

For Immediate Release

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## **With Richmond City Council Vote, Region Approves Tourism Improvement District**

### ***Richmond Region becomes first community in Virginia to establish a TID***

**RICHMOND, Va. (June 13, 2023)** – Last night’s vote by the Richmond City Council to approve an ordinance allowing for a hotel assessment marks the final step for passage of a new Tourism Improvement District (TID) in the region. Hotels with 41 rooms or more within the TID will charge a 2% fee on nightly rates which is expected to generate as much as \$8.2 million annually to support the promotion of the region as a leisure, conference and sports tourism destination.

The city of Richmond joins the counties of Chesterfield, Hanover and Henrico, and the town of Ashland in approving the TID.

Collection of the assessments will begin July 1, 2023. The initial term is 10 years, subject to renewal.

The approvals mean the Richmond Region represents the first group of jurisdictions in Virginia to enable a TID.

Lawmakers passed Senate Bill 1298 during the 2021 General Assembly to allow any Virginia locality a pathway to establish a TID. Since that time, Richmond Region Tourism has been working with hotel operators within the region to create the TID.

“The passage of the TID represents a great leap forward for the Richmond Region, giving us the resources to compete aggressively with other comparable markets around the country,” said Katherine O’Donnell, executive vice president at Richmond Region Tourism. “While the region has already surpassed pre-COVID rates for hotel occupancy and sports tourism activities, the resources from the TID will enable us to turn the volume up on our promotional efforts and accelerate our momentum in positioning the Richmond Region as one of the country’s premier tourism destinations. Our thanks go to the tremendous support that the TID initiative has received from local hoteliers and public officials.”

The funds generated through the TID assessment can be used only for specific purposes related to driving visitation and hotel occupancy. The fee will be paid by hotel guests.

TID funds will augment Richmond Region Tourism’s promotional efforts focused on attracting large-scale sports tournaments and conventions, as well as boosting leisure marketing strategies.

The TID will be managed by its Governance Committee, a subcommittee of the Richmond Region Tourism Board of Directors, which consists of nine area hotel representatives within the TID localities. Two-thirds of the committee is made of up smaller hotel representatives with fewer than 149 rooms.

“This is an exciting day for the Richmond Region,” said Mayush Mehta, vice chair of the TID Governance Committee and regional vice president of JP Hospitality. “The approved TID is an investment in our entire community. These dedicated funds will help us invite and welcome new overnight visitors to our region who will support our small businesses, restaurants and cultural attractions. A tremendous amount of collaboration and hard work went into establishing the TID and we should all be proud.”

Tourism is a significant driver of the region’s economy. In 2021, the region hosted 6.6 million overnight visitors who spent \$2.9 billion locally. Tourism supports nearly 24,000 jobs in the community.

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#### About Richmond Region Tourism

Richmond Region Tourism is a private, not-for-profit dedicated to promoting the Region to meeting, convention and sports event planners, tour operators and leisure travelers. The organization represents the cities of Richmond and Colonial Heights, the town of Ashland and four counties: Chesterfield, Hanover, Henrico and New Kent. Richmond Region Tourism operates Visitor Centers at the Robinson House at the Virginia Museum of Fine Arts and the Richmond International Airport.

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