

MINUTES
BOARD OF SUPERVISORS
COUNTY OF YORK

Adjourned Meeting
May 20, 2022

8:30 a.m.

Meeting Convened. An Adjourned Meeting of the York County Board of Supervisors was called to order at 8:53 a.m., Friday, May 20, 2022, in the Gerdelman Family Mezzanine, American Revolution Museum at Yorktown, by Chairman Sheila S. Noll.

Attendance. The following members of the Board of Supervisors were present: Walter C. Zaremba, Sheila S. Noll, W. Chad Green, Thomas G. Shepperd, Jr., and G. Stephen Roane, Jr.

Also in attendance were Neil A. Morgan, County Administrator; Mark L. Bellamy, Jr., Deputy County Administrator; Brian Fuller, Assistant County Administrator; James E. Barnett, Jr., County Attorney; Richard Hill, Deputy County Attorney; and Heather L. Schott, Legislative Assistant.

BOARD OF SUPERVISORS' ANNUAL RETREAT

Mr. Morgan reviewed the agenda and provided the Board members with an overview of the day and what they could expect to accomplish. He explained that the topics being discussed were previously identified as items the Board would like to address further at the "petit" retreat in September.

Mr. Zaremba asked why the relationship with the School Division was not on the agenda.

Discussion followed on the relationship between the Board of Supervisors and the School Division.

STRATEGIC PRIORITIES' ACCOMPLISHMENTS AND JOHN NALBANDIAN RELATIONSHIPS BETWEEN COUNTY AND STAFF

Mr. Morgan reviewed the Board's Strategic Priorities which include:

- Exemplary Public Safety
- Excellent Educational Opportunities
- Value-Drive Economic Development
- Outstanding Communications and Customer Service
- Environmental Stewardship with a Focus on Resiliency
- Quality Technology Investments

Next, Mr. Morgan covered the relationship between the elected board and staff described by Professor Emeritus John Nalbandian from the University of Kansas. In Professor Nalbandian's role with the University, he explored the relationship between the Board of Supervisors and staff which included different values and priorities. These included items such as efficiency, how others are impacted, and the volume of people who reacted to a certain issue. Mr. Morgan referenced the Meyers Briggs assessment with which the Board was familiar. In addition, he referenced his SWOT Analyses from 2015 and 2021. He encouraged the Board to review both as a point of reference.

Mr. Roane asked when the Strategic Priorities were set.

Mr. Morgan stated they were set in January 2016, and reviewed and revised in January 2020.

Discussion followed on the evolution of the Strategic Priorities.

Mr. Roane referenced the relationship between County and staff, such as no surprises. He explained the importance of receiving information. An example was provided of the recent issue of the parking garage. Due to the information given to them by staff, they were informed and able to provide accurate information on the subject.

Chairman Noll referenced the importance of contacting staff, such as for agenda item questions, prior to the meeting instead of surprising staff at the Board meeting.

Mr. Morgan stated that staff did their best to keep the Board informed, but noted it could be challenging in the fast-moving world of social media.

COMPREHENSIVE PLAN UPDATE

Mr. Mark Bellamy, Deputy County Administrator, began his overview of the Comprehensive Plan and the project update. He recognized Mr. Green as the Board's representative on the Comprehensive Plan Steering Committee. He felt the Committee was making progress on the update. He provided an overview of the process and timeline of the plan. He noted that six of the eight elements had been drafted. The first meeting of the Committee was held in November 2018. Based on the timeline, the Committee was about halfway through. He noted that additional public meetings are being planned and staff is putting a schedule together. The Planning Commission will then review the Plan and after it is reviewed and input received, the next step will be for the Board's input and review. He announced that Jacob Rizzio, former Youth Commissioner, would be returning as an intern and will be working on the Comprehensive Plan. Mr. Bellamy explained that Jacob had worked on the Plan as a Youth Commissioner. He provided an overview of the draft chapters available for review:

