligible rehabilitation expenses.

The credits described above are available only for Certified Historic Structures, which are defined as follows:

Under the federal program, a certified historic structure is one that is either:

- Individually listed on the National Register of Historic Places, or
- Certified as contributing to a district that is so listed

Under the state program, a certified historic structure is one that is:

- Individually listed on the Virginia Landmarks Register, or
- Certified as eligible for listing, or
- Certified as a contributing structure in a district that is so listed.

With a few exceptions, most Virginia properties that are listed on one of these registers are listed on both. Note, however, that National and Virginia Register historic districts may be different from locally designated historic districts. For additional information, visit the Virginia Department of Historic Resources website at [http://www.dhr.virginia.gov/tax\\_credits/tax\\_credit\\_faq.htm](http://www.dhr.virginia.gov/tax_credits/tax_credit_faq.htm)

## **Additional Preservation Resources**

### **The Historic Downtown Marion Architectural Review Board**

Provides review and assistance for all commercial renovations and rehabilitation projects within the historic downtown commercial district at no charge. Contact Ken Heath at (276) 783-4190 or email [mdra@smyth.net](mailto:mdra@smyth.net) for additional details.

### **Technical Preservation Services for Historic Buildings, National Park Service**

- Includes 43 Preservation Briefs, Preservation Tech Notes, and other valuable information for property owners
- <http://www2.cr.nps.gov/tps/index.htm>

### **National Trust for Historic Preservation/National Main Street Center**

- The nation's leader in the preservation movement
- The *Help from the National Trust* section of their website includes information regarding financial assistance, governmental and legal policies, and other useful topics
- [www.nationaltrust.org](http://www.nationaltrust.org)

### **The Virginia Main Street Program**

- Since 1985, Virginia Main Street has been helping localities revitalize the economic vitality of downtown commercial districts using the [National Main Street Center's](#) successful Main Street Approach™. Main Street is a comprehensive, incremental approach to revitalization built around a community's unique heritage and attributes. Using local resources and initiatives, Main Street helps communities develop their own strategies to stimulate long term economic growth and pride in the traditional community center -- downtown.
- <http://www.dhcd.virginia.gov/MainStreet/>

### **Association for the Preservation of Virginia Antiquities**

- [www.apva.org](http://www.apva.org)

### **The Virginia Department of Historic Resources**

- <http://www.dhr.state.va.us>