

AG E N D A
JAMES CITY COUNTY BOARD OF SUPERVISORS
WORK SESSION
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
February 9, 2016
3:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. BOARD DISCUSSIONS

1. Discussion Regarding Board Protocol and Collaboration
2. Strategic Plan Project Update: Phase 1
3. Strategic Plan Foundations Report Presentation and Discussion
4. Strategic Plan Goal Priorities Exercise
5. Next Steps

D. CLOSED SESSION

E. ADJOURNMENT

1. Adjourn until Regular Meeting at 6:30 pm

ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Bryan J. Hill, County Administrator
SUBJECT: Discussion Regarding Board Protocol and Collaboration

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 2:14 PM

ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Leigh Anne King, Clarion Associates
SUBJECT: Strategic Plan Project Update: Phase 1

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 2:17 PM

ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Leigh Anne King, Clarion Associates
SUBJECT: Strategic Plan Foundations Report Presentation and Discussion

ATTACHMENTS:

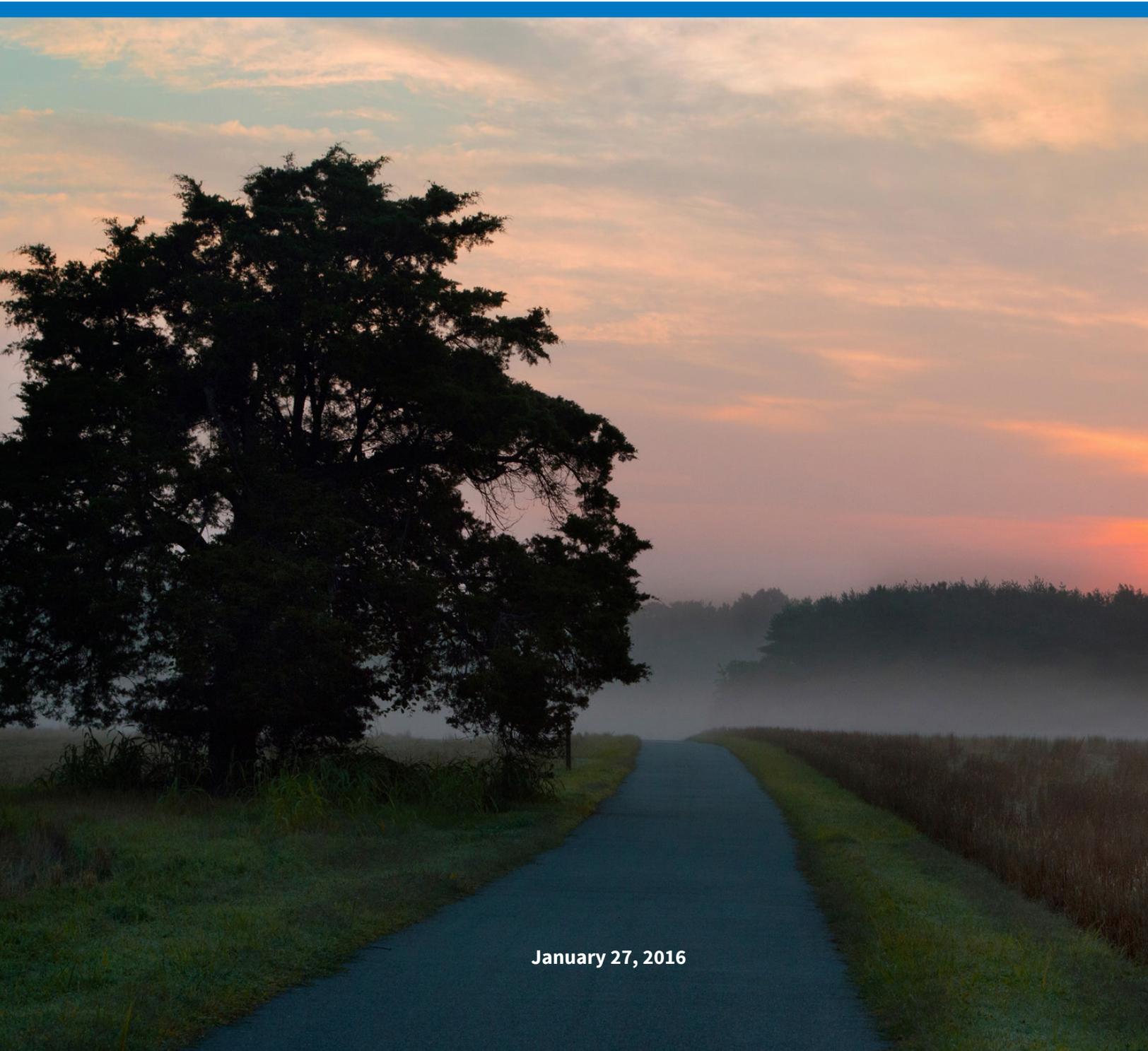
	Description	Type
▣	Foundations Report	Exhibit
▣	Power Point Presentation	Presentation

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 2:11 PM

FOUNDATIONS REPORT

PHASE 1: SETTING DIRECTIONS



January 27, 2016

REPORT PREPARED BY:



WWW.JCCSTRATEGY2035.ORG

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FOUNDATIONS REPORT

ABOUT JCC STRATEGY 2035

James City County's leadership is undertaking a one year planning effort to identify the County's top priorities for action and investment over the next 20 years to set the course for a prosperous future. This report is the first work product, and provides the vision and guiding principles for the Strategic Plan.

The objectives of the 2035 Strategic Planning process are to:

- Develop a method and approach to prioritize the County's established goals, objectives, and actions in light of overarching community values, economic opportunities, and fiscal considerations
- Refine the County's policy direction to establish short-, medium-, and long-term priorities
- Identify appropriate roles and investments for the County and outside partners to implement the short-, medium, and long-term priorities
- Develop a comprehensive and succinct 2035 Strategic Plan that will guide County operations and management over time

The James City County Strategic Plan will provide the County with a clear plan for guiding future investments, the provision of public services and facilities, and County work plans for the next 20 years.

ABOUT THE STRATEGIC PLANNING APPROACH

The 2035 Strategic Plan is being developed using a five phase approach:

- Phase 1: Setting Directions (Environmental Scan and Vision)
- Phase 2: Focusing Efforts (Goals and Priorities)
- Phase 3: Implementation (Focusing Efforts)
- Phase 4: Reporting
- Phase 5: Final Plan

Building off the policy direction set through previous planning efforts, this Strategic Planning initiative is being led by the Strategic Planning Advisory Group and the Technical Advisory Group, and is being overseen by the James City County Board of Supervisors. Citizens are also engaged in the process through multiple methods. Appendix 1 includes the full list of project leadership involved.

PART 1: STRATEGIC PLANNING THEMES

James City County is currently working on addressing five strategic funding priorities between 2015 and 2020: Long-term water supply, stormwater improvements, County appearance enhancements, educational investment, and economic development initiatives.

The 2035 Strategic Plan is building off of this established framework. Phase 1 work began with a series of stakeholder focus groups and brainstorming sessions with the project’s leadership to identify the critical Strategic Planning themes that should be addressed in the 2035 Strategic Plan. Four key themes emerged from these exercises. More detail on these themes is provided in Appendix 2.

REGIONAL AND LOCAL ECONOMIC DEVELOPMENT	FISCAL HEALTH, EFFICIENCY, AND SUSTAINABILITY	INFRASTRUCTURE, FACILITIES, AND SERVICES	COMMUNITY CHARACTER
<p>Tourism sector is challenged by aging product, particularly accommodations and food and beverage establishments</p> <p>Economic development is an important tool for fiscal sustainability</p> <p>Local economy needs to be diversified</p> <p>Support for small businesses</p> <p>Importance of regional marketing and coordination</p> <p>Preparing shovel-ready sites</p> <p>Local workforce housing challenges</p>	<p>Planning informed by true costs for implementation</p> <p>Evaluating the costs of potentially expanding growth</p> <p>New financing and service provision tools</p> <p>Evaluating infrastructure and other investments</p>	<p>Long-term raw water source solution</p> <p>Future infrastructure investment ideas</p> <p>Addressing aging infrastructure</p> <p>Need for transportation enhancements</p> <p>Growing demand for human services</p> <p>Growing public safety requests</p> <p>Enhancing technology</p>	<p>Protecting community character is a priority</p> <p>Changes to the growth management structure should be carefully considered</p> <p>Revitalization of existing developed areas and corridors is critical for maintaining community character</p> <p>Quality of life challenges for many local workers</p> <p>Impacts of “graying” community</p> <p>Challenge of attract younger generation workers and families</p>

Education was also raised as a critical strategic planning topic to be included in the Strategic Plan, including advancing excellence of the Williamsburg-James City County Public Schools, and partnering with educational institutions to support enhanced workforce development efforts. The question of whether or not the Strategic Plan will include goals and actions for policy areas which the County has a limited role will be explored at the February 9 Board of Supervisors meeting.

PART 2: ECONOMIC OPPORTUNITIES

An analysis of James City County’s economic development opportunities relative to the greater region was conducted as part of Phase 1 of the Strategic Plan. This evaluation affirms many of the opportunities, strategies, and actions identified in the Toward 2035: Leading the Way comprehensive plan, and the input received from the project’s leadership (BOS, SPAG, TAG). These economic opportunities will be further refined through a regional target industry analysis being undertaken by James City County, York County, and Williamsburg starting in the spring of 2016.

SUMMARY OF ECONOMIC ANALYSIS FINDINGS

This section provides the highlights of the findings from the economic analysis. Please see Appendix 3 for the complete summary of findings.

JAMES CITY COUNTY WEATHERED THE GREAT RECESSION BETTER THAN MOST COMMUNITIES.

The County’s population has increased by 50 percent since 2000, and has grown in each year including during the Great Recession. Compared to other communities in the region, a significant portion of residential growth in the County is from in-migration to the County. James City County employment growth has outpaced the region and state over the last 10 years and has returned to pre-Recession employment level, unlike the rest of the immediate region (City of Williamsburg and York County) and the larger Hampton Roads region.

JAMES CITY COUNTY IS OLDER, WEALTHIER, AND BETTER EDUCATED ON AVERAGE WHEN COMPARED TO THE REGION AND THE STATE

James City County has an older population than the region and is projected to outpace the region in growth in population age 65 and older. Despite the aging population, there have been increases in population in the 20 to 39 age cohort. At the same time, population aged 40 to 49 has decreased in the County. Median household income and house values in James City County is higher than the state, nation, and the region (with the exception of York County’s current household income).

JAMES CITY COUNTY’S EMPLOYMENT SECTORS ARE STRONG AND OFFER OPPORTUNITY FOR GROWTH

James City County has a higher or comparable concentration of jobs in the following sectors when compared to employment in the United States:

- Construction
- Trade, Transportation, and Utilities
- Leisure and Hospitality
- Other Services
- Professional and Business Services

In addition, growth in the following sectors has either outpaced its neighbors or the state as a whole:

- Trade, Transportation, and Utilities
- Education and Health Services
- Leisure and Hospitality (stronger growth than the immediate region but slower than the State and United States)
- Other Services (small number of employees)

Furthermore the following sectors reflect industries where James City County's neighbors and the State have experienced growth but James City County has seen a decline or slower growth and is a potential opportunity for growth within the County:

- Financial Activities
- Professional and Business Services

Other analyses reveal that James City County has a strong manufacturing presence from a few, long-standing businesses, and that the County has unmet retail needs. Travel and Tourism analyses show that occupancy in Williamsburg region hotels is approximately 50 percent. However, this does not account for rental timeshares, which compromise approximately 45 percent of the regional lodging inventory.

Small businesses make up the majority of businesses in the County. In particular, businesses with 4 or less employees make up over 50 percent of the number of businesses in James City County. Data from the Virginia Employment Commission (VEC) Labor Market Information (LMI) reveal that James City County has experienced a 31 percent increase in new startup firms between 2013 and the first two quarters of 2015 with 194 firms created. The percentage increase outpaced the County's neighbors and the region.

REGIONAL REAL ESTATE TRENDS CONTINUE

Regional real estate trends show a lack of appropriate and available office and industrial product. A consolidation of retail space has led to vacancies and transition in use to non-retail uses such as medical offices. The region has also been impacted by declining defense spending. New housing construction in the County has consisted primarily of single family units.

FISCAL TRENDS

County revenues have increased since the last fiscal year mainly due to the property tax increase. Real property values in James City County have decreased from peak assessment level and development activity has slowed since a peak in 2007. Personal property values have increased consistently over the last five years. Retail sales have slowed in the last few years. Business tax revenue is showing an increasing trend, but is lower from the peak in 2008. County expenditures per capita have remained flat over the last several years. There is increased pressure on public services such as police, fire, and parks and recreation attributed to an aging population.

SUMMARY OF ECONOMIC OPPORTUNITY SECTORS

These analyses revealed several economic opportunity sectors for James City County. Further information about these opportunities will be explored as part of a target industries analysis that is being prepared for the Greater Williamsburg Region and coordinated with future phases of the JCC 2035 Strategic Plan process.

Economic opportunity sectors include:

- Advanced manufacturing
- Distribution (Trade, Transportation, and Utilities)
- Retail, Hospitality, and Tourism
- Professional and Business Services
- Health Services
- Housing (diversity of product types)

PART 3: CURRENT POLICY DIRECTION

This section of the report summarizes the County's current policy direction for the Strategic Planning theme topics. The full summaries provided in Appendix 4 shed light on the County's policy direction for these topics, and will be instrumental in helping to determine priorities among actions and projects included in the 2035 Strategic Plan.