- Demographic Profile and Projections
- Broadband Element
- Economic Development Element
- Transportation Element

Mr. Bellamy noted the Plan highlights which are heavily related to the Board's Strategic Priorities and the survey results from the residents. The survey revealed:

- High Level of Citizen Satisfaction
- Strong Support for Schools
- Support for Sidewalks and Bikeways
- Support for Home Occupations
- Support for Moderately-Priced housing (but not for increased densities)
- Support for Balanced Growth

Mr. Bellamy stated that some residents disliked development/growth-related activity, housing-related projects, and traffic congestions/roads. He provided an overview on the average annual population increase across the state.

Mr. Morgan explained that York was at the exact mean of population growth for counties in Virginia.

Mr. Zaremba asked what was York's total population.

In response, Mr. Bellamy stated around 70,000.

Mr. Zaremba asked whether the survey was statistically significant.

Mr. Bellamy stated based on the presentation and the makeup of the survey that it was.

Mr. Morgan concurred with Mr. Bellamy's response in regards to the survey.

Discussion followed on the annual population increase.

Mr. Bellamy provided an overview of the annual housing increase. He felt that it was consistent with the total population presentation slide. Staff had heard citizens' concerns about overdevelopment, etc. He noted that the slide showed that the facts do not support the claim with regard to overdevelopment. He asked Mr. Cross to provide a pie chart on land use, which showed that 57 percent of the land in the County is occupied by the military, or has a conservation designation such as Waterworks and parks. With 57 percent occupied in this form, the County has a large amount of green space. He reminded the Board that the Virginia Department of Transportation (VDOT) owned the roadways, but the County had limited tools such as a SMART SCALE, etc.

Mr. Zaremba asked where the military facilities would factor into the pie chart.

Chairman Noll stated the chart showed 32 percent.

Mr. Bellamy provided an overview of the major trends and themes including:

- 80,000 build-out population target
- Diminishing supply of land
- Sea level rise/Recurrent Flooding
- Telework, E-Commerce, and the Amazon effect
- Adaptive reuse and redevelopment
- Active transportation
- Electric Vehicles and AV technology

Mr. Shepperd asked for a definition of adaptive reuse.

Mr. Bellamy explained that businesses such as Ashley Furniture or Locke Supply that chose to renovate and occupy existing, vacant shopping centers are prime examples of adaptive reuse.

Discussion followed on the conflict with low-density residential land use designation which could limit growth and capabilities between both the residents and developers such as the Fenton Mill project or tourist homes.

Mr. Morgan stated that the proffer mechanism was one of the few tools the County has and should be considered.

Mr. Zaremba stated the big conflict is the disparity between the citizens and the developer. He noted the Board needs to determine who we represent.

Chairman Noll stated also our responsibility is to assess the County's best interest for the future, while explaining that to the citizenry.

Mr. Morgan explained that when he arrived in the County, the School Division felt that they needed a new school. However, in the Capital Improvement Plan (CIP), the project keeps moving back. He noted the right decision had been made to reinvest in the current facilities. He added it is uncertain if another school will be needed at this time.

Mr. Roane stated that was consistent with his thoughts as well.

Mr. Shepperd asked about low-density residential and whether resource conservation fell within that category.

Mr. Morgan stated that it did not fall within that category.

Discussion followed on the land use plan public input meetings.

Mr. Green felt the process was going really good and that the finished project will be something we all can be really proud of, noting the challenges the Committee has had with COVID.

Mr. Shepperd asked what was the driving force and what drives the topics of the Plan.

Mr. Bellamy stated that State Code determined the topics.

Mr. Morgan credited the citizens who had been on the Committee from the beginning, noting their dedication.

Mr. Bellamy provided a map with the public input meeting attendance and where the attendees resided. The following comments were received from the public input meeting:

- Overdevelopment. General concern that too much development is occurring in the County, concerns over loss of trees, open space, and rural character as well as traffic, school crowding, and tax burdens on the citizens. This comment was also made specifically about Lightfoot.
- Conservation. Related to the concerns about overdevelopment, many citizens expressed a desire for conserving vacant land to prevent it from being developed.
- Mixed Use Overlay Designation. Several citizens commented that the Mixed Use overlay designation should be removed from the Comprehensive Plan, especially in Skimino and Lightfoot but also in Grafton and Tabb.
- Transportation. Concerns about narrow roads that are not able to handle additional development, especially Fenton Mill Road, Barlow Road, Skimino Road, and Penniman Road.
- Housing. A few citizens expressed a desire for more affordable housing in the County.
- Public Facilities. Concerns about school crowding and the negative impact of new development.
- Adaptive Reuse. Concerns about allowing new development to occur when there are already vacant commercial buildings that could be put to commercial use or remodeled as affordable housing.

Mr. Zaremba explained due to the pandemic, several businesses no longer exist. He asked about the percentage of vacant buildings due to the pandemic.

Mr. Roane asked how the public meetings will be advertised.

Mr. Bellamy stated through the normal media outlets, such as the local government channel, website, and Facebook.

HIGH GROWTH, LOW GROWTH, NO GROWTH PRESENTATION

Mr. Morgan introduced Mr. Randy Wheeler, Poquoson City Manager. He explained that Mr. Wheeler is a very experienced local government Manager. He serves on the faculty of the University of Virginia's Senior Executive Institute and was the 2013-2014 President of the Virginia Local Government Management Association. Mr. Morgan explained that prior to coming to the City of Poquoson, he served as the County Administrator for Spotsylvania County, and the Assistant County Administrator and Director of the Office of Management and Budget for Fauquier County. As such, he noted that Mr. Wheeler will be sharing his experiences with political shifts and high growth in counties, and he will expand on those various dynamics as York's neighbor. Mr. Morgan explained the session would be conducted in a question and answer format instead of the traditional PowerPoint presentation.

- Mr. Morgan asked Mr. Wheeler whether "growth" is a good thing or a bad thing from his perspective.
 - In response, Mr. Wheeler explained that balanced growth looks like the old model of government, meaning some residential, industrial, and office space. He noted that you analyze the age of the buildings, commercial, residential, and public facilities. In addition, you note whether they are attractive for young professionals and if you have housing that families can afford. He noted that it was important to be sensitive to the community feedback as a whole. Mr. Wheeler posed the question that for projects that may have to be in a certain location such as a pump station, how is that reconciled. Every community is unique and he explained his service in Prince William, Fauquier, Spotsylvania, and Poquoson. He noted that Fauquier was still an anti-growth community where Spotsylvania had a higher growth rate of about 20 percent or more than 25,000 people in a five-year period. Since Mr. Wheeler had left service in Spotsylvania, the community had continued to grow an additional 10 percent. He explained that good growth was a good thing because it helps to provide value for the citizens that have maintained land. He believed that a growth rate of about three quarters of a percent was an appropriate amount. Mr. Wheeler explained that residential growth and commercial growth were intertwined in his experience and people were often concerned about traffic and the associated effects. For some of the residents, the aesthetics are very important as well as the effects on schools and public facilities.

Mr. Morgan commented about VDOT and roadway projects within the County. He noted that it took a sustained effort to fix the problem and that the County was not in a place to take over roadways from VDOT due to the expense. He explained it was virtually impossible politically, citing a recent conversation with the VDOT Residency Administrator, that the County would be penalized for future VDOT funding because the metric of the condition of our pavement would go up by the locality contributing money. He noted the Residency gets less money and the roadways are impacted.

Discussion followed on the VDOT system and roadways within the County.

Mr. Wheeler explained that localities do have control over things such as our by-right zoning, where the utilities are to promote growth, water, sewer, the zoning map, and potentially broadband. He noted that it was easier in cities versus counties.

- Mr. Morgan asked about the various external variables impacting growth, such as economic forces. He noted that he was unaware of how bad the Hampton Roads economy was during the Great Recession as he was living in Roanoke. Mr. Morgan also referenced sequestration and the impacts on the region.
 - In response, Mr. Wheeler noted this was a challenge that local governments had. He stated especially if you have substantially increased your community standards within the last five or six years, but the older things are coming back. Perhaps the projects were grandfathered under the old environmental regulation or before a historic architectural district where state law says you have to honor the plans. He cited an example of a by-right development where the leaders do not have the authority to prevent the development of the parcel(s) as long as the developer meets all of the state and local requirements.

- Mr. Morgan asked Mr. Wheeler whether it was his experience that slow growth is the appropriate spot to be in versus declining, shrinking, or rapid growth.
 - Mr. Wheeler confirmed that the nature of the community and its economic goals drive the rate of growth within the community, but generally slow growth is usually the “sweet spot”.
- Mr. Morgan asked Mr. Wheeler to expand and explain his experiences with the Walmart grocery store and Legacy of Poquoson (Big Woods) projects.
 - In response, Mr. Wheeler provided an overview of both projects, beginning in 2015, there were two development proposals that were presented to the City. He noted that both projects were out of size in context for us in terms of size and community interest. The Walmart grocery store, known as a community market, gained negative reception from the residents. The Walmart project came second as the developer made a choice to wait until the Legacy development was submitted to avoid paying for a duplicate traffic impact study. He cited the timing of the retail development and the fact that the developer made other bad choices, ultimately resulting in the community not supporting the project. Some of the concerns were the impacts on the two grocery stores existing within the locality and it is the gateway to the city. The developer also did a poor job on the community outreach of the project and the citizens were concerned that it would be a 24-hour operation, which the developer never intended. In turn, both the developer and the project lost credibility and the project failed.
 - Mr. Wheeler stated Legacy of Poquoson is a mixed-use development with approximately 500 housing units, which includes single-family development, a combination of 200 apartments, townhomes, and cottage homes geared for seniors and younger residents without children. In addition, the project will include 40,000 square feet of commercial space for the city. The project was considered by both Planning Commission and City Council in 2015. He noted that a number of York County residents participated in the public process. Mr. Wheeler explained that one of the principal concerns was road connectivity. He provided an overview of the property and perceived potential impacts such as some environmental issues, overcrowding in the schools, and fire service response times. Mr. Wheeler believed that the first unit is scheduled to begin construction in July. He stated that there has been more clearing out front in preparation for the apartment phase since the developer received approval of a reduction on the front yard setback. Mr. Wheeler suggested to the Board the next time a developer suggests on doing this to visit Poquoson and see how the development looks. He felt that this was not how the developer intended.

Discussion followed on the decrease in enrollment numbers within the school divisions and local governments in Virginia dealing with the closing of schools. All parties agreed this was not an area that a locality wanted to be forced into. The discussion also followed on the use of proffers within developments to deal with roadway issues.

Mr. Roane asked Mr. Wheeler if the three-quarter percent growth rate was a good spot to be in with regards to growth. He wanted to know whether that rate was an industry-wide algorithm. He asked what happened when Mr. Wheeler experienced overgrowth.

Mr. Wheeler stated his experience is based on working in four different localities in Virginia, noting that every one of them is different. He explained that none of the localities had handled it well. Even if you were to stop all residential new development from this moment forward, he stated the locality will still have several years until it is complete. Mr. Wheeler stated the way he thought it could be controlled is through the utility extension policies and where municipal utilities, such as water and sewer, are placed in the community.

Discussion followed on the types of long-term policies and proffers that could address overgrowth within communities.

Mr. Zaremba asked Mr. Wheeler whether he had a change of leadership style in managing multiple localities and what common issues did he experience in the four different localities. He asked what solutions were achieved to address these issues.

Mr. Wheeler stated that each locality dealt differently with these issues. He noted that he was a different leader than 20-30 years ago. He explained that when you are a part of a team, you see the issues, but do not necessarily feel them. When you become the leader of the locality, you experience them more closely. In Spotsylvania, due to a large number of staff members and distinct points of view of the Board members, he ran the organization as a "well-oiled machine." He noted it was a transient community; it grew very fast and was not always fulfilling. However, Poquoson is a small locality, which runs differently. It is more about listening to the citizens and having personal relationships with both the citizens and City Council.

Discussion followed on the relationship between York County and Poquoson and the new various challenges associated with the Virginia Department of Transportation.

Mr. Morgan and the Board members thanked Mr. Wheeler for his participation at the retreat.

RECREATION FACILITIES UPGRADES

Mr. Brian Fuller, Assistant County Administrator/Director of Community Services, provided the Board with an update on various recreation upgrades for both the County and School Division. The School Division has/will use \$3 million of ARPA funds to address various projects. The projects included:

Sports Facilities:

- Bailey Field – Turf replacement
- Bruton High School – Football field upgraded
- Dare Elementary School – Gravel track
- Tabb High School – Weight room upgrades
- York High School – Door replacement/scoreboard

Planned Upcoming Drainage Improvements:

- Coventry Elementary School – Basketball Courts
- Bethel-Manor Elementary School – Football Field
- Tabb Elementary School – Playground
- Bruton High School – Baseball and Softball Fields

Mr. Morgan commented that many of these projects have been issues for several years. He noted the positive aspect of these projects is that they are a one-time upgrade. He felt good about the projects as they did not add any operational cost burdens.

Mr. Fuller explained that the County also had several projects that will be beneficial over the course of time. In the CIP, the County has allocated \$1.5 million in the out years. Staff has been able to look at the potential possibilities of facilities that could be added or would enhance the County's existing park facilities and sites.

Mr. Morgan stated that the projects were three or four years out from now.

Mr. Fuller provided the following possible County projects:

Marquis Site:

- Sports Fields and Open Space
- Playground
- Picnic Shelters

New Quarter Park:

- Kayak Launch
- Sprayground
- Off-Leash Dog Area Dog Park

McReynolds Athletic Complex

- Batting cages
- Large picnic shelters
- Chisman Creek and Wolf Trap Parks
- Playgrounds
- Picnic shelters
- Shade structures (Chisman Creek)
- Dog park (Wolf Trap)

Other Potential Recreational Amenities:

- Adjacent Seaford ES (playground/trails/picnic area)
- HRSD Property (trails/playground/open space)
- Tabb Stormwater area (pocket park)
- Waterfront park access
- Skateboard BMX park
- Additional community gardens
- Expanded indoor space (Seniors/Instructional/E-Sports)

Discussion followed on dog parks, specifically where they could potentially be located in the community as citizens were looking for places to take their dogs. In addition, concerns associated with dog parks such as separate areas for large and small dogs were discussed.

Mr. Fuller explained that when the McReynolds Athletic Complex was constructed, places were planned for a large picnic area, and outdoor batting cages; however, they were not constructed with the project. He stated that was one area to look at, as it would help with youth programs and tournament rentals. Mr. Fuller stated when teams compete in tournaments; ordinarily they warm up prior to the game.

Mr. Morgan stated that as the CIP is developed by staff each year, the Board has the opportunity to react and provide input on which projects move forward or are delayed.

Next, Mr. Fuller provided an overview of the Historic Triangle Recreation Facility Authority. He stated both he and Mr. Morgan serve on the Advisory Authority, which was established earlier this year. A high-level overview and map was provided for the Board with a breakout of the project. The project included the construction of a regional indoor sports facility with a minimum of 160,000 square feet. The building is planned to accommodate 12 basketball courts or 24 volleyball courts, and associated facilities. He stated the space needs to be flexible to accommodate different uses such as pickleball or wrestling.

Chairman Noll asked whether a performance venue would be incorporated within the facility.

Mr. Fuller stated it was not in the current scope, but could be.

Mr. Zaremba asked whether the location was still the same, in the old Colonial Williamsburg Visitors' Center.

Mr. Fuller confirmed that it was and he provided an overview and map of the location as a basic footprint of the project.

Mr. Morgan stated it was in a strategic location, just off Interstate 64/Camp Perry exit with many York County hotels located close to the planned facility.

Mr. Zaremba asked whether it would be owned by all three jurisdictions.

Mr. Morgan stated it would be owned by the Authority if we proceed with the project.

Next, Mr. Fuller provided a status update on the progress to date. He noted that the Authority was established, officers elected, and the by-laws and Public-Private Education and Facilities Infrastructure Act (PPEA) were approved. Currently, they are soliciting legal representation, the website has been developed and the logo is up and running. In the upcoming months, the proposals that were received will be evaluated by the Authority. Afterwards, the construction

and funding models will be developed and presented to the Board for consideration to proceed. Currently, the Authority received and accepted two unsolicited proposals through the PPEA process. Once the two unsolicited proposals have been accepted, the timeline begins where it is opened up for the required 45 days, advertised, and the Authority is able to receive additional proposals. He explained the difference between the ones that had been received noting that both were a little different. Mr. Fuller stated that one of the proposals went into further detail explaining that it included other Colonial Williamsburg facilities. The other was more confined to the indoor facility and outdoor amphitheater. One additional proposal was received, but was deemed unacceptable because it only addressed operations not construction.

Discussion followed on who owned the building and the facility site.

Mr. Fuller provided a timeline on the next steps of the process that included:

- Receive presentations of the two proposals
- Evaluation period for proposals
- Requests refined with greater details on their proposals
- Status update to elected officials
- Evaluate detailed proposals
- Choose best proposal
- Present proposal to Board for review
- Develop construction and funding models
- Present to Board for consideration to proceed

Mr. Roane requested a status update prior to the Board taking any action on the Sports Facility.

Mr. Morgan explained the updates would be provided by multiple ways to include written confidential information to the Board, and closed session, work session process, which will occur before anything is done publically due to the non-disclosure forms that members are required to sign on the Authority.

Mr. Shepperd asked for an overview in terms of money.

Mr. Morgan stated the material presented to the Board previously showed preliminarily a cost from each locality ranging from a little under \$500,000 to about \$800,000 per year depending on all kinds of assumptions. He explained that one of the decisions needing to be made is whether a company will be hired to operate, market, and schedule the facility or will the locality's Parks and Recreation Department handle these tasks.

Meeting Recessed. At 12:16 p.m., the Chairman declared a short recess.

Meeting Reconvened. At 1:15 p.m. the meeting was reconvened in open session by order of the Chair.

TRANSPORTATION

Mr. Morgan introduced Mr. Bob Crum, Executive Director, Hampton Roads Transportation Planning Organization (HRTPO) who spoke on the various transportation projects. He began by giving the Board an overview of Mr. Crum's work experience and educational background.

Mr. Bob Crum, Executive Director, provided the Board members with HRTPO's Core Functions. Those functions include:

- Establishing a setting for effective regional decision making
- Evaluating transportation alternatives
- Maintaining a fiscally constrained long-range transportation plan (LRTP)
 - The LRTP is the region's transportation blue print, 20-year timeframe, updated every five years.
 - All regionally significant transportation improvements must be included in the LRTP, regardless of the funding source.
- Developing a fiscally constrained transportation improvement program (TIP)
- Involve the public in the transportation planning process.

Mr. Crum provided the Board with planning milestones within the LRTP. He explained the importance of both federal and state funding. He noted an area that was key to the projects as they look at how much money is available, and what projects are found within that 20-year planning horizon. HRTPO's role in formula funding distribution includes:

- Transportation Alternatives (TA) Set-Aside Program – Biennial process of \$5.7 million funding available in FY 2023-2024.
- Congestion Mitigation and Air Quality (CMAQ) – Annual process of \$15.3 million funding available in FY 2028.
- Regional Surface Transportation Program (RSTP) – Annual process of 37 million available funding in FY 2028.
- Virginia SMART SCALE Funding Program – Biennial process in which Hampton Roads received \$168 million in Round four.

Discussion followed on the \$5.7 million of funding for the TA Set-Aside Program.

Mr. Roane asked how much you would need all together if you added the funding up annually.

Mr. Crum stated a very small percent, roughly one percent of what the needs are for these types of projects. He encouraged the Board to start thinking aggressively about which projects they would like to recommend, because it is expected that funding will increase substantially noting comments made by the Secretary of Transportation yesterday and Virginia having more money than ever before. A map was provided for the SMART SCALE factor weighting, noting that the Hampton Roads Region is in Category A. He questioned whether the region should look at this and consider whether the category still works. When the category was originally selected, it was chosen for congestion relief for projects such as the High-Rise Bridge and the Hampton Roads Bridge Tunnel. He suggested looking at Category B because it does not over emphasize any one area. Mr. Crum provided the process that would be followed in order to change to another category should the region decide to do so.

Mr. Shepperd addressed concerns relative to whom York would be competing against noting accessibility and safety would be a big issue. He provided the Board members with the historical nature of analyzing funding, determining projects, and frustrations with the state.

Mr. Crum explained the breakdown of taxes per the Code of Virginia, which must be used for transportation projects in the region to provide the highest level of congestion relief for the residents. The Hampton Roads Transportation Accountability Commission (HRTAC) has funded 93 percent of the projects. Currently, he noted that the Sales and Use Tax was set at 0.7 percent and the Gas Tax at 2.8 percent. The Hampton Roads region has one of the largest interstate highway construction programs underway in the country. A map was provided to the Board with the HRTAC priority projects.

Mr. Shepperd spoke regarding the Hampton Roads Bridge Tunnel Expansion project.

Discussion followed on the projects, funding, and associated costs of the transportation items.

Next, Mr. Crum covered the Virginia Capital Trail, a 55 mile trail, that starts in downtown Richmond goes through the east end of downtown Richmond, down Route 5, and through Charles City to Williamsburg. HRPDC is looking at how we can bring the trail through Williamsburg, James City County, Newport News Park, to Fort Monroe in Hampton. It will give us over 100 miles of continuous walking and bike paths. They have already done a lot of work and

he thanked the County for their participation on the partnership. Mr. Crum noted that they had a pending grant request for a section of the trail in Newport News Park. A smaller scale application will be submitted later this year which goes past the McReynolds Athletic Complex. In addition, he noted that James City County also has a section submitted for a federal Raise Grant.

Mr. Shepperd referenced the Victory Boulevard project on the map which has been under SMART SCALE for years. He noted it was roughly 10 feet wide.

Mr. Roane referenced the map and asked how subsection B tied in with the project.

Mr. Crum stated that subsection B, known as Carter's Grove country road which is an existing area that people are informally walking and biking now. He explained that if it is signed as an official trail, the path will have to be upgraded as it includes some marsh areas and a bridge which needs work. Mr. Crum stated that James City County is currently working with property owners.

Discussion followed on whether the path in James City County will be tied in with the Birthplace of America (BoAT) trail.

Mr. Morgan explained that the project will roughly take 20 years. He noted that we have received proof of concept from Richmond to James City County. All six Peninsula localities are pursuing the project. They have asked Mr. Crum to engage his team noting that there are multiple parts with standards of value. He explained the part of the project which is not as hard as the other segments include the connectivity between Endview Plantation to Newport News Park. Mr. Morgan provided details, opportunities, and possibilities for the paths. He explained it will be a great tourism advantage and a great amenity for citizens.

