


COUNTY OF YORK

MEMORANDUM

DATE: August 30, 2021
TO: York County Board of Supervisors
FROM: Neil A. Morgan, County Administrator 
SUBJECT: Background Information for Board of Supervisors Mini-Retreat
September 7, 2021

The purpose of this memo is to transmit a few items I would appreciate you reading in advance of the September 7, 5:00 p.m. retreat that is being held at the Yorktown Freight Shed, as well as providing you an overview of our plan for the evening.

We are still taking COVID precautions and the event will be socially distanced. Staff will be wearing masks when not speaking. A light dinner will be provided at 5:00 p.m. prior to the meeting.

The attached items include the following:

1. The retreat's agenda.
2. SWOT Analysis Memorandum, 2015.
3. Moving into the 2020's Memorandum.
4. ARPA Memorandum.

As we have done in the past retreats, there will be an exercise that will include Board participation. We are looking forward to a very informative and engaging session this year. If you have any questions, please contact me.

NAM:hls

Attachments

Copies to: Mark Bellamy, Deputy County Administrator
Richard Hill, Deputy County Attorney
Brian Fuller, Director of Community Service
Theresa Owens, Director of Finance
Paula Hersh, Public Affairs Manager
Heather Schott, Legislative Assistant/Deputy Clerk

BOARD OF SUPERVISORS
COUNTY OF YORK
YORKTOWN, VIRGINIA

Agenda

Adjourned Meeting
September 7, 2021

Yorktown Freight Shed
6:00 p.m.

Call to Order

Roll Call

BOARD OF SUPERVISORS PETIT-RETREAT

Overview of Evening

Discussion.


Adjournment.

The next Regular Meeting of the York County Board of Supervisors will be held at 6:00 p.m., Tuesday, September 21, 2021, in the Board Room, York Hall.

*CAPITAL LETTERS INDICATE NO WRITTEN MATERIAL.

COUNTY OF YORK

MEMORANDUM

DATE: December 11, 2015
TO: York County Board of Supervisors
FROM: Neil A. Morgan, County Administrator 
SUBJECT: Six Month Report: SWOT Analysis

Introduction

When the Board of Supervisors selected me to be the County Administrator, I committed to conduct a personal analysis of the County of York's strengths, weaknesses, opportunities, and threats (SWOT Analysis) to include both the community and the organization. The purpose of this undertaking is to give the Board, as a policy-making body, the perspective of a newly arriving administrative officer. Hopefully, this report offers the "fresh set of eyes" perspective that your county administrator solicitation indicated was desired.

This report is divided into two basic sections. First, I will apply the SWOT discipline to the community at large. Second, the county organization is discussed. It is my hope that these observations will assist you as the Board formulates its strategic goals in the coming months, and that it informs the administrative reorganization which was recently implemented.

The Community

Strengths

1. Our general quality of life is excellent. This is reflected in consistently low crime rates, desirable public schools, pleasant and expansive open spaces, and navigable waterfront vistas.
2. We have a strong civic infrastructure. This fact is reflected by our engaged community groups including churches, civic clubs, and homeowners associations. There is a tradition of civil dialogue in matters of public policy. The County of York has a high level of "human capital" featuring many experienced and educated citizens.
3. We are a relatively wealthy community with historically stable employers, high property values, many retirees with significant incomes, and modest numbers of low income citizens requiring local government services.

Weaknesses

1. The county's age demographics are uneven. We have a population significantly older than the generally aging American population, combined with a large degree of families with school age children. Our population of young, working adults is disproportionately small. The possibility that we are unattractive to young adults is a concern.
2. Our public and private infrastructure is beginning to age at a rate faster than it is being renovated or replaced. We have some neighborhoods that were built during the baby boom that are at risk of deteriorating. Major portions of our limited commercial corridors also reflect this aging "built environment," especially portions of George Washington Memorial Highway (Route 17) and Merrimac Trail. Many of the public facilities that were built concurrently with developments in the 1960s and 1970s need renovations, additions, or replacement.
3. Although several universities are within easy commuting distance, there are no institutions of higher education in the county.
4. The regional road and transportation network is in near crisis.
5. Despite the historic stability of the regional economy, over half of the county's real estate is non-taxable, putting York at a distinct disadvantage in terms of local finance. We have extremely limited commercial and industrial land. There has been a lack of dynamic new employers within the region and especially within the county. The ongoing loss of tax base associated with the refinery and the power plant is concerning.

Opportunities

1. Our quality of life strengths could be promoted more aggressively for the purpose of attracting businesses and potential residents. In particular, high income seniors is a potential market niche. Similarly, our public school quality could be featured more prominently.
2. The county's civic infrastructure could be further strengthened if we found more ways to engage a higher percentage of our many talented citizens in the work and institutions of county government.
3. There is much potential for strengthening our economy. Encouraging development and redevelopment that is attractive to high income seniors and young professionals is desirable. Generally redeveloping our commercial corridors has great long-term potential. We should also take measures to secure one or more of the limited

sites within the county with potential to obtain significant new employers and tax base.

Threats

1. My sense is that in our desire to protect the county's excellent quality of life, we may have some fear of change, limiting our ability to position the county for the future.
2. There is some risk that if we don't address some of our weaknesses and further leverage some our strengths, our long-term excellent quality of life might not be sustained.

The County Organization

Strengths

1. The county is blessed with an experienced, knowledgeable, and dedicated staff. The staff's collective knowledge and expertise overcome many challenges a less capable staff team would not.
2. There is a great tradition of collaboration among disparate units of our local government with less "stovepipe behavior" than frequently occurs in large organizations.
3. At the working level, there is good cooperation between operational people in the York County Public School Division and county staff.
4. Generally, the county has applied sound life cycle principles in budgeting to replace vehicles and individual technology tools.
5. Many of the county's regional arrangements and contracted services appear to be cost effective as opposed to a "go it alone" approach seen in some localities.
6. Overall financial management has been conservative with low levels of debt and the preservation of reserves.

Weaknesses

1. Although the finances of the organization are strong, there is unnecessary complexity with the potential impression of insufficient financial transparency.

2. Despite a collaborative tradition among operational units, the flow of information from the administrative hierarchy to the rest of the organization has been more limited than is desirable.
3. By almost every metric, most units of the county organization are resourced and staffed at levels below comparable organizations.
4. We have a succession planning challenge in that forty percent of our top fifty supervisory personnel, as well as many other senior employees, are or are near retirement eligible.
5. At least since the Great Recession, the county's Capital Improvement Plan has not funded major facilities and technology systems at a sustainable level.

Opportunities

1. The development of cross departmental teams has the potential to leverage cooperation, enhance internal communication, and create an environment where more junior staff are readied to take more senior leadership roles that will be needed in the near future.
2. Our current strong base of regional partnerships may create the potential for other cross locality partnerships, especially if the anticipated "Go Virginia" legislation incentivizing this type of activity is approved at the state level.
3. Particularly in a rapidly changing regulatory environment, there is more potential to share information and possibly share services with the school system.
4. The county should strengthen its ability to effectively communicate with its citizens and employees by fully utilizing social media, its website, and the television station.

Threats

1. The combination of retirements, thin staffing, and regional labor market competition puts the organization's long-term administrative and operational capacity at risk.
2. Our hesitancy to plan, build, and procure needed facilities and technology systems at a prudent rate also puts the organization's long-term capacity in jeopardy.


Conclusions

York County's "glass" might be viewed as half full or half empty. However, as compared to most local governments, our long-term prospects are bright because our community and organizational "balance sheet" have many more strengths than weaknesses. Obviously, there is an important relationship between the larger community's prospects and those of the county organization. Working to balance these challenges is why we are here. I hope these observations make a contribution as the newly organized Board of Supervisors takes up the art and science of building on our strengths and mitigating our weaknesses.

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COUNTY OF YORK

MEMORANDUM

DATE: October 9, 2020
TO: York County Board of Supervisors
FROM: Neil A. Morgan, County Administrator 
SUBJECT: Moving into the 2020's

Introduction

In December 2015, I provided the Board of Supervisors with my personal/professional SWOT analysis that suggested some of the important topics we should address both as a community and as an organization. In your January of 2016 strategic retreat, you developed six strategic priorities that were in part informed by the SWOT assessment. In preparation for our last retreat in January, I updated the SWOT analysis and shared input from our Youth Commission and Senior Staff, which informed the Board's engaged discussion at the retreat. You updated our priorities as a result of that process. At that time we had no idea that a few short weeks later we would begin the process of adapting to the Coronavirus' impact.