ECONOMIC DEVELOPMENT POLICIES

- **Integrated Marketing Strategy.** Current policies set out by the Greater Williamsburg Region seek to foster collaboration in developing an integrated tourism marketing strategy for the Williamsburg-York-JCC region, expanding business, and promoting the tourism industry through the Greater Williamsburg Chamber and Tourism Alliance.
- **Target Sectors.** The Greater Williamsburg Region has set policy to target small- to medium-size businesses in expanding industrial sectors such as health care, technology, light advanced manufacturing, professional services, and port-related operations. An updated target industries analysis to be completed in 2016 by James City County's Office of Economic Development, York County, and Williamsburg, will enhance and refine this listing to guide future economic development initiatives.
- **Shovel-Ready Sites.** James City County's current policies seek to identify areas in the County that are suitable for economic development potential, where infrastructure already exists or can be installed to target preferred businesses.
- **Quality of Life.** The County's current policies recognize the need for quality of life amenities in order to attract and retain businesses and workers. Policies encourage workforce housing near employment centers, quality of life initiatives, excellent transportation infrastructure, low cost public transit, and walkable development built in mixed use clusters that leverage existing infrastructure and transportation networks. Policies to promote improved built environments include flexible regulations and procedures, public incentives, public private partnerships, redevelopment and infill development opportunities, and clear growth policies.

FISCAL HEALTH POLICIES

- **Approach to Budgeting and Financial Management.** The FY2016 Adopted Budget sets out a series of 45 fiscal goals for James City County. Organized under General, Accounting, Capital Improvements, Debt, Investments, Operating Budgets, Reserves, Revenues, and Economic Development, these fiscal goals describe the budgeting approaches and action steps that the County employs to manage public revenues and expenditures. In addition, the County has several adopted policies related to financial and management services: Fund Balance, Legislative Spending, Requests made Pursuant to Public-Private Education Act of 2002, Purchasing Policy, and Statement of Fiscal Goals, Reserves, and Capital Improvements.
- **Taxes and Tax Base.** Tax rates in James City County (\$0.84) are higher compared to other localities in the Greater Williamsburg Region (York County \$0.75 and Williamsburg \$0.57), but are the same or lower when compared to other Peninsula communities such as New Kent County (\$0.84), New port News (\$1.22) and Hampton (\$1.06), even after JCC's 2015 tax increase. Personal property tax rates have remained steady for the last 20 years at \$4 per \$100 assessed value. York County has the same tax rate, Williamsburg (\$3.50 per \$100)

and New Kent County (\$3.75 per \$100) have lower rates. Newport News and Hampton have a slightly higher tax rate at \$4.50 and \$4.25 per \$100 assessed value.

- **FY 2015-2016 Annual Operating Budget.** The annual budget increased from the previous year by \$9,230,400, and includes revenues from the tax increase adopted in 2015 and an increase in JCSA service charges that will fund the County's five strategic funding initiatives that will be implemented over the next five years: Addressing long-term water supply needs, improving stormwater management systems, improvements to school facilities and replacement buses, economic development initiatives, and County appearance enhancements.
- **Debt Service.** As of 2015, James City County currently owes \$226 million. Reinforcing the County's pay-go approach to financial management, the County's finance team has developed a plan as part of the FY2015-FY2016 budget to reduce this debt to \$75 million by 2024. These reductions are due to scheduled payments and no new infrastructure debt scheduled, except for construction of a new middle school.

INFRASTRUCTURE, FACILITIES, AND SERVICE POLICIES

- **Public Facilities.** James City County is dedicated to providing high quality public facilities in a sustainable and cost efficient manner. The comprehensive plan sets out specific goals and policies to construct new public facilities in a manner that facilitates future expansion and promotes maximum utility of resources. And the County has set targets for reducing energy consumption in public facilities through the County's Sustainable Building Policy. Expenditures for public facilities can be categorized in two ways: capital investment in new or existing facilities, and funding for ongoing maintenance and improvements of existing facilities. This is a fairly new distinction being employed by the County, and the budgeting of capital improvements is now being separated from ongoing preventative maintenance.
- **Parks and Recreation.** James City County is known for its picturesque parks and open spaces. The comprehensive plan sets out policies to better connect people of all abilities and walks of life with the public recreational spaces and parks offered by the County. It also sets out policies to target recreational programming to the specific needs and desires of the community, such as the County's growing senior population and its youth. At the same time, the County is very conservative in its approach to funding these facilities and programs. The James City County Parks and Recreation Department was estimated to have a 57% cost recovery rate from user fees in 2014, which is significantly higher than most other departments throughout the nation (with over 70 percent of departments nationally reporting recovery rates of less than 40 percent according to the National Recreation & Park Association). The County is also seeking other non-public funding mechanisms to develop future public parks and recreational facilities. The Parks and Recreation Department is also experiencing challenges to adequately support and manage new sports tourism activity.
- **Stormwater Management and Shoreline Protection.** Stormwater management is a critical challenge for JCC and its neighbors due to the number of local waterways with poor water quality and increasing Federal and State regulations. The County is designated as the Virginia Stormwater Management Program authority that oversees implementation of post-construction stormwater requirements as well as the Chesapeake Bay Preservation Ordinance. The County also supports ongoing efforts of citizen volunteers to monitor water quality in County waterways. The County has been developing watershed management plans to preserve, restore and maintain the quality of waterways and wetlands. These plans identify retrofit and restoration projects which the James City County Stormwater Division and Stormwater Program Advisory Committee have developed into a list of priority stormwater projects. The current 5-year stormwater capital improvement and

maintenance programs total \$15 million. The County's location in the James River and York River basins makes it vulnerable to severe flooding occurrences and on-going shoreline erosion. Projects to mitigate these conditions have been identified but are not currently included in the stormwater capital improvement program. The County works closely with its neighbors through regional programs to monitor and address sea level rise and its impacts on the region.

- **Transportation.** Like most communities around the nation, James City County's citizens and businesses are demanding a full range of complementary transportation options (taking transit, walking, biking, and driving), while at the same time Federal and State transportation funding is decreasing. The Virginia Golden Crescent, a regional entity representing numerous high growth communities in Virginia reports that by 2017, the state highway fund will not have resources to fully fund highway maintenance and operations programs. And it won't have funding for new road projects. This collaboration of local governments are working to secure available funding for projects in high growth areas in the state. The County develops a six year capital improvement plan for transportation improvements and updates these plans as part of the regional transportation planning process. The widening of I-64 Segment 2 is listed in the Hampton Roads Transportation Accountability Commission (HRTAC) initial financial plan for \$213,592,853 and will be fully funded with HRTAC revenues. The County's 2035 Comprehensive Plan identifies several actions beyond implementation of the previously stated plans. It goes on to identify the implementation of Longhill Road and Mooretown Road Extension Corridor Studies, development of a Safe Routes to Schools Program, and the importance of identifying new transportation opportunities for seniors, specifically through expanding transit service provided by WATA. The 2035 Comprehensive Plan also includes several actions aimed at identifying alternative funding sources for pedestrian and bicycle facilities and road improvements to assist with implementation in light of reduced public funding sources.
- **Utilities.** Perhaps the most critical infrastructure dilemma the County is facing is securing a long-range source for water. James City Service Authority (JCSA) is the largest public utility in Virginia with public aquifers as its only source of water. The Virginia Department of Environmental Quality has stated its intent to reduce the JCSA's groundwater withdrawal permit to a lower level than currently required to meet demand. Options exist to purchase water from another source or have the system absorbed by the Newport News Waterworks system. However, these solutions don't address the County's long-term water demand that will need to be operational by 2030. The County is currently exploring long-range water source alternatives that maximize investments in the short-term and enable the County to meet its long-term water needs in a manner that will allow the County to control its water supply. In addition, the County supports the implementation of water efficiency initiatives, such as developing regional reclamation and reuse technologies and infrastructure in conjunction with neighboring jurisdictions.

COMMUNITY CHARACTER POLICIES

- **Growth Management.** The County has a long history of using land planning tools to protect community character and manage long-term growth. The County is known for its high quality living environment and town and country divide because of these efforts. The County's Primary Services Area (PSA), Future Land Use Map, and land development regulations guide decisions regarding future growth and development to protect rural and historic character, protect environmentally sensitive lands, and set out opportunity areas for residential, employment, and commercial development.

- **Community Appearance.** James City County upholds the design of character of new development through several tools. The Community Appearance Guide (2007) illustrates the preferred design and construction techniques for development requiring site plan approval, rezoning or special use permits. It is intended to compliment the community appearance goals and actions included in the County's comprehensive plan. The 2035 Comprehensive Plan sets out additional policy guidance and related action strategies. These include protecting the County's gateway corridors, opportunities to address billboards along the County's road corridors, and funding strategies for undergrounding utilities.
- **Historical and Cultural Preservation.** The County's historical and cultural roots are a key component to its core character and tourism economy. The comprehensive plan sets out several strategies to protect existing sites, including improving methods for identifying and tracking important historical and cultural sites, developing a current inventory of eligible sites for the Virginia Landmark of Historic Places, updating the County's archaeological resource assessment, and working with landowners to seek formal historic designations.

PART 4: STRATEGIC PLAN FRAMEWORK

One of the core objectives of the 2035 Strategic Plan is to set out a common framework that aligns all County plans and policies, and that sets out a unified path for achieving success. While this planning effort is intended to incorporate opportunities for new ideas and new community strategies, it also capitalizes on the work of previous planning efforts. As such this section sets out the draft framework elements of the 2035 Strategic Plan.

DRAFT Mission Statement

We work in partnership with all citizens to achieve a quality community.

DRAFT 2035 Strategic Plan Vision Statement

***James City County in 2035:
A Premiere Community that Honors the Past by Advancing the Future***

- ***Sustainable Workforce*** supported by high quality employment, housing, and community amenities
- ***Improved Infrastructure*** to support 21st century economic targets and an enhanced and sustainable quality of life
- ***Public Services*** that support aging in place and a diversifying local workforce
- ***Fiscal Approaches*** that result in community investments that achieve successful rates of return
- ***Revitalization Efforts*** that enhance the County's built environment

DRAFT Guiding Principles for the Strategic Plan

Balance Economic Development Investments

County economic development recruitment and expansion efforts will balance the need for high quality jobs and enhancing the tax base with ensuring that community character is protected and that public investments receive a reasonable rate of return.

Achieve Fiscal Sustainability

Annual budgeting and longer term improvement planning decisions will address immediate and shorter-term financial planning within the context of expected longer term financial challenges and opportunities, and seek to create a positive fiscal balance.

Strategically Select Infrastructure Investments

To maximize the use of public revenues, future infrastructure investments will be strategically evaluated qualitatively and quantitatively to determine the value the investment will bring to the community and estimate the rate of return on the investment.

Enhance Community Character

Future County infrastructure investments and land development decisions will enhance James City County's unique and historical community character.

Foster Regional Collaboration and Coordination

James City County will work with neighboring jurisdictions and other institutional partners to support regional initiatives that will generate growth in the regional economy, and enhancement of community character and quality of life in James City County.

Goals and Actions

Goals and actions will be developed as part of Phase 2 and Phase 3 of the 2035 Strategic Plan initiative.



PART 5: NEXT STEPS

This report summarizes the progress made in developing the framework for the 2035 Strategic Plan. It has been reviewed and revised per input by the Strategic Planning Advisory Group and the Technical Advisory Group, and will be shared with the Board of Supervisors in February 2016.

Phase 2: Focusing Efforts (Goals and Priorities) builds on the draft vision developed in Phase 1 and develops specific priorities and goals that will be used to develop the action agenda in Phase 3.

In March, 2016, a public open house will provide the citizens of James City County with the opportunity to review and comment on the 2035 Strategic Plan draft vision, guiding principles, and goals. Educational information about the Strategic Planning themes and related policy considerations will also be provided to provide a better context for the Strategic Plan framework.

For more information about the progress of the James City County 2035 Strategic Plan process, check out the project website at www.jccstrategy2035.org.

Appendices

Appendix 1: The Planning Process

PURPOSE AND OBJECTIVES OF STRATEGIC PLAN

The County’s leadership is undertaking a one year planning effort to identify James City County’s top priorities for action and investment over the next 20 years to set the course for a prosperous future. This report is the first work product, and provides the vision and guiding principles for the Strategic Plan.

JCC Strategy 2035 will set a strategic course of action for James City County through 2035.

James City County’s rapid growth, evolving fiscal environment, and changing community require a Strategic Planning approach to ensure a successful economic future and fiscal health over the long-term. JCC Strategy 2035 is an opportunity to evaluate the expectations of the future, particularly as this relates to the quality of life offered to existing and future residents.

Through the JCC Strategy 2035 Plan, the County is setting out a strategic direction that both plans “bigger” and “smaller” than it has in the past. In terms of planning “big,” the 2035 Strategic Plan will unify all the County’s existing plans, strategies and policies into a strategic vision, guiding principles, and set of goals. In terms of “planning small”, the Strategic Plan will include a series of prioritized action items each with measurable results scheduled over multiple time horizons. This Strategic Plan will become the work plan for the County, setting out specific initiatives to be achieved over time. This Strategic Plan will bridge the gap between the County’s Comprehensive Plan, Capital Improvement Plan, and biennial budget process, and other County plans in a logical and accountable manner.

RELATIONSHIP OF STRATEGIC PLAN AND OTHER COMMUNITY PLANS AND PLANNING INFLUENCES



STRATEGIC PLAN APPROACH

The JCC Strategy 2035 planning initiative is set out in a five phase process:

PHASE 1: SETTING DIRECTIONS (ENVIRONMENTAL SCAN AND VISION)

Phase 1 incorporates the input from project leadership, an evaluation of current County policies, and analysis of economic and fiscal opportunities to develop the vision and guiding principles for the Strategic Plan. This report is the end product of Phase 1 work.