Chairman Noll echoed the excitement about the project and noted that people are always looking for ways to reinvigorate their towns.

FINANCIAL MATTERS

Mrs. Theresa Owens, Finance Director, provided the Board with an update about the current financial year and the future. She began by providing a budget timeline of the last four budget cycles. The presentation included historical background associated with the Wayfair Decision and internet sales, pandemic, Russia/Ukraine War, interest rate increase in March of 2022, and possible recession in late 2023.

Mr. Shepperd asked whether the state had sorted out the taking related to areas in the upper County with Williamsburg addresses, but were in York County.

Mrs. Owens stated that it was still currently an issue.

Mr. Morgan commented that the stock market had decreased since he released the FY 23 budget. He explained at any one time, they were looking at three different budget years. In a fiscally conservative political organization, Mr. Morgan explained that you ought to have a two percent margin. He reminded the Board that the assumptions made concerning the budget were made roughly 18 months ago and noted the impacts of inflation.

Mrs. Owens explained the surplus for Fiscal Year 2022 and noted it was on the revenue side. She stated we were conservative as the expenditure side is much lower than it has been in the last couple of years.

Mr. Green asked how we were going to end the year with regard to the surplus.

Discussion followed on the ending surplus funds (both revenue and expenditure) and the County's taxing rate.

Mrs. Owens explained that she would not have the final figures until late August or early September. She reminded the Board about the Fund Balance Policy and the commitment to the CIP Budget that included \$2.5 million of surplus to fund the plan. She stated that the County

also has CIP reserves that need to be replenished. She provided an overview on the expenditure surplus history and revenue surplus history from 2012-current. Long term challenges that the County still faces are items such as federal spending policies, interest rate increases, international events, land use, possible recession, and regional challenges. The regional challenges included such items as tourism, grocery tax, and federal spending.

Mr. Morgan stated that because the reassessments have been pretty conservative, even if the housing market begins to cool off with homes not selling as much, we do not expect a downward reassessment in 18 months. He noted there was a healthy gap with a little buffer in the way the County had reassessed.

Mrs. Owens stated that localities were still uncertain on what was going to happen with the grocery tax at this point. In closing she spoke about the personal property tax. The Commissioner of the Revenue made the County aware of the unusual temporary tax values of vehicles. We thought it would be best to recommend a reduction in real estate tax rates, but could not do both due to inflation. She noted that personal property tax bills were mailed yesterday and explained an insert was provided to the citizens that the County believed the increase was only temporary. The Commissioner of the Revenue assesses vehicles at the lowest possible value. She provided the Board with an example of assessment values on real vehicles in the upcoming tax year.

Mr. Green asked how much tax dollars do we receive from personal property.

Mrs. Owens stated that after reductions offered through veterans programs, personal property tax relief from the state, and collection rate, the tax value of all personal property is \$18 million.

Mr. Zaremba asked what the discount was for veterans.

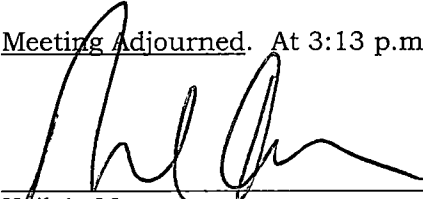
Mrs. Owens stated she believed the number was about \$600,000, but would verify.

Mr. Morgan referenced a memo regarding these figures last week in the Board Correspondence Package.


Mrs. Owens explained that the tax relief from the state, the percentage, was less this year.

Discussion followed on the values of vehicles and reduction from tax relief from the state.

Meeting Adjourned. At 3:13 p.m. Chairman Noll declared the meeting adjourned sine die.



Neil A. Morgan
County Administrator



Sheila S. Noll, Chairman
York County Board of Supervisors