This report is a review of what the Board and the community have achieved during the past half-decade and will end with a fresh look at the challenges we now face moving into the third decade of the 21st century in light of the pandemic's impact on the economy and our budget. As we consider our own actions and inactions over the years, it is also important to think about the large external forces beyond our control which constrain or magnify our policies. Finally, as much as things have changed; it is also remarkable how many aspects of the County's strengths, weaknesses, opportunities, and threats remain as described in 2015.

External Considerations

Sufficient human, capital, and operating financial resources are critical to all that we have and hope to accomplish as a community and organization. By 2015, the County was benefitting from the end of the Great Recession with growth in the tourism sector and a stable employment base. By the end of 2020, due to a surge in federal spending in the region and historically low interest rates, the residential real estate market had turned hot while tourism virtually collapsed due to the COVID 19 pandemic.

The County has been able to launch some new initiatives, further support the school system, and initiate a long-needed more robust capital budget during this time-frame (2015-2020). This took place despite major reductions in our relatively small industrial tax base losing close to \$4 million in annual revenue due to the decline of the Plains Fuel Farm operation and the partial closure of the Dominion Energy Virginia Power station. This loss represented three percent of the general fund operating budget. The County's ability

to grow its capital and operating budgets despite its eroded industrial tax base was mostly a result of three factors: 1.) the FY 2018 real estate tax increase, 2.) the FY 2019 adoption of SB 942 by the Commonwealth of Virginia resulting in an additional local sales tax allocation, and 3.) the improving economy (until the spring of 2020).

What Has Been Accomplished?

- Fire and Life Safety staffing, Sheriff's staffing, and Public Works (Drainage and Grounds Maintenance) crews have increased [Strategic Priorities Numbers: 1, 4, and 5].
- The local contribution to the YCSD operating budget has been augmented [Strategic Priorities Numbers: 2, 3, and 4].
- The Information Technology and Emergency Communications programs have been priority investments. Specifically, the county has: deployed ERP financial management software, established a life cycle replacement program for computer equipment, upgraded the County's main computer servers, strengthened IT security, expanded use of dark fiber, purchased a new records management system for Law Enforcement, replaced CAD for Public Safety, replaced all Law Enforcement and FLS 800 MHZ radios, continued long-term investments and strengthened regional redundancy of the 800 MHZ / 911 system [Strategic Priorities: Numbers 1, 4, and 6].
- The County has grown its capital budget for both the County and the School System by a factor of 3. This effort is needed due to aging infrastructure and insufficient attention to this long-term challenge earlier in the 21st Century. The larger CIP has allowed the following projects: York County School Division roofing, HVAC, building security and media centers to be upgraded, and major renovations have taken place at Grafton, York High, Waller Mill, Yorktown Elementary, Tabb Elementary, and Tabb Middle School.

On the County side the more realistic CIP has allowed many important initiatives to move forward including: Fire Station #1, generators for public buildings and shelters, modernized work spaces in various locations, growing investment in Storm Water facilities, predictable FLS equipment replacement, and some of the technology investments described above [Strategic Priorities Numbers: 1 through 6].

Challenges as of Late 2020

Sustaining our capital budget is critical for both the York County School Division (YCSD) and the County. The Yorktown Library expansion, the Sheriff's headquarters, and many smaller facility improvements are needed. The YCSD has a long list of initiatives which mainly fall in the category of reinvesting in aging facilities. It will be a challenge to find the revenues to pay for these important projects over the next few years.

Despite the pandemic related economic setbacks, the long-term labor market trends continue to suggest that it will not be easy to recruit and retain a competent, technologically savvy labor force. The County must remain competitive as an employer to sustain progress. The York County School Division faces a similar dynamic.

Perhaps one of the most existential threats to the County's revenue base is the relationship between land use and local taxes. The pandemic has accelerated the decline of "bricks and mortar" retail and increasingly, the office market sector. Stated simply, the County and other local governments have long counted on these sectors to balance the residential tax base and sustain our quality of life. Looking into the future, there seems to be little demand for new retail or office space. Beyond the revenue implications, it is not clear what alternative demand might emerge for these large blocks of space and how they will fit into a balanced land use fabric.

The north County is now facing residential development interest that other parts of the County experienced decades ago. A combination of factors including the widening of I-64, favorable interest rates, and the County's desirability as a place to live, all contribute to this dynamic. Some of the projects were planned years ago and others are in the forefront today.

Development of private land and the County's limited regulatory powers through zoning will continue to generate strong feelings and difficult public policy choices. There are conflicting values and long-term tradeoffs that emerge during the disposition of these proposals. How do we properly reconcile the passionate views of immediately impacted residents with broader questions about the character, quality, and sustainability of future development?

Given the County's largely suburban residential character and minimal privately owned undeveloped land, land use diversification through industrial development does not offer a realistic alternative diversification strategy. One sector with positive potential is data centers. The County currently has one opportunity in play. Data centers do not require huge tracts of land and can be significant tax generators with minimal traffic or other negative impacts.

Until recently, the growth of entertainment, as well as food and beverage offerings seemed consistent with strong tourist activity and non-residential uses that would be desirable for our residential population. This sector has slowed abruptly at least until the COVID 19 pandemic is no longer a major concern.

Another overriding concern that is more apparent today than in 2015, is the practical threat of sea level rise. It is now clear that low lying portions of otherwise highly desirable waterfront property will be impacted in coming decades. This will have an as yet unknown impact on property values, the cost of infrastructure, and potentially the County's quality of life.

York County's Prospects Moving Into The 2020's

Many of our core assets as a community remain in place including quality schools, low crime, low rates of poverty, large areas of permanent green space as well as public and private waterfront opportunities. As an organization the County government continues to be lean, professional, and dedicated to customer service.

To remain a Hampton Roads community of choice we must find a way to invest in our public infrastructure and our work force during a period where regional and national economic head winds may emerge. There is every reason to believe we can preserve what is best about York County, invest in the future, and maintain our status as the lowest taxed, full service major locality in Hampton Roads.

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Attachments:

- County Strategic Priorities
- SWOT Analysis – 2015

County Strategic Priorities


- 1. Exemplary Public Safety**
- 2. Excellent Educational Opportunities**
- 3. Value - Driven Economic Development**
- 4. Maximize Outstanding Communications and Customer Service**
- 5. Environmental Stewardship with a Focus on Resiliency**
- 6. Quality technology Investments**

COUNTY OF YORK

MEMORANDUM

DATE: July 6, 2021 (BOS Mtg. 7/20/21)

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: State and Local Fiscal Recovery Funds (SLFRF)

The County must hold a public hearing when it needs to amend its adopted budget by more than 1 percent. The County has received funding in excess of the 1 percent as a result of the passage of the American Rescue Plan Act (ARPA) of 2021 in the amount of \$6.6 million to date, and as explained below additional ARPA funds may be made available in the near future.

The American Recovery Plan Act (ARPA) was signed into law on March 11, 2021. ARPA provides \$1.9 trillion nationally to respond to the negative economic impacts of the Coronavirus. Funds under the Act are provided for a wide array of purposes, including emergency rental assistance, education, economic development, low-income energy assistance, funding to support libraries, museums, and the arts, and direct payments to citizens. We expect to have the opportunity to apply for and receive additional federal ARPA funds as they are made available. The Act also provided the states with funds to allocate to localities, but there is limited information at this time as to the timing or amounts. There will be a special session of the General Assembly on August 2, 2021 to allocate \$4.3 billion in federal funding. In addition to the broader federal and state funds, the Act provided State and Local Fiscal Recovery Fund (SLFRF) grants directly to local governments. York County's direct allocation of SLFRF is \$13.3 million.

We received \$6.6 million, the first installment of our SLFRF allocation, on June 7, 2021. The second installment is expected to be paid approximately, but no earlier than 12 months after the first. As I mentioned in my last memorandum in May, these funds are available through December 31, 2024, and must be used for expenses in one of four categories. They are: response to the public health emergency and its negative economic impacts; premium pay for essential workers; provision of government services to the extent of lost revenue; and necessary investments in water, sewer, or broadband infrastructure. The Treasury Department issued its Interim Final Rule (IFR) to address the specific eligibility rules for each of these four categories. It should be noted that the least restrictive of these is lost revenue, which allows for the provision of general government services that would otherwise be ineligible. It is also significant that since the calculation of revenue loss is based upon established principles used in Census reporting and uses a methodology prescribed by Treasury, it is the least open to interpretation of the four categories. Therefore, our Finance staff has paid particular attention to determining our revenue losses due to the pandemic in accordance with the guidelines set forth by the Treasury Department.

Using the IFR for guidance, we have calculated that the revenue losses for the first period ending December 31, 2020, total \$13.1 million, which is nearly the entire amount of the County's allocation. We project that the losses for the second period, ending December 31, 2021, would exceed the remaining \$0.2 million, therefore making our entire allocation eligible for use to provide government services. It is important to understand that the revenue loss calculation specified under federal law is a calculation of revenue that would have been received had there been no pandemic. That is substantially different from the County's actual year to year budget comparison. There are only three exclusions for the expenditure of funds as lost revenue. The funds cannot be: used to pay principal or interest on any debt, settlement, or judgment; contributed to reserves or "rainy day" funds; or deposited into a pension fund. The revenue loss therefore gives us the widest latitude in deciding the best way to use these funds to help the County recover from the health emergency.

Given the likelihood of our entire allocation being eligible as revenue replacement, I anticipate using our SLFRF funds to provide for government services, which will create a surplus that frees up County funds for other projects or debt avoidance. This has the dual benefit of ensuring that we are spending our SLFRF funds in accordance with the rules set forth in the IFR while allowing us maximum flexibility in deciding the most appropriate way to use the resulting surplus. I still recommend that any surplus related to these funds be used for one-time investments, rather than increasing future operating budgets, due to the temporary nature of the federal funds. Subject to learning more about ARPA rules and regulations, it remains my view that York should invest roughly 80 percent of the surplus in capital projects, while setting aside approximately ten percent each for business/community assistance and operating budget contingencies. We should continue our philosophy of not using these funds for ongoing operating costs.

Our preliminary plan for a BOS presentation is targeting September 21, 2021. At that time we will share the latest information on ARPA regulations as well as staff's preliminary thoughts on how best to proceed. Once we have your input, we will refine our investment recommendations in parallel with the development of the FY2023-FY2028 CIP, along with any business/community assistance recommendations and related processes.

Attached for consideration is proposed resolution R21-95, appropriating the allocation of Coronavirus State and Local Relief Funds from ARPA.

NAM:gtg 3704

Attachment:


- Proposed Resolution R21-95

COUNTY OF YORK

MEMORANDUM

DATE: September 2, 2021

TO: York County Board of Supervisors

FROM: Neil A. Morgan, County Administrator 

SUBJECT: Paratransit Service and Lower York County Demonstration Route

The following information will provide a brief update on new transportation services coming to York County. The first of these new services will provide transportation to individuals with disabilities. This paratransit service has been determined to be a requirement by the recent completion of the Federal Transportation Administration's triennial review of the Yorktown Trolley Service. In addition to the paratransit service, the Williamsburg Area Transit Authority (WATA) has been awarded a grant to establish a demonstration route in lower York County. The new demonstration route will serve as an extension of WATA's existing fixed-route service.

Paratransit Service

Upon the completion of the WATA's triennial review of the Yorktown Trolley Service, performed by the Federal Transportation Administration, it was identified that a paratransit service must be established as a complement to the existing fixed-route service in Historic Yorktown. Under the Code of Federal Regulations 49 CFR 37.121, public entities operating a fixed-route service shall provide paratransit or other special services to individuals with disabilities that are comparable to the level of service provided to individuals without disabilities who use the fixed-route service. The paratransit service must encompass a $\frac{3}{4}$ mile radius from any point on the existing fixed route. For any individual to utilize the paratransit service, they must first complete an application process and then be determined to meet the eligibility requirements. York County and WATA staff are diligently working to meet the paratransit requirement in the most cost-efficient manner.

Lower York County Demonstration Bus Route

WATA is currently in the planning phase of establishing a demonstration route that would extend their existing fixed-route bus service to lower York County. The program will be funded through a Congestion Mitigation and Air Quality Improvement Grant, which WATA has secured. The demonstration route will initially run for a period of three years, is projected to begin in the spring of 2022 (barring any setbacks from COVID-19), and will make stops along the Route 17 corridor from the York-Poquoson Courthouse to the Yorktown Walmart (see Appendix 1 and 2). Near the conclusion of the demonstration period, the viability of the service will be reviewed, and a determination made on whether to continue or terminate the extended fixed-route service.

Additionally, the WATA staff have offered to provide a presentation that provides a more in-depth look at the demonstration route and answer any questions the Board may have.

Fuller/3504

Attachment:

- Appendix 1
- Appendix 2

Appendix 1 - North Along Route 17 From the Yorktown Walmart to the York Poquoson Courthouse



Appendix 2 - South Along Route 17 From the Yorktown Walmart to the York Poquoson Courthouse