PHASE 2: FOCUSING EFFORTS (GOALS AND PRIORITIES)

This phase sets out the specific goal priorities for the Strategic Plan.

PHASE 3: IMPLEMENTATION (FOCUSING EFFORTS)

In Phase 3, the individual action items to be initiated in the short, medium, and long-term will be developed. This will include the designation of responsible parties and any funding required.

PHASE 4: REPORTING

Phase 4 constructs the ongoing monitoring and evaluation of plan implementation using metrics.

PHASE 5: FINAL PLAN

Phase 5 concludes the process with the formal adoption hearings for the Strategic Plan.



Strategic Planning Process

	PHASE 1 SETTING DIRECTION	PHASE 2 FOCUSING EFFORTS	PHASE 3 IMPLEMENTATION	PHASE 4 REPORTING	PHASE 5 FINAL PLAN
WORK	Data Collection Economic Opportunities Analysis Synthesis of Adopted Goals and Actions	Fiscal Analysis Set Plan Priorities Public Open House #1	Develop List of Actions Responsible Parties Timeline for Action	Develop Metrics for Evaluation Ongoing Process for Updating	Present Final Plan at Open House #2 Adoption Hearings
OUTCOME	Vision for Economic Future Report	Strategic Vision Plan Priorities	Strategic Vision Plan Action Agenda	Strategic Action Plan Agenda Metrics and Reporting	Final Strategic Action Plan
SCHEDULE	WINTER 2016	SPRING 2016	SPRING 2016	SUMMER 2016	FALL 2016

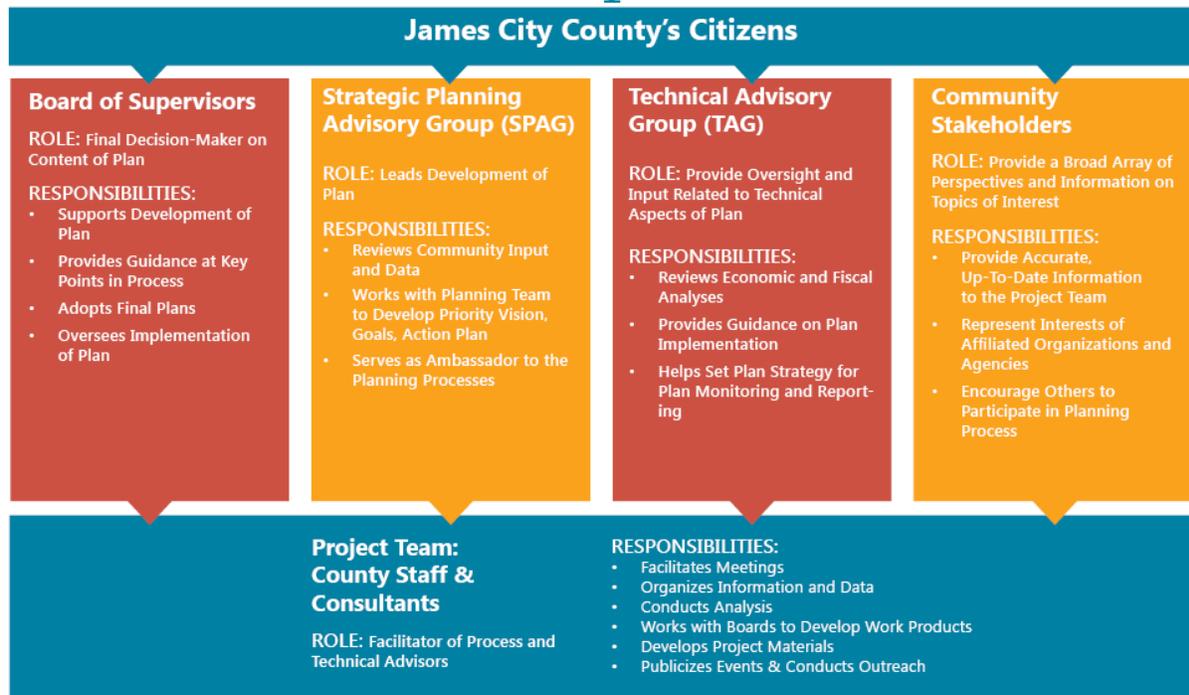
2035 STRATEGIC PLAN PROJECT LEADERSHIP

This planning initiative has been designed to incorporate a broad array of interests and community stakeholders, as well as the citizens of James City County. Five main groups play key roles in leading development of the Strategic Plan:

- **Board of Supervisors** (elected officials that will ultimately adopt the plan)
- **Strategic Planning Advisory Group** (steering committee for planning initiative)
- **Community Stakeholders** (provide a broad array of perspectives on plan topics)
- **Technical Advisory Group** (County staff representatives)
- **Project Team** (County staff and consultants that are facilitators of process and develop work products)



Strategic Plan Process Roles & Responsibilities



To learn more about the project leadership for this initiative, check out the project website at www.jccstrategy2035.org.

2035 STRATEGIC PLAN LEADERSHIP ROSTER

BOARD OF SUPERVISORS

Michael J. Hipple (Powhattan District)
Ruth Larson (Berkeley District)
John J. McGlennon (Roberts District)
Kevin Onizuk (Jamestown District)
Sue Sadler (Stonehouse District)

STRATEGIC PLANNING ADVISORY GROUP

Rick Batten	Joe Harrow
Robin Bledsoe	Carolyn Keurajian
Robin Carson	Carl Lum
Steven Constantino	Karen Riordan
Greg Davis	Robert Singley, Jr
Ben Ellington	Jim Stevenson
Susan Gaston	Phillip Tahey
Scott Grafton	Marshall Warner
Earl Granger	

TECHNICAL ADVISORY GROUP

Ryan Ashe, Interim Fire Chief
John Carnifax, Director of Parks & Recreation
Angie Gilliam, Director of Human Resources
Shawn Gordon, Capital Projects Coordinator
Paul Holt, Director of Planning
John Horne, Director of General Services
Sue Mellen, Director of Financial & Management Services
Patrick Page, Director of Information Resources Management
Doug Powell, Manager of James City Service Authority (JCSA)
Jason Purse, Zoning Administrator
Brad Rinehimer, Chief of Police
Russell Seymour, Director of Economic Development
Scott Thomas, Director of Engineering and Resource Protection
Rebecca Vinroot, Deputy Director of Community Services
Tara Woodruff, Director of Accounting

PROJECT TEAM

Bryan Hill, County Administrator
Adam Kinsman, Assistant County Administrator
Jody Puckett, Director of Communications
Ania Eckhardt, Administrative Coordinator
Leigh Anne King, Clarion Associates
Greg Dale, McBrideDale Clarion
Julie Herlands, TischlerBise
Liz Friel, PlanFriel

Appendix 2: Strategic Planning Themes

James City County is currently working on addressing five strategic funding priorities between 2015 and 2020:

1. Long-term water supply
2. Stormwater improvements
3. County appearance enhancements
4. Educational investment
5. Economic development initiatives

Prior to setting the goals and actions to be included in the Strategic Plan, it is important to develop a common understanding of the context for the Strategic Plan. The following themes are the foundations for developing the Strategic Plan's vision and guiding principles, which are located in Part 5 of this report.

These Strategic Planning themes were developed through a series of facilitated discussions with the Board of Supervisors, the Strategic Plan Advisory Group, the Technical Advisory Group, and community stakeholder focus groups. The full list of ideas generated at these meetings is provided at the end of this Appendix. The purpose of these themes is to generate a structure for formulating the Strategic Plan vision, guiding principles, goals, and actions.

Major themes include:

1. Regional and Local Economic Development
2. Fiscal Health, Efficiency, and Sustainability
3. Infrastructure, Facilities, and Services
4. Community Character

Additional themes include:

1. Public Education System

MAJOR THEME SUMMARIES

REGIONAL AND LOCAL ECONOMIC DEVELOPMENT

The following themes reflect the comments provided at the kickoff meetings with the County's leadership and community stakeholders with respect to economic development.

TOURISM SECTOR IS CHALLENGED BY AGING PRODUCT

While the key tourist attractions in the region have been evolving to meet the changing demands of the national tourism market, the supporting businesses - restaurants, retail, and hotels - have not been keeping pace. There is need for product innovation to create a more modern tourism environment that can compete with other destinations around the nation. Related to this is the desire for a new major venue or venues that can support multiple uses - performances, events, sports competitions, etc.

ECONOMIC DEVELOPMENT IS AN IMPORTANT TOOL FOR FISCAL SUSTAINABILITY

Protecting community character is a high priority for the community. As the community grows and as the local population's needs change, demand for increased services is expected. Ensuring that the County's high quality of life continues into the future is in large part dependent upon

the fiscal health of the community, namely the County's ability to fund services and infrastructure. Fiscal sustainability will be achieved through increasing public revenue sources, or alternatively through reducing levels of service. This creates an interdependent relationship between economic development and maintaining community character. Business development and job growth are an important ingredient for diversifying and growing the County's tax base. And economic development that upholds community character goals can also help fund the services and infrastructure that are critical pieces to the County's high quality of life.

NEED TO DIVERSIFY THE LOCAL ECONOMY

There are opportunities to diversify employment in James City County to create a more resilient economy that can endure impacts more successfully. Opportunities include production of products that can be exported to Hampton Roads markets and beyond, military supporting industries, cybersecurity, financial services, agritourism and related agricultural development, and other sectors. An assessment of industry sector opportunities is provided Part 3: Economic Opportunities.

FOSTERING SMALL BUSINESSES

Many community stakeholders support efforts to foster small business expansion and development. Currently, the County is partnering with Williamsburg and York County to provide a regional small business incubator, "LaunchPad," which is jointly funded by the three localities. Additional efforts to support small businesses should be explored.

IMPORTANCE OF REGIONAL MARKETING

It is not uncommon for communities within a defined economic region to compete for new businesses. What is often missed in that equation is a calculation of the regional benefits when a new employer decides to locate in one of the region's communities. Fortunately, efforts are underway to create stronger tourism branding and marketing of the Greater Williamsburg Region, and to create a collaborative and better coordinated environment for marketing efforts with the three participating communities: James City County, Williamsburg, and York County. The formation of a regional tourism marketing entity, the launch of the Triangle Business and Innovation Center, the revenue sharing agreements for businesses generated with assistance from the center, and the center's new website are examples of this collaboration in action. More opportunities exist to foster regional efforts.

NEED FOR SHOVEL-READY SITES

The availability of sites for development of new businesses is critical to economic development efforts in James City County. Having "shovel-ready" sites that are served by infrastructure (roads and utilities) can mean the difference between recruiting a business, or losing it to another location. The County is limited in terms of the number of sites and business/industrial parks that can provide space for future industries. The County should consider opportunities to expand the inventory of marketable sites that can uphold community character values.

LOCAL WORKFORCE HOUSING CHALLENGES

Affordable housing is one of the challenges to the current workforce. James City County has the highest median value for owner-occupied homes in the region. This creates challenges for lower wage earners, and even those earning within 80-100% of the area median income to afford housing in the County. The lack of affordable housing can make it difficult to recruit talent to the County. It also generates increased traffic congestion as workers often locate in other communities and commute in to work each day.

FISCAL HEALTH, EFFICIENCY, AND SUSTAINABILITY

Ideas and concerns shared through the Phase 1 meetings on the community's fiscal health are summarized as follows.

PLANNING INFORMED BY TRUE COSTS FOR IMPLEMENTATION

During Phase 1 meetings, several stakeholders requested that the 2035 Strategic Plan would include the costs for implementing the actions it will set out over the next 15 years. The intent of this planning process is to evaluate the fiscal realities of different alternatives, and to set out an action strategy that projects related costs.

EVALUATING THE COSTS OF POTENTIALLY EXPANDING GROWTH

The idea of evaluating the Primary Service Area as a potential opportunity for expanding economic development potential, and particularly opening up new sites for industrial and business development has some support among stakeholders. The community character impacts and the fiscal impacts of this idea should be evaluated to fully understand the potential benefits and costs to the County and its residents.

NEW FINANCING AND SERVICE PROVISION TOOLS

To maintain the quality of life in James City County, many stakeholders would like to explore solutions for increasing revenues and for decreasing expenditures. On the revenue side, the solutions could include the use of Tax Increment Financing (TIF), Community Development Authorities (CDA), Investment Funds, and other financing mechanisms. For reducing costs, the ideas are to reduce the level of service provided today by the County and to partner with regional agencies to consolidate services and provide them in a more fiscally efficient manner.

EVALUATING INFRASTRUCTURE AND OTHER INVESTMENTS

Every penny counts. Many stakeholders support the idea of evaluating the potential return on public investments to provide information about the long-term fiscal implications of a project (how much direct or spin-off revenue it may generate, short and long-term maintenance costs, etc.) These analyses will help inform decisions before community investments are made.

INFRASTRUCTURE, FACILITIES, AND SERVICES

Planning themes related to public infrastructure, facilities, and services are important topics raised by many stakeholders.

LONG-TERM RAW WATER SOURCE SOLUTION

By far, the most significant infrastructure dilemma is the search for a long-term water solution for James City County. The Virginia Department of Environmental Quality has stated its intent to reduce the JCSA's permitted withdrawal from its source aquifers. And a long-term strategy for providing water to current and future residents and businesses is needed. The process for identifying the strategy and the financing needed to secure it will be a critical issue to address in the Strategic Plan.

FUTURE INFRASTRUCTURE INVESTMENT IDEAS

Building off of recent planning efforts, several stakeholders raised ideas for future public infrastructure investments that could enhance the quality of life in James City County. These include bicycle and pedestrian improvements, development of a cultural/sports/multi-use complex, and new parks and recreation facilities and programs.

AGING INFRASTRUCTURE

Like the commercial and residential neighborhoods it serves, the County's infrastructure is aging, and will be in need of maintenance and replacement over time. Efforts have begun to evaluate preventative maintenance needs projected for County facilities that can be incorporated into the Strategic Plan. The County will also need to identify funding sources to support future maintenance needs.

TRANSPORTATION ENHANCEMENTS

Demand for improvements to vehicular, transit, and other modes of travel in James City County, and the financial challenges being faced by Federal and State transportation funding sources, put local governments in a challenging position. More and more communities around the nation are identifying alternative funding sources and transportation enhancements to achieve desired levels of services. JCC could choose to employ similar solutions to achieve transportation goals.

GROWING DEMAND FOR HUMAN SERVICES

Both public and non-profit agencies that assist with providing housing, healthcare, food, and other services to low-income households are being taxed by the number of persons in demand for these services. This trend may continue into the future, and the County has an opportunity to evaluate ways to better provide public services, and to lead efforts with regional partner agencies to better coordinate the provision of non-profit services and reduce redundancies and inefficiencies.

GROWING PUBLIC SAFETY SERVICE REQUESTS

Recent years have seen a rise in calls for public safety services. Health related calls, and fraud calls related to cybertheft are among the top types of calls that are on the increase in James City County. Managing expanding public safety service requests is critical for maintaining a healthy and safe community.

ENHANCING TECHNOLOGY

Particularly related to education, stakeholders showed support for expanding technology in the community. Ideas discussed included enhanced technology in K-12 schools and fiber optic infrastructure to improve internet speeds and support the recruitment of businesses that require that level of service.

COMMUNITY CHARACTER

Discussions with the community leaders and stakeholders during the project kickoff meetings identified several key Strategic Planning themes that should help inform development of the Strategic Plan.

ENHANCING COMMUNITY CHARACTER IS A PRIORITY

Protecting community character and quality of life in JCC is paramount. Community character in James City County is defined broadly as the natural and built environment (historic and new development) that supports a high quality of life in the County. Future economic development efforts should capitalize on the County's unique character and should not negatively impact the physical and visual experience of the County.

REVITALIZATION OF EXISTING DEVELOPED CORRIDORS AND OTHER AREAS IS CRITICAL FOR MAINTAINING COMMUNITY CHARACTER

Redevelopment and revitalization of existing commercial centers, community corridors, and aging neighborhoods should be supported and encouraged to ensure these areas don't become "problem properties" that face blight, underutilization, and vacancies. And these areas should be revitalized to provide a quality visual experience for citizens and visitors.

CHANGES TO THE GROWTH MANAGEMENT STRUCTURE SHOULD BE CAREFULLY CONSIDERED

Growth management efforts are important for maintaining community character. Decision-makers should carefully consider the full physical and fiscal implications of future growth on the community, particularly with respect to the Primary Services Area and ideas for expanding it.

MANY LOCAL WORKERS FACE QUALITY OF LIFE CHALLENGES

Quality of life for a segment of the County's workforce is challenged by the lack of affordable workforce housing options and growing demand for public services that lower income households need. This can also impact recruitment of high quality teachers and other public servants that find living in the County unaffordable.

CONSIDER IMPACTS OF "GRAYING" COMMUNITY

James City County's population is much older than surrounding communities. This trend is likely to continue with the County projected to have the region's largest proportion of persons more than 65 years old in future years. The needs of these aging citizens, such as access to transportation, healthcare, and social engagement, will be evolving over time. And these needs will have an impact on their quality of life and potential success for aging in place in their homes -- an approach to aging that most citizens across the nation prefer.

CONSIDER HOW THE COUNTY WILL ATTRACT YOUNGER GENERATION WORKERS AND FAMILIES

The County needs to consider how it will attract younger generation families and workers given current challenges: lack of affordable workforce housing and lack of "urban" type amenities that many millennials desire.

ADDITIONAL ITEMS RAISED FOR DISCUSSION

Education was raised as a critical strategic planning topic to be included in the Strategic Plan. This includes two main objectives: (1) advancing excellence of the Williamsburg-James City County Public Schools and (2) partnering with educational institutions (College of William and Mary, Thomas Nelson Community College, and the public schools) to support enhanced workforce development efforts.

This is a critical topic to explore. Important to identify at the beginning stages of this planning process is the extent to which the County will play a role in establishing goals and actions for policy topics that the County does not completely control. Related to education, the County plays a major role as funder of the public school system, and the Williamsburg-James City County Public School District plans for and manages the system's infrastructure, human resources, and curriculum and programs. The question of whether or not the Strategic Plan will include goals and actions related to policy areas that the County does not have direct control over will be explored at the February 9 Board of Supervisors meeting.

STRATEGIC PLANNING THEMES INVENTORY

Included here are lists of the verbatim planning themes that were brainstormed at the Strategic Plan project kickoff meetings of the BOS, SPAG, and TAG conducted on October 19-20, 2015, as well as themes taken from stakeholder interviews held on November 2-3, 2015. The summary provided on the previous pages was developed from these statements.

These themes have been organized by topic:

- Community Character
- Economic Development
- Fiscal Health, Efficiency, and Sustainability
- Public Infrastructure, Facilities, and Services
- Education
- Regional Partnerships
- Governance

COMMUNITY CHARACTER

Topic	Source	Themes
Status as preferred retirement community is a blessing/curse	SPAG	Primary
Primary service area (PSA) best growth management tool? Doesn't provide use/character guidance	BOS	Primary
Generational change – how JCC responds to changing demographics (millennials)	SPAG	Primary
Economic benefit of community appearance and protecting that character	SPAG	Primary
Maintain community character while fostering economic development	Stkldr Intw	Primary
How to grow in healthy way (physical, fiscal, etc.)	SPAG	Primary
Understand full implications of growth – land use, appearance, more people	TAG	Primary
Need to deal with the pressures of growth (2040 = 138,000)	TAG	Primary
Opportunities for engaging changing population demographics (aging) and providing accessibility across county	BOS	Primary
Addressing growing retirement demographics	SPAG	Primary
Protecting QOL (unique character)	BOS	Primary
Growth management – PSA; retain/maintain QOL	BOS	Primary
Public safety (fire, police)	BOS	Primary
Ideal population growth as related to infrastructure needs (12,000 sites on books/undeveloped inside PSA)	BOS	Primary
Neighborhood revitalization/redevelopment opportunities	BOS	Primary
Attracting younger generation (ex. Richmond)	SPAG	Primary
County appearance (0-5 strategic initiatives)	SPAG	Primary
Determining how we should enhance JCC's quality of life	SPAG	Primary
Urban forestry – review plans with urban forestry/water conservation in mind (plan)	TAG	Primary
Preserve community character, understand the threat of growth of services	TAG	Primary
Public education need – growth vs. management vs. services vs. community character		
"PSA Blow Out" is it understandable?	TAG	Primary
Include demographics in planning; expectations in decision-making; results?	TAG	Primary
Close to making decisions on population growth	TAG	Primary
Consider traffic and crime as county expands; businesses/population	TAG	Primary
Senior population needs – maintain households, abuse, income, physical needs – increase with aging population	TAG	Primary
Housing mismatch between supply and demand	Stkldr Intw	Primary
Affordable housing	BOS	Secondary
Affordable housing/workforce housing	SPAG	Secondary
Embrace socioeconomic diversity (workforce, housing, etc.)	SPAG	Secondary
Simplify development approval process	SPAG	Secondary
Redevelopment – incentivize (shopping centers/store fronts), code could encourage redevelopment	TAG	Secondary
Affordable housing	TAG	Secondary
Rural economic development	Stkldr Intw	Secondary
Affordable workforce housing	Stkldr Intw	Secondary
Attracting and retaining younger teachers (amenity and affordability challenges)	SPAG	Secondary
Growing socioeconomic challenges in schools, how to address long-term	SPAG	Secondary
Equalizing educational opportunities for all neighborhoods	SPAG	Secondary
Role of JCC in school programs (aging, working poor, etc.)	SPAG	Secondary
Providing quality/exceptional public (K-12) and vocational schools	BOS	Secondary
Fiscal impacts from potential expansion of PSA	Stkldr Intw	Secondary
Bike trails and lighting/transportation safety concerns	SPAG	Secondary
Public safety priority in planning	TAG	Secondary
Impact on citizen expectations for calls for service	TAG	Secondary
Need for mental health services	TAG	Secondary
Parks and recreation; highest and best uses (look at marina/ JC Campground)	BOS	Secondary
Homelessness	SPAG	Secondary

ECONOMIC DEVELOPMENT THEMES

Topic	Source	Themes
Affordable housing	BOS	Primary
Globalization/nationalization, effects on economy (i.e.housing); local economic sustainability	BOS	Primary
Relationship between economic development and fiscal sustainability	BOS	Primary
Tourism; better product; evolving with demand. How do we reinvent ourselves	BOS	Primary
Economic development as a population accelerator/ want higher value economic development that supports fiscal health	BOS	Primary
Opportunities to export products to Hampton Roads (eg. Energy retrofiting)	BOS	Primary
Protecting and help promote current business	BOS	Primary
Entertainment venue opportunities	BOS	Primary
Evaluate development policies/process/regulations (opportunities to learn from other communities); alignment with development review process with other policies (level playing field for smaller developers)	BOS	Primary
Define economic development in terms of what JCC wants, where it is located, tools to recruit businesses	BOS	Primary
Evolving military base missions; BRAC impacts; position to meet needs	BOS	Primary
Continue to grow new commercial development and maintaining old commercial	SPAG	Primary
Affordable housing/workforce housing	SPAG	Primary
Improve business environment related to development review process; focus on small/entrepreneur businesses	SPAG	Primary
Diversification of economic development	SPAG	Primary
Embrace socioeconomic diversity (workforce, housing, etc.)	SPAG	Primary
Simplify development approval process	SPAG	Primary
Retention (businesses, young workers, etc.)	SPAG	Primary
Tourism product innovation (sports, culinary, arts)	SPAG	Primary
Generating depth/diversity of jobs and raising awareness of need for diversity	SPAG	Primary
Opportunity to lead/organize arts/culture innovation	SPAG	Primary
Identify target industries that are commonly agreed upon and be clear about why it's an opportunity	SPAG	Primary
Need economic diversity for healthy tax base	SPAG	Primary
Redevelopment – incentivize (shopping centers/store fronts), code could encourage redevelopment	TAG	Primary
Economic diversity	TAG	Primary
Need to designate resources. Industry? Residential?	TAG	Primary
Need economic development product. Don't compete well because sites not ready; infrastructure needs	TAG	Primary
Residents understanding where they live	TAG	Primary
Affordable housing	TAG	Primary
Culinary tourism opportunity	Stkldr Intvw	Primary
Sports tourism opportunity	Stkldr Intvw	Primary
Career ladders for growing/new business sectors (tourism, hospitality, recreation)	Stkldr Intvw	Primary
Military subcontractors as sub-industry opportunity/challenge	Stkldr Intvw	Primary
Advanced manufacturing (related to military)	Stkldr Intvw	Primary
Cybersecurity (related to military)	Stkldr Intvw	Primary
New business development / small business opportunities	Stkldr Intvw	Primary
Rural economic development	Stkldr Intvw	Primary
Marketing value of county's economic development to county residents	Stkldr Intvw	Primary
Educating about value of economic development from a fiscal perspective	Stkldr Intvw	Primary
Affordable workforce housing	Stkldr Intvw	Primary
Enhance branding of community offerings	Stkldr Intvw	Primary
Lodging and dining options in county are outdated; need new options	Stkldr Intvw	Primary
Primary service area (PSA) best growth management tool? Doesn't provide use/character guidance	BOS	Secondary
Status as preferred retirement community is a blessing/curse	SPAG	Secondary
Generational change – how JCC responds to changing demographics (millennials)	SPAG	Secondary
Economic benefit of community appearance and protecting that character	SPAG	Secondary
Maintain community character while fostering economic development	Stkldr Intvw	Secondary
Attracting and retaining younger teachers (amenity and affordability challenges)	SPAG	Secondary
Growing socioeconomic challenges in schools, how to address long-term	SPAG	Secondary
Providing quality/exceptional public (K-12) and vocational schools	BOS	Secondary
Need opportunities for quality early childhood education and post high school education; vocational training	SPAG	Secondary
Schools are good (K-12 and higher education) – generates good workers	SPAG	Secondary
Process should grasp economic realities/fiscal impacts of JCC policies and vision/taxes in relation to region	SPAG	Secondary
Technology infrastructure (blanket wifi; superspeed internet)	BOS	Secondary
Transportation (market driven impacts)	BOS	Secondary
I-64 widening and economic implications	SPAG	Secondary
Build on technology infrastructure	SPAG	Secondary
Invest in transportation	TAG	Secondary
Need increased communications infrastructure; purpose?	TAG	Secondary
Transportation infrastructure	TAG	Secondary
Traffic impacts on public safety – I64 – tourism – Rt60	TAG	Secondary
Public infrastructure investment that leads to expansion of economic development	Stkldr Intvw	Secondary
Technology impacts on delivery of public services (schools, libraries)	BOS	Secondary
Secure a sustainable water supply and relationship to primary service area (PSA)	SPAG	Secondary
Need revenue sharing to make regional cooperation work (ex. Regional economic development branding/website, incubator, economic engine)	SPAG	Secondary
Pursuing/leveraging regional opportunities	Stkldr Intvw	Secondary
Regional economic development approach	Stkldr Intvw	Secondary

PUBLIC INFRASTRUCTURE, FACILITIES, AND SERVICES THEMES

Topic	Source	Themes
Aging infrastructure	Stkldr Intw	Primary
Better access to services for low-income households	Stkldr Intw	Primary
Bike trails and lighting/transportation safety concerns	SPAG	Primary
Build on technology infrastructure	SPAG	Primary
Captial Improvement Plan process improvements	Stkldr Intw	Primary
Challenges of aging bedroom community	Stkldr Intw	Primary
Community risk reduction – fire. Expand services as population/ages increases	TAG	Primary
Consider impact of mental health challenges on services and growth	TAG	Primary
Emergency preparedness	Stkldr Intw	Primary
Expanding accessibility of waterways	BOS	Primary
Find room to increase rates for services that's equitable	TAG	Primary
Growing lower-income sector and challenges on community systems (schools, public health, public safety)	Stkldr Intw	Primary
I-64 widening and economic implications	SPAG	Primary
Impact on citizen expectations for calls for service	TAG	Primary
Infrastructure – water/sewer will need attention	TAG	Primary
Infrastructure – who's responsible? Got land but no services. Business? Government?	TAG	Primary
Invest in transportation	TAG	Primary
JCC as a place to live, work and play (metrics comparing JCC's public assets to other communities) LOS – Level of service	SPAG	Primary
Need a cultural use venue (multi-use); regional attractor	SPAG	Primary
Need for mental health services	TAG	Primary
Need increased communications infrastructure; purpose?	TAG	Primary
Need to address fragmented and inefficient non-profit service delivery for health and related programs	Stkldr Intw	Primary
Parks and recreation; highest and best uses (look at marina/ JC Campground)	BOS	Primary
Parks and recreational needs/ planning	TAG	Primary
Police increase in fraud calls – aging population; thefts in large affluent communities	TAG	Primary
Public facilities master plan	BOS	Primary
Public infrastructure investment that leads to expansion of economic development	Stkldr Intw	Primary
Public safety priority in planning	TAG	Primary
Return on investment for infrastructure investments	Stkldr Intw	Primary
School sites (expectation: expansion vs. new)	BOS	Primary
Secure a sustainable water supply and relationship to primary service area (PSA)	SPAG	Primary
Technology impacts on delivery of public services (schools, libraries)	BOS	Primary
Technology infrastructure (blanket wifi; superspeed internet)	BOS	Primary
Traffic impacts on public safety – I64 – tourism – Rt60	TAG	Primary
Transportation (market driven impacts)	BOS	Primary
Transportation infrastructure	TAG	Primary
Water! Increase and diversify	TAG	Primary
Well-maintained infrastructure (water supply)	BOS	Primary
5 initiatives (0-5 yr)	BOS	Secondary
Addressing growing retirement demographics	SPAG	Secondary
Entertainment venue opportunities	BOS	Secondary
Financing tools to support infrastructure investment (TIF, CDA, public-private partnerships)	Stkldr Intw	Secondary
Need to deal with the pressures of growth (2040 = 138,000)	TAG	Secondary
Opportunities for engaging changing population demographics (aging) and providing accessibility across county	BOS	Secondary
Schools – changing technology; expanding population	TAG	Secondary
VDOT – dependency	BOS	Secondary

FISCAL HEALTH THEMES

Topic	Source	Themes
Fiscal impacts from potential expansion of Primary Service Area (PSA)	Stkldr Intvw	Primary
Plan process should grasp economic realities/fiscal impacts of JCC policies and vision/taxes in relation to region	SPAG	Primary
5 current strategic initiatives (0-5 yr)	BOS	Primary
Financing tools to support infrastructure investment (TIF, CDA, public-private partnerships)	Stkldr Intvw	Primary
Expense planning; affordable JCC expenses over long-term; regional partnership opportunities; consolidation of JCC facilities/services	BOS	Primary
Cost associated with actions/initiatives outlined in plan	BOS	Primary
County government under one roof	BOS	Primary
Tying actions to budgets/funding sources and implementation (fiscal sustainability) that is transparent	SPAG	Primary
Identify missed revenue (home-based businesses?)	TAG	Primary
Are there other revenue sources?	TAG	Primary
Education on business in county versus city	Stkldr Intvw	Primary
Status as preferred retirement community is a blessing/curse	SPAG	Secondary
How to grow in healthy way (physical, fiscal, etc.)	SPAG	Secondary
Understand full implications of growth – land use, appearance, more people	TAG	Secondary
Need to deal with the pressures of growth (2040 = 138,000)	TAG	Secondary
Relationship between economic development and fiscal sustainability	BOS	Secondary
Economic development as a population accelerator/ want higher value economic development that supports fiscal health	BOS	Secondary
Need economic diversity for healthy tax base	SPAG	Secondary
Marketing value of county's economic development to county residents	Stkldr Intvw	Secondary
Educating about value of economic development from a fiscal perspective	Stkldr Intvw	Secondary
Parks and recreation; highest and best uses (look at marina/ JC Campground)	BOS	Secondary
Secure a sustainable water supply and relationship to primary service area (PSA)	SPAG	Secondary
Public facilities master plan	BOS	Secondary
Find room to increase rates for services that's equitable	TAG	Secondary
Capital Improvement Plan process improvements	Stkldr Intvw	Secondary
Return on investment for infrastructure investments	Stkldr Intvw	Secondary
Challenges of aging bedroom community	Stkldr Intvw	Secondary
Need control of expanding risks/calls (education; preparedness). JCC mutual aid needs increasing	TAG	Secondary

EDUCATION THEMES

Topic	Source	Themes
Attracting and retaining younger teachers (amenity and affordability challenges)	SPAG	Primary
Growing socioeconomic challenges in schools, how to address long-term	SPAG	Primary
Equalizing educational opportunities for all neighborhoods	SPAG	Primary
Role of JCC in school programs (aging, working poor, etc.)	SPAG	Primary
Providing quality/exceptional public (K-12) and vocational schools	BOS	Primary
Need opportunities for quality early childhood education and post high school education; vocational training	SPAG	Primary
Schools are good (K-12 and higher education) – generates good workers	SPAG	Primary
Schools – changing technology; expanding population	TAG	Primary
Grow relationship with William and Mary (relationship to changing demographics)	BOS	Primary
Career ladders for growing/new business sectors (tourism, hospitality, recreation)	Stkldr Intvw	Secondary
Technology impacts on delivery of public services (schools, libraries)	BOS	Secondary
School sites (expectation: expansion vs. new)	BOS	Secondary

REGIONAL COORDINATION THEMES

Topic	Source	Themes
Regional economic development approach	Stkldr Intvw	Primary
Pursuing/leveraging regional opportunities	Stkldr Intvw	Primary
Need revenue sharing to make regional cooperation work (ex. Regional economic development branding/website, incubator, economic engine)	SPAG	Primary
Need control of expanding risks/calls (education; preparedness). JCC mutual aid needs increasing	TAG	Primary
VDOT – dependency	BOS	Primary
Regional cooperation	SPAG	Primary
Grow relationship with William and Mary (relationship to changing demographics)	BOS	Secondary
Expense planning; affordable JCC expenses over long-term; regional partnership opportunities; consolidation of JCC facilities/services	BOS	Secondary

GOVERNANCE THEMES

Topic	Source	Themes
Understanding core values that drive decision-making	SPAG	Primary
Keep role/responsibility of local government in check (promote, support but aren't responsible for solving all issues)	SPAG	Primary
Consider external factors and challenges that can affect us; balance government and business	TAG	Primary
Identify the scale of investment decisions as an organization	TAG	Primary

Appendix 3: Economic Opportunities

This section provides the technical analysis for evaluating James City County's current position within the regional marketplace in two parts: (1) a summary of findings starting on page 28 and (2) a complete report on findings starting on page 35.

The purpose of this section is to shed light on economic realities, challenges, and opportunities that will inform decision-making related to developing the specific goals and actions to be included in the Strategic Plan. A target industry analysis for the Greater Williamsburg Region (James City County, York County, and Williamsburg) will be conducted in 2016 and will drill down even further and reveal particular target industries for future regional economic development efforts.

PART 1: ECONOMIC OPPORTUNITIES SUMMARY

ESTABLISHED ECONOMIC DEVELOPMENT APPROACH FOR JAMES CITY COUNTY

James City County is in a unique situation with a relatively wealthy and educated population. The County's current economic development strategy is driven by the best "fit" with the community. And that fit is not necessarily driven by the need to attract or retain the largest number of jobs—it is guided by certain attributes and qualities identified as priorities to the community. Specifically, the Comprehensive Plan states it best:

"Instead of targeting specific industries/businesses clusters, the Business Climate Task Force identified attributes and qualities to determine the types of business most desired in the County. The attribute categories were: quality jobs, community values, fiscal contribution, environmental sensitivity, and stability."

The Strategic Planning effort can build on this established policy to develop priorities and weighting that can then drive future County economic development actions and investments.

ECONOMIC DEVELOPMENT ORGANIZATIONAL INFRASTRUCTURE

James City County has its own economic development agency: the James City County Economic Development Authority. The County had been part of the larger regional entity—Hampton Roads Economic Development Authority—but recently formed a new smaller regional economic development entity with York County and the City of Williamsburg (the Greater Williamsburg Region). The three entities have experience working together with the regional incubator, "LaunchPad," which is jointly funded by the three localities. In addition, the three localities have a revenue sharing agreement (for all revenues except real property tax) to share revenues generated by companies that emerge from the incubator regardless of whether the business locates in any of the three jurisdictions.

ECONOMIC DEVELOPMENT INCENTIVES

James City County currently has a Tourism Investment Zone that covers the entire County with available incentives including reduction of selected development fees, Business and Professional License Fees (BPOL) grant, personal property tax relief grant, and expedited review. There are no other local discretionary incentives. The current State designated Enterprise Zone in the County will expire at end of the 2015 calendar year. The County applied for another Zone designation jointly with City of Williamsburg, but was not selected.

KEY FINDINGS FROM THE DATA ANALYSIS

This section provides the highlights of the economic and fiscal analyses prepared for James City County as part of Phase 1 the Strategic Plan. Much analysis has been completed in recent years to reveal trends in the County and region. Key resources for this information include the James City County Comprehensive Plan (2015), and the Hampton Roads Planning District Commission Benchmarking Study (2015). Many of these findings in this report reinforce the findings in the other documents, and are supportive of the economic development strategies and actions included in James City County's recently updated comprehensive plan - *Toward 2035: Leading the Way*. This section summarizes key items from those resources and further explores data on the local economy in support of the Strategic Plan. A full summary of these analyses is provided in Appendix 3.

James City County is often included in regions that are defined differently depending on the type of analysis. These include the Historic Triangle, the Peninsula, and the Greater Hampton Roads regions. This can create confusion and an inability to fully understand and track the market. This presents challenges for economic development, particularly with respect to benchmarking and tracking trends and comparing related trends over time. This is a topic that can be further explored during this planning process.

DEMOGRAPHICS

POPULATION GROWTH AND PROJECTIONS

James City County population has increased by 50 percent from 48,102 in 2000 to 71,140 in 2014. The County grew each year during this period, including through the Great Recession. The County had the fastest rate of growth compared to its neighbors over most time periods. And a significant portion of residential growth in the County is from migration into the County (births compared to deaths). By 2040, the County is projected to have a population of 110,500.

AGING POPULATION

James City County has an older population than the region and is projected to outpace the region in growth in population age 65 and older. The share of the population greater than 65 years old has grown from 10 percent in 1980 to 23 percent in 2014. The current median age in the County is 45.5, which is 10 years older than the Metropolitan region's median age of 35.2. By 2040, the population over 65 in James City County is projected to grow to 34 percent.

Despite the aging population, there have been increases in population in the 20 to 39 age cohorts. At the same time, population aged 40 to 49 has decreased in the County. James City County residents are better educated than the region.

HOUSING TRENDS

New housing construction in James City County is primarily in single family units. Approximately 88% of housing growth between 2012 and 2014 was the addition of single family units and condominiums in the County. Median household income and house values in James City County is higher than the state, nation, and the region (with the exception of York County's current household income).

ECONOMY AND INDUSTRY

EMPLOYMENT GROWTH

James City County employment growth has outpaced the region and state over the last 10 years and has returned to pre-Recession employment level, unlike the rest of the immediate region (City of Williamsburg and York County) and the larger Hampton Roads region. During this same period, the County has had lower losses during periods of decline in employment growth in comparison to the region and state.

EMPLOYMENT GROWTH BY INDUSTRY

Employment in the County is primarily in Leisure and Hospitality, Education and Health Services, and Trade, Transportation, and Utilities. Combined, these three sectors make up over 65 percent of the jobs in James City County. And small businesses make up the majority of businesses in the County. In particular, businesses with 4 or less employees make up over 50 percent of the number of businesses.

BUSINESS TAX REVENUE TRENDS

Tax revenues from Business and Professional License Fees (BPOL) collected by the County peaked in FY2008 and subsequently decreased from the peak over the next six fiscal years. There is a general increasing trend since the 1990s, reflecting ongoing business activity.

START-UP TRENDS

Data from the Virginia Employment Commission (VEC) Labor Market Information (LMI) reveal that James City County has experienced a 31 percent increase in new startup firms between 2013 and the first two quarters of 2015 with 194 firms created. The percentage increase outpaced the County's neighbors and the region.

INDUSTRY TRENDS AND OPPORTUNITIES

James City County has a higher or comparable concentration of jobs compared to the United States for the following sectors:

- Construction
- Trade, Transportation, and Utilities
- Leisure and Hospitality
- Other Services
- Professional and Business Services

In addition, growth in the following sectors has either outpaced its neighbors or the state as a whole:

- Trade, Transportation, and Utilities
- Education and Health Services
- Leisure and Hospitality (stronger growth than the immediate region but slower than the State and United States)
- Other Services (small number of employees)

Furthermore the following sectors reflect industries where James City County's neighbors and the State have experienced growth but the County has seen a decline or slower growth—thus identifying potential for growth within James City County in Financial Activities, and Professional and Business Services.

OPPORTUNITY FOR EXPANDING RETAIL

Using a 15-minute driveshed analysis, the retail market for James City County was analyzed and revealed that the County has unmet retail needs locally, and potential for additional food and drink establishments in particular (see page 51 for detail on this high level analysis). Many resident households have certain retail needs that are not currently provided in the County and therefore they go outside of the local trade area to meet their needs. While there may be opportunities to address these retail needs, which may provide positive fiscal benefits, there is the potential for negative impacts with additional retail development such as traffic impacts and effects on existing retailers.

TRAVEL AND TOURISM

Travel and tourism are important economic drivers in the County. Direct spending by travelers and tax revenue generated by tourism is higher on a per job basis in James City County than the rest of the State. Annual occupancy in Williamsburg region hotels is approximately 50 percent, however this does not account for rental timeshares, which accounts for 45 percent of the region's lodging inventory. Average room rates are comparable to the state and region, if not slightly higher than the region (Virginia Beach excepted).

LABOR MARKET

The current estimate of the number of jobs located in James City County is approximately 28,000 and the current labor force is estimated at 35,000, reflecting approximately 60 percent of population aged 16 years or older. Approximately 30 percent of the County's jobs are held by residents, and 70 percent of the County's jobs are held by in-commuters. On the other hand, approximately 65 percent of the County's labor force commutes outside the unincorporated areas of the County for work (including working in Williamsburg) with 35 percent working in James City County. On average, the local workforce is working longer similar to national trends. James City County residents are better educated on average than the state and nation. (It should be noted that this discussion is specific to the County labor force—not the regional labor force.)

NATIONAL AND REGIONAL REAL ESTATE MARKET TRENDS

James City County is generally analyzed as part of the larger Hampton Roads real estate market within the Williamsburg submarket. The following 2015 real estate trends are based on data from the Williamsburg submarket

OFFICE DEVELOPMENT

Nationally, office real estate markets are responding to changing employer demands through three key shifts. First is the shift to fewer square feet per employee. Second, market demand is growing for smaller spaces with collaborative space layouts that are easily redesigned to meet various tenant needs. Last, market rents for office space that is located in an are of mixed-use vibrancy can achieve, on average, a 44 percent premium over space in less dense areas of limited land use diversity.

The Williamsburg submarket, have been affected by reduced federal spending through sequestration, and specifically cuts in military spending that affect government contractors. Current regional demand is making a slow recovery when compared to the national office market. Current demand in the region is from medical users and government contracts, albeit hampered by low defense spending. Reports show that the subregion has ample inventory, but that many buildings are older and in need of improvement.

INDUSTRIAL DEVELOPMENT

Real estate reports suggest that the regional economy is hindered by reduced military spending and infrastructure congestion, but that the Port of Virginia is experiencing increased activity and is third in share among ports on the east coast. The port is expected to drive demand for warehousing/distribution space. For the entire Hampton Roads region, there is a lack of appropriate inventory for out-of-town investors looking to invest in second-tier markets.

RETAIL DEVELOPMENT

Nationally, real estate analysts see very little future market potential for retail development focused on single tenant retail. Instead future retail development is projected to be focused in infill establishments close to residential and business activity. Medical office space is the primary driver for office space, and vacant and underutilized retail space offers good access for health services.

Regional real estate market trends reveal a change in the retail real estate submarket with the consolidation of retail spaces leading to vacancies, and retail spaces transitioning to non-retail uses such as medical offices. Regional market reports indicate that the Peninsula Submarket is currently strong; however, discussions with Strategic Planning Advisory Group and the Technical Advisory Group revealed that aging retail stock is an issue and that recent activity has centered around redevelopment of vacant and older buildings.

FISCAL CONDITIONS AND TRENDS

County revenues have increased since the last fiscal year mainly due to the property tax increase. However, recent trends in revenue sources are somewhat mixed with some decreasing trends. Real property values in James City County have decreased from peak assessment level and development activity has slowed since a peak in 2007. Personal property values have increased consistently over the last five years. Retail sales have slowed in the last few years, but show a recent increase in 2015. BPOL revenue is increasing but decreased from the peak in 2008.

Taxes from businesses have shown an increase from FY2010 to FY2015. The County's tax base has been diversifying in recent years with the top ten tax payers accounting for just over 11 percent of County property tax revenue collected in FY2014 compared to almost 15 percent in FY2003. However, less than 15 percent of the value of the County's real estate tax base is from commercial/industrial properties, which may place increased pressure on the residential tax base to fund public services. (This will be further explored in Phase 2 of the study.)

County expenditures per capita have remained flat over the last several years. And demand for services—particularly Public Safety and Parks and Recreation—continue to increase due to the County's growing and aging population.

ECONOMIC OPPORTUNITIES

Several Economic Opportunities are highlighted in this section. These items reinforce the opportunities, strategies, and actions identified in the Comprehensive Plan and are supported by the data analysis herein and feedback received from the Strategic Plan leadership provided during Phase 1 meetings.

The opportunities below are presented as starting points for further discussion. A target industries analysis will be conducted for the Greater Williamsburg Region (James City County, York County, and Williamsburg) in the spring of 2016 and will provide additional information with respect to these economic opportunities. The opportunity sectors include:

- Advanced manufacturing
- Distribution (Trade, Transportation, and Utilities Sector)
- Retail, Hospitality, and Tourism
- Professional and Business Services
- Health Services
- Housing (diversity of product types)

ADVANCED MANUFACTURING

While James City County has a lower concentration of manufacturing in the County when compared to the nation and state, the County has a higher share within the immediate region. The County is home to long-standing manufacturers (including six Fortune 500 companies) that offer continued opportunities for support industries and potential for growth. Current limitations are available product (buildings) as well as developable property with sufficient infrastructure. Other support for opportunities in this area includes:

- Presence of military industry in the larger region
- Thomas Nelson Community College with new programs in Advanced Manufacturing and Cybersecurity
- Potential to link with Food Tourism and Rural Economic Development initiatives (discussed below)
- Access to markets given the County’s location near the Port of Virginia and the eastern seaboard

DISTRIBUTION (TRADE, TRANSPORTATION, AND UTILITIES)

James City County’s location in the larger Hampton Roads region provides access to the terminals of the Port of Virginia and the I-64 and I-95 highway corridors. The County is currently home to a Wal-Mart distribution facility. Many communities in the Hampton Roads region have seen development of “high-cube” warehouses—large facilities with sophisticated technology, relatively few workers, and lower trip rates than a traditional warehouse on a per square foot basis but that generate more trips due to size of the facility. The region is projected to grow by approximately 3,000 jobs in Trade, Transportation, and Utilities sector over the next ten years providing opportunity for James City County.

RETAIL, HOSPITALITY, AND TOURISM

Located in the Historic Triangle area, James City County’s economy has a long-standing historical and recreational tourism focus. Recent marketing efforts have centered on attempting to “modernize” the pitch. Ideas include enhancing tourism infrastructure as a way to extend visitors’ stays, particularly for restaurant and lodging offerings. Expansion of this industry has the potential to support fiscal health of the County.

- **Food Tourism** (Food and Drink/Restaurant Potential): James City County has market potential currently for additional food and drink establishments. Expanding restaurant offerings both for locals and visitors has the potential to not only support the tourism sector but link with the agriculture industry and the County’s Rural Economic Development Strategy.
- **Sports Tourism:** The County is active with regional tournaments and camps. This has the potential to be expanded and link with the existing tourist and recreational offerings. There has been discussion locally for a multi-purpose major venue to further expand sports tourism.

- **Arts Tourism:** The County has the potential to build on its existing arts and cultural opportunities as part of overall efforts to continue to expand and diversify tourism in the County.
- **Retail Potential:** James City County not only has market potential for additional restaurants, but general retail as well. Expanded retail can support existing residents, visitors, and the fiscal health of the County.

PROFESSIONAL AND BUSINESS SERVICES

The region is projected to add almost 5,000 jobs in Professional and Business Services, which include professional offices for attorneys, engineers/architects, marketing, etc. These businesses tend to use small offices, which are a good fit with the type of building stock available in James City County.

HEALTH SERVICES

Health Services is a logical fit and need in the County with the age of the community, and projections for the region indicate a 20 percent increase in jobs (over 10,000 jobs) over the next ten years. However, one question regarding this opportunity is whether the type of health services demanded will be the type of employment opportunities desired in the community. That is, high quality and high-paying jobs that attract and retain a younger workforce.

HOUSING

With the County's aging population and aging housing stock, a variety of housing choices will become more important. Recent years has seen continued development of single family houses in James City. This is a striking comparison to many suburban communities that are transitioning to higher density multi-family development based on national and regional real estate trends. Multi-family, walkable environments have the characteristics that attract and retain younger residents, particularly the millennial generation.

Housing development strategies are increasingly part of local economic development strategies around the nation, with many communities working to provide or create incentives to develop workforce housing close to jobs that is affordable to a range of incomes—and in an attractive, walkable environment.

PART 2: ECONOMIC OPPORTUNITIES COMPLETE REPORT

DEMOGRAPHICS

There has been quite a bit of work done in recent years on trends in the County and Region. Key resources include the James City County Comprehensive Plan, adopted in 2015, and the Hampton Roads Planning District Commission Benchmarking Study (2015).

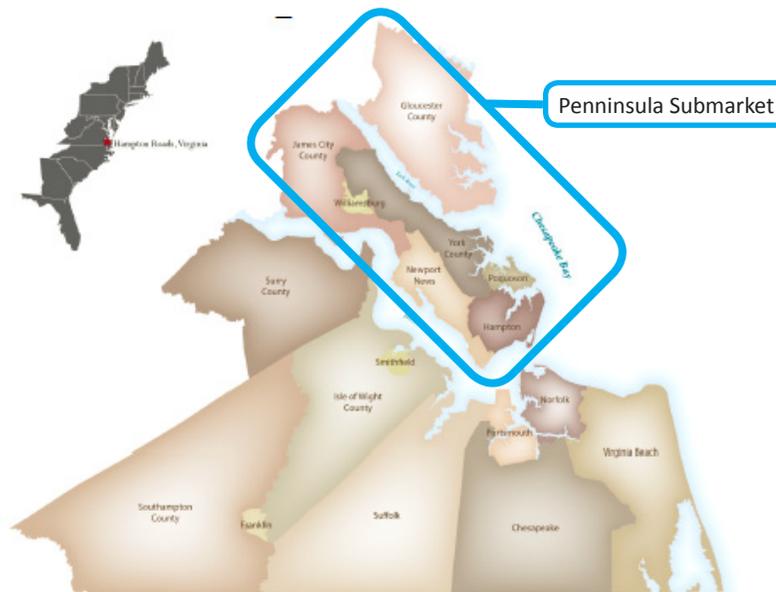
This document summarizes key items from those resources and further explores data on the local economy in support of the Strategic Plan.

DEFINING THE REGION

James City County (JCC) is part of several regions, which can be an advantage and a disadvantage depending on the circumstance.

- First it is part of what has been called the “Historic Triangle,” which includes JCC, City of Williamsburg, and York County. Recently, JCC left a larger regional economic development entity—the Hampton Roads Economic Development Authority (HREDA) to form a smaller regional entity—the Greater Williamsburg Chamber and Tourism Alliance. This three-jurisdiction area is moving toward a new brand, the “Greater Williamsburg Region.”
- Second, JCC is part of Hampton Roads, and in particular falls under the Hampton Roads Planning District Commission and Hampton Roads Transportation Planning Organization (the MPO).
- Third, within the Hampton Roads planning area, JCC is part of the Peninsula Submarket.

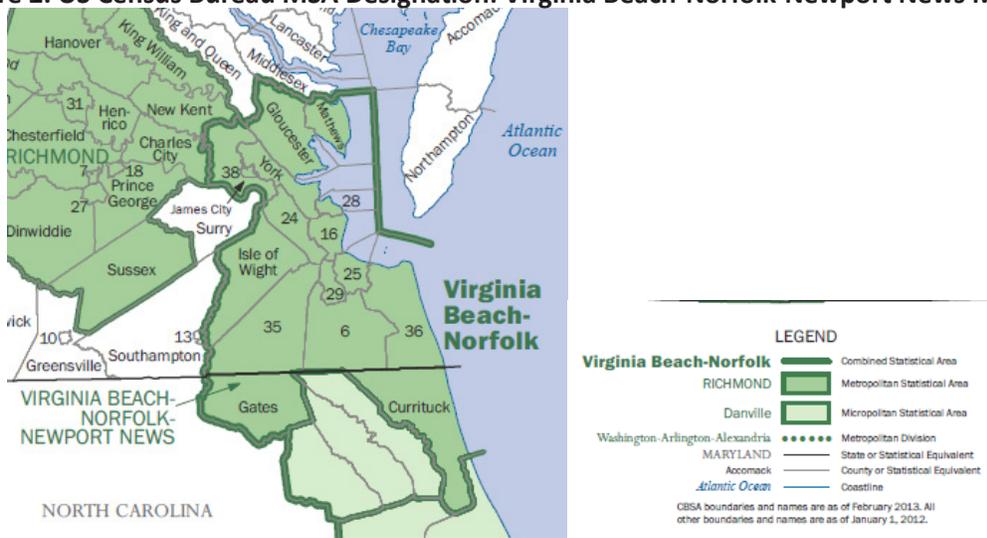
Figure 1. James City County as part of the Hampton Roads Region



Source: Hampton Roads Planning District Commission, “Hampton Roads Benchmarking Study,” 2015; TischlerBise box.

- Finally, JCC is part of an MSA that includes most of the HRPDC region but also stretches into North Carolina.

Figure 2. US Census Bureau MSA Designation: Virginia Beach-Norfolk-Newport News MSA



POPULATION

Current population in James City County is 72,187. As shown below, the County has experienced continued population growth since 2000 even through the Great Recession. (It should be noted that 2010 estimate reflects a correction and recalibration due to the 2010 Census.) Current population in 2015 reflects an increase of 50 percent since 2000.

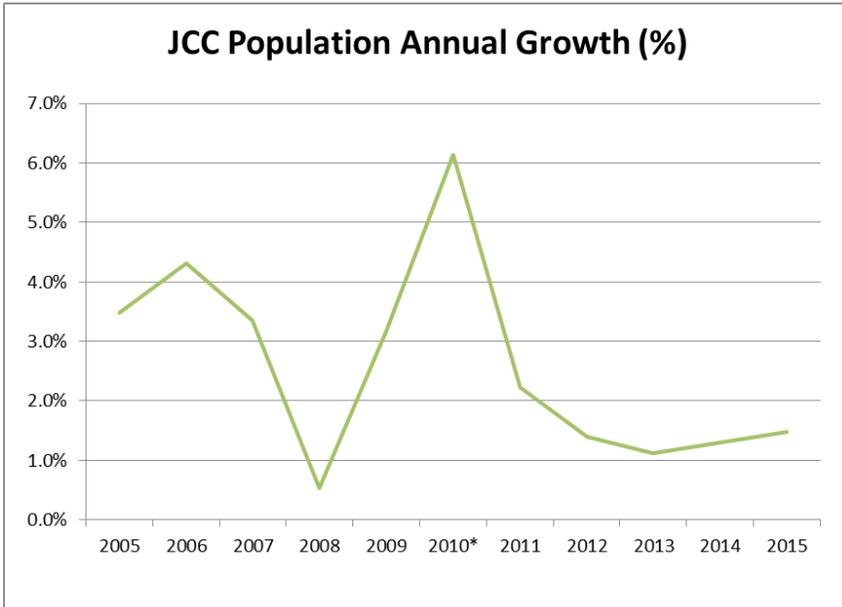
Figure 3. Current Population Estimate and Recent Growth

	2000	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014	2015
James City County Population	48,182	56,463	58,893	60,867	61,195	63,135	67,009	68,500	69,451	70,231	71,140	72,187
Population Annual Growth (%)		3.5%	4.3%	3.4%	0.5%	3.2%	6.1%	2.2%	1.4%	1.1%	1.3%	1.5%

* Large increase is due to recalibration of population estimates due to Census 2010 count.
Sources: Weldon Cooper Center, James City County

The Figure 4 below displays the annual increases from Figure 3 above.

Figure 4. James City County Annual Population Growth



Comparing JCC to the immediate region reveals that JCC experienced the fastest rate of growth compared to its neighbors over most time periods. Furthermore, JCC and Williamsburg have grown more so because of net migration into their respective jurisdictions than natural changes (births compared to deaths).

Figure 5. Population Growth: Components of Change

Population Estimate	Population					2010-2014 Components of Change			% Growth from Migration
	1980	1990	2000	2010	2014	Numeric Change	Natural Change	Net Migration	
James City County	22,763	34,970	48,102	67,009	71,140	4,131	156	3,975	96.2%
Williamsburg City	9,870	11,409	11,998	14,068	15,064	996	-2	998	100.2%
York County	35,463	42,434	56,297	65,464	67,396	1,932	926	1,006	52.1%

Average Annual Growth Rate	1980-1990	1990-2000	2000-2010	2010-2014
James City County	5.4%	3.8%	3.9%	1.5%
Williamsburg City	1.6%	0.5%	1.7%	1.8%
York County	2.0%	3.3%	1.6%	0.7%

Source: Weldon Cooper Center; US Census

There has been significant discussion on the County's aging population and the migration out of James City County of a younger/emerging professional cohort. To understand this further, we investigated the data in a number of ways.

- First, the raw data is shown at the top of Figure 6 by major age groups. Age groups of 20s and 30s are broken into 5-year groups for more detail. (The Appendix provides even further detail.)
- Second, at the bottom of Figure 6, the annual percentage increase or decrease in each age group is shown. Red shaded cells reflect decreases and blue-shaded cells reflect increases. Note: ten-year periods are annualized by simply dividing by 10 years.
- Third, a bar chart is provided as Figure 19 that shows the share of each age group. For this chart, we expanded the groups to balance out size of the groupings with 20s and 30s grouped into ten-year spans instead of 5 years.

Figure 6. Growth by Age Cohort

James City County	Population by Age July 1,							
	1980	1990	2000	2010	2011	2012	2013	2014
Age Groups (#)								
Under 19	7,095	9,364	12,092	15,829	16,021	16,195	16,402	16,699
20 to 24 years	1,982	2,352	2,211	3,445	3,462	3,609	3,852	3,982
25 to 29 years	1,868	2,951	2,327	3,462	3,542	3,665	3,708	3,774
30 to 34 years	1,906	3,179	2,946	3,194	3,242	3,476	3,626	3,753
35 to 39 years	1,626	3,045	3,805	3,741	3,589	3,502	3,558	3,755
40 to 49 years	2,523	4,838	7,744	9,469	9,326	9,149	9,134	8,938
50 to 64 years	3,449	5,091	8,880	14,584	14,811	14,800	14,866	15,119
65+	2,138	4,202	8,097	14,027	14,336	15,136	15,818	16,563
TOTAL	22,587	35,022	48,102	67,751	68,329	69,532	70,964	72,583

Median Age	1980	1990	2000	2010	2011	2012	2013	2014
Median Age	34.3	40.8	44.9	44.9	45.0	45.0	45.2	45.2

Age Groups (% Growth)	Annualized from 10-Year Data			One-Year Data			
	1980-1990	1990-2000	2000-2010	2010-2011	2011-2012	2012-2013	2013-2014
Under 19	3.2%	2.9%	3.1%	1.2%	1.1%	1.3%	1.8%
20 to 24 years	1.9%	-0.6%	5.6%	0.5%	4.2%	6.7%	3.4%
25 to 29 years	5.8%	-2.1%	4.9%	2.3%	3.5%	1.2%	1.8%
30 to 34 years	6.7%	-0.7%	0.8%	1.5%	7.2%	4.3%	3.5%
35 to 39 years	8.7%	2.5%	-0.2%	-4.1%	-2.4%	1.6%	5.5%
40 to 49 years	9.2%	6.0%	2.2%	-1.5%	-1.9%	-0.2%	-2.1%
50 to 64 years	4.8%	7.4%	6.4%	1.6%	-0.1%	0.4%	1.7%
65+	9.7%	9.3%	7.3%	2.2%	5.6%	4.5%	4.7%
TOTAL	5.5%	3.7%	4.1%	0.9%	1.8%	2.1%	2.3%

Source: U.S. Census Bureau, Population Division
Annual Estimates of the Resident Population for Selected Age Groups by Sex, April 1, 2010 to July 1, 2014

Figure 7. Population Share by Age Cohort

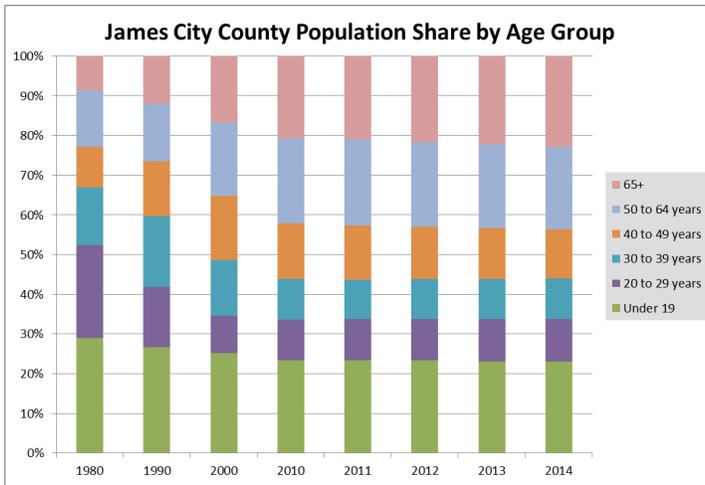
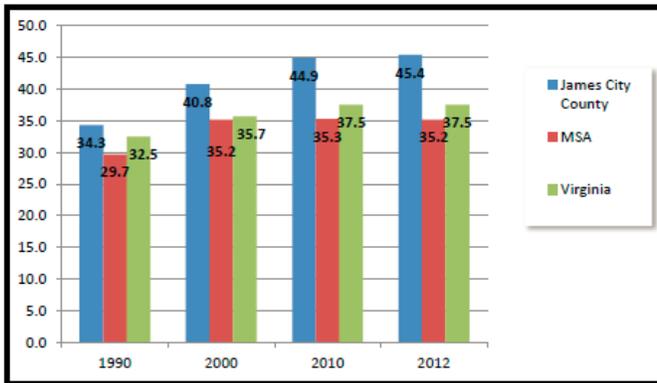


Figure 8. Median Age

Graphic DG-3. Median Age Comparison, 1990-2012



Sources: 1990-2010 Census, 2012 ACS 1-Year and 5-Year Estimates

As shown above, the share of the population 65 years and older has grown over time from less than 10 percent in 1980 to approximately 23 percent in 2014.

The current median age in JCC is 45.4, which is 10 years older than the Metropolitan Region’s median age of 35.2. The following figure is from the JCC Comp Plan. As shown, JCC has gotten older over the past 20 years and is significantly older than population in the region and state as a whole.

JCC is not alone, nationally almost 15 percent of the population is over 65 and by 2030, it is projected that figure will grow to 20 percent—or 1 in 5 persons.

In JCC, population over age 65 is projected to grow from approximately 23 percent in 2014 to 34 percent of the population by 2040. This is significantly more than the City of Williamsburg, projected to have 16 percent of the population age 65 and older and York County at 18 percent.

The County is home to master-planned communities that were marketed primarily to retirees. This is likely to account for the County’s higher share of residents over 65 years old.

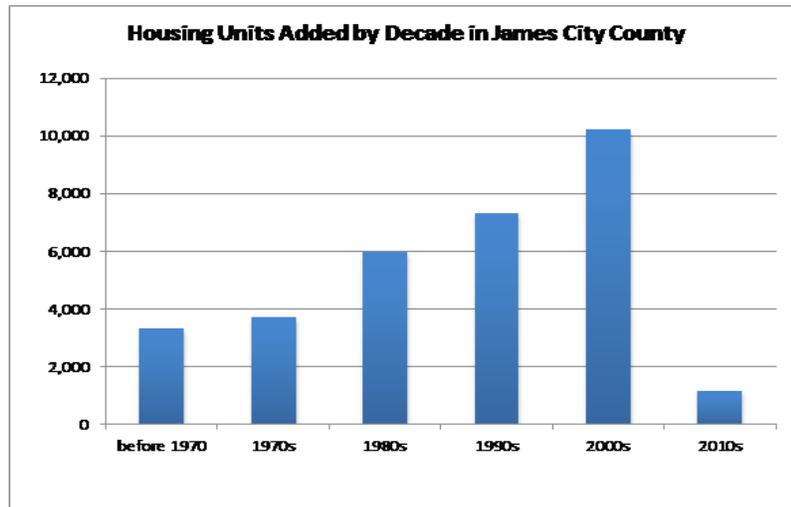
HOUSING

From 2000 to 2010, James City County added an average of 900 housing units per year. Figure 9 indicates Countywide housing units added by decade, according to data obtained from the U.S. Census Bureau and the 2015 James City County Comprehensive Plan. Contrary to the nationwide decline in development activity during the Great Recession, residential construction increased from 2000 to 2010 compared to previous decades.

Figure 9. Housing Unit Growth and Age of Unit

James City County, Virginia	
Census 2010 Population	67,009
Census 2010 Housing Units	29,797
Total Housing Units in 2000	20,772
New Housing Units 2000-2010	9,025

From 2000 to 2010, James City County added approximately 900 housing units per year.



Sources: James City County Comp Plan; US Census

Since 2010, residential development has continued to grow albeit with a slowdown in recent years as shown in Figure 10.

Figure 10. Current Housing Unit Estimate and Recent Growth

	2000	2010	2011	2012	2013	2014	2015
James City County Housing Units	20,772	29,797	30,360	30,923	31,343	31,724	32,083
Housing Unit Annual Growth (%)		4.3%	1.9%	1.9%	1.4%	1.2%	1.1%

Sources: James City County; TischlerBose estimate for 2015

Recent residential construction has continued to be in single family detached units. This differs from national trends in many locations—including suburban communities—where new residential construction has shifted to multifamily units. Over the last three years, new residential construction has been in single family units at 88 percent of net units built.

	2012	2013	2014	3-Year Total	
				#	%
Single Family & Condo	323	368	349	1,040	88%
Multifamily	58	55	34	147	12%
Manufactured Homes	-2	-3	-2	-7	-1%
Total	379	420	381	1,180	100%

Source: James City County, "2014 Planning Commission Annual Report."

INCOME LEVELS AND HOUSING VALUES

Median household income is highest in James City and York counties, and both counties have higher medians than the state and national medians. Median household income in the City of Williamsburg is lower than the counties, state, and nation. All median incomes in the region increased more than the United States as a whole (increase of 27 percent); however, only York County exceeded the State’s increase (39 percent) with James City County only slightly less.

Figure 12. Median Household Income

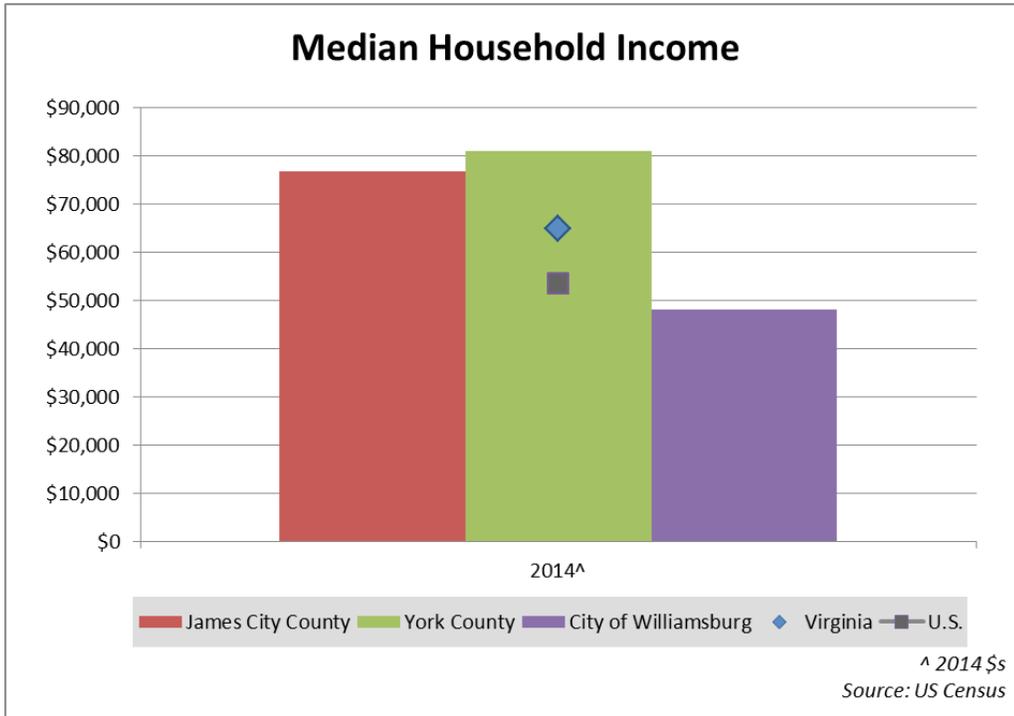


Figure 13. Median Household Income

Median Household Income	2000*	2014*	2000-2014 % Increase
James City County	\$55,594	\$76,705	38%
York County	\$57,956	\$80,900	40%
City of Williamsburg	\$37,093	\$48,057	30%
Virginia	\$46,677	\$64,792	39%
U.S.	\$41,994	\$53,482	27%

* US Census 2000, 1999 \$s

^ US Census, 2014 American Community Survey 5-Year Estimates

The median value of an owner-occupied unit in James City County is \$320,000, which is the highest in the immediate region and 30 percent higher than the State median. This reflects an unadjusted increase of over 90 percent from 2000. This compares to the increase in York County but is double that of the City of Williamsburg.

Figure 14. Median House Values and Median Rents

	<i>Median Value Owner-Occupied Housing</i>		<i>2000-2014</i>	<i>Median Gross Rent</i>
	<i>2000*</i>	<i>2014*</i>	<i>% Increase</i>	<i>2010-2014</i>
James City County	\$167,300	\$320,000	91%	\$1,159
York County	\$152,700	\$313,100	105%	\$1,343
City of Williamsburg	\$212,000	\$305,000	44%	\$1,063
Virginia	\$125,400	\$243,500	94%	\$1,108
U.S.	\$119,600	\$175,700	47%	\$920

* US Census 2000, 1999 \$s

* US Census, 2014 American Community Survey 5-Year Estimates

According to the latest market report (October 2015) from Zillow, median home value in James City County is currently \$306,400, which is down from the County's peak value of \$350,300 from September 2006.

Human Service Needs

Related to housing affordability is changing human service needs in the County. From 2005 to 2015, the number of households using Supplemental Nutrition Assistance Program (SNAP) (Food Assistance) has more than doubled with an increase of 127 percent, while the total number of households in the County has only increased by 20 percent.

Figure 15. SNAP Participation in James City County and Virginia

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015*	10-Year % Increase
	James City Co. Total Households	24,624	25,659	26,507	27,217	27,567	27,003	27,375	27,707	28,090	28,415	29,464
JCC SNAP ^a Participation (Households)	881	974	927	965	1,224	1,638	1,840	2,015	2,236	2,211	1,998	127%
<i>Annual Change</i>		11%	-5%	4%	27%	34%	12%	10%	11%	-1%	-10%	
Virginia SNAP ^a Participation (Households)	221,557	225,741	233,022	252,758	315,379	376,453	416,674	445,065	457,439	433,502	403,899	82%
<i>Annual Change</i>		2%	3%	8%	25%	19%	11%	7%	3%	-5%	-7%	

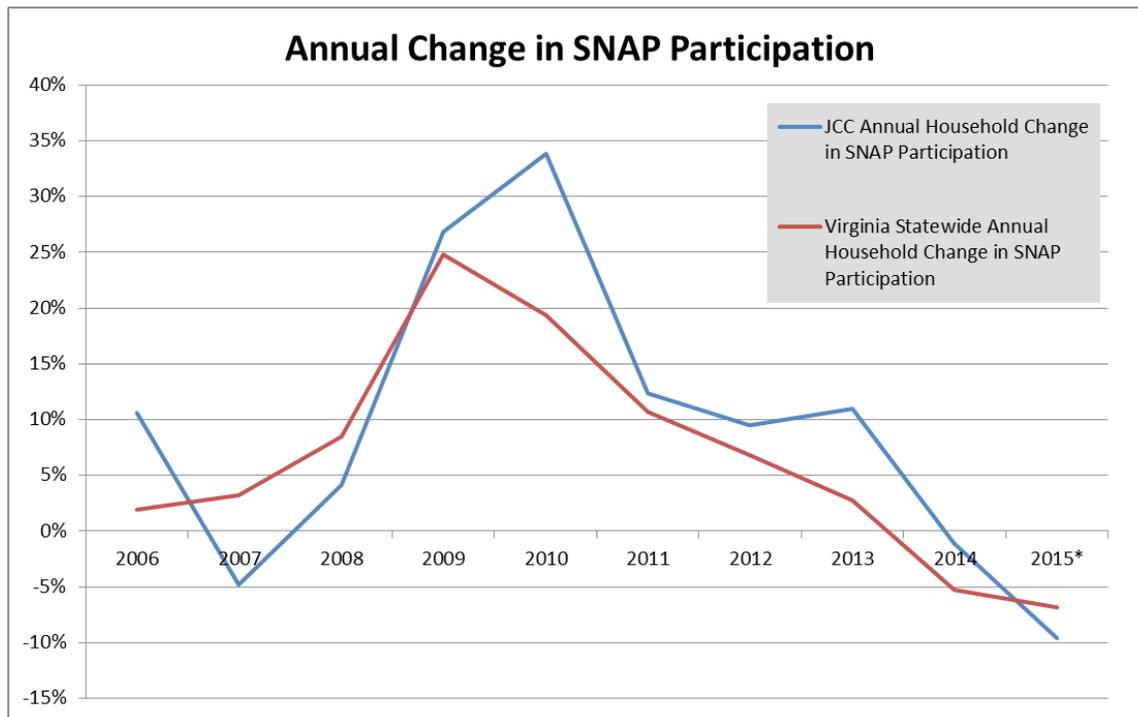
* Average of Q1 2015

^a Supplemental Nutrition Assistance Program (Food Assistance)

Source: James City County FY14 CAFR, Virginia Dept. of Social Services

When comparing SNAP participation in JCC to the state as a whole, usage in JCC has increased more dramatically over the last 5 years—with a peak in 2010 where participation in the County increased by close to 35 percent compared with 20 percent statewide. However, current data for 2015 indicates that participation continues to decrease in both the County and Virginia as a whole. Participation in JCC has decreased by a larger amount at about 10 percent compared to a 7 percent decrease statewide. Figure 16 depicts annual change in participation in the County and State as reported in Figure 15.

Figure 16. Annual Change in SNAP Participation in James City County and Virginia Households



PROJECTIONS

The JCC Comprehensive Plan (2015) provides a series of population projections from several sources using different methodologies—Hampton Roads Planning District Commission, Weldon Cooper Center, and a linear projection based on the County’s historical trend. The County recognizes that a variety of factors will contribute to future population growth and utilizes the linear method for County population projections.²

Figure 17. Population and Housing Unit Projections

	Base Year	Projections =>		
	2015	2020	2030	2040
James City County				
Population	72,187	80,700	95,600	110,500
Persons per Housing Unit*	2.25	2.24	2.22	2.20
Housing Units	32,083	36,032	43,080	50,256
Housing Unit Increase		3,949	7,048	7,176
Average Annual Increase		790	705	718

** Average household size per unit (over all units occupied or vacant); decreases over time per trends*

Source: JCC Comp Plan; US Census; TischlerBise

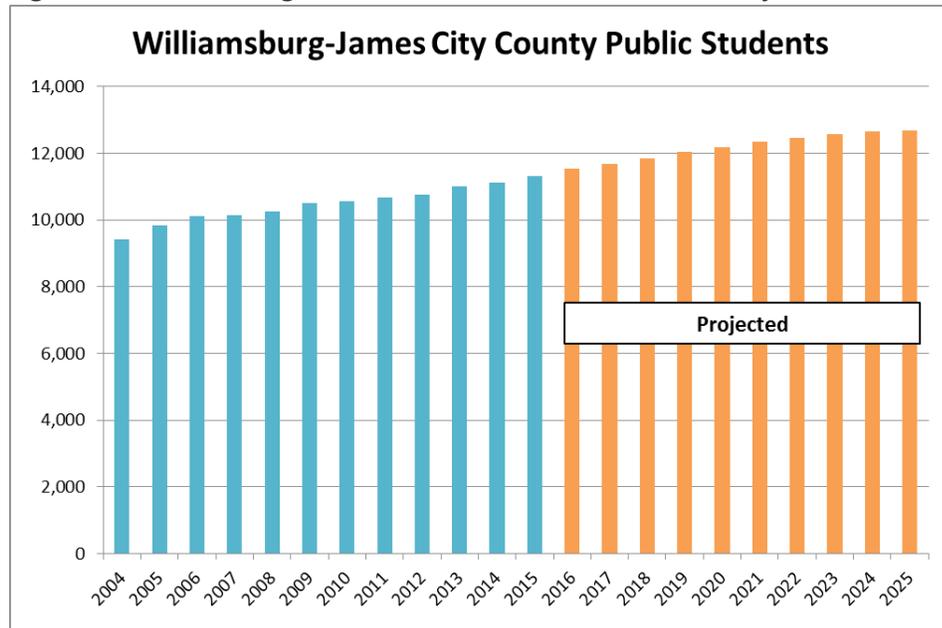
Using the assumed population projections, TischlerBise derived projections for housing unit growth based on household size assumptions. As shown above, an annual average of over 700 housing units per year is projected. This pace of residential construction is more than double the number of units that have been built in the County over the last three years (see Figure 11) but keeps pace with the annual average from 2000 to 2010 of 900 units per year.

2 See <http://www.jamescityCountyva.gov/planning/demographics.html>

PUBLIC SCHOOL ENROLLMENT

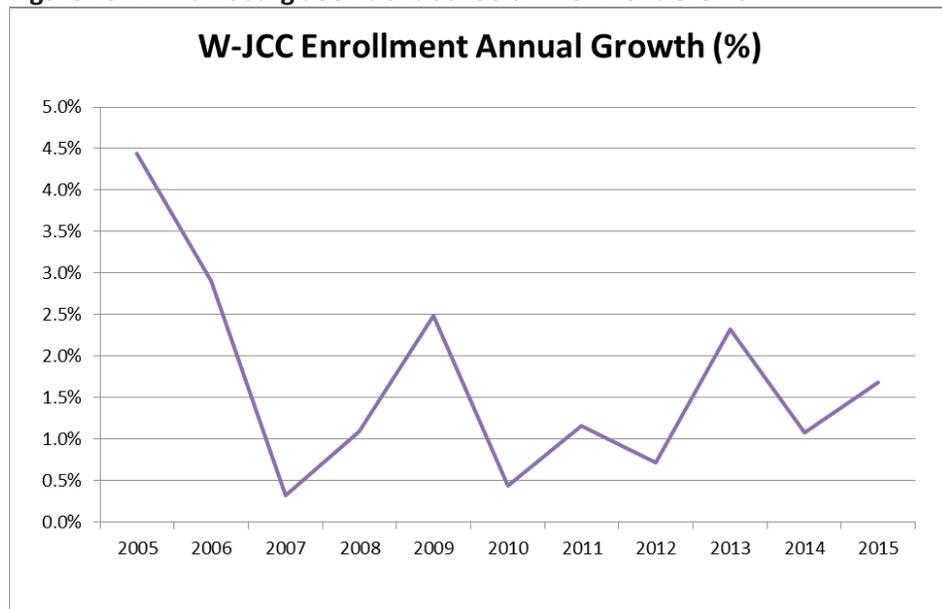
Public school students in James City County attend the consolidated Williamsburg-James City County Public School District. Enrollment has grown over the last decade and is projected to continue to grow.

Figure 18. Williamsburg-JCC Public Schools Enrollment and Projections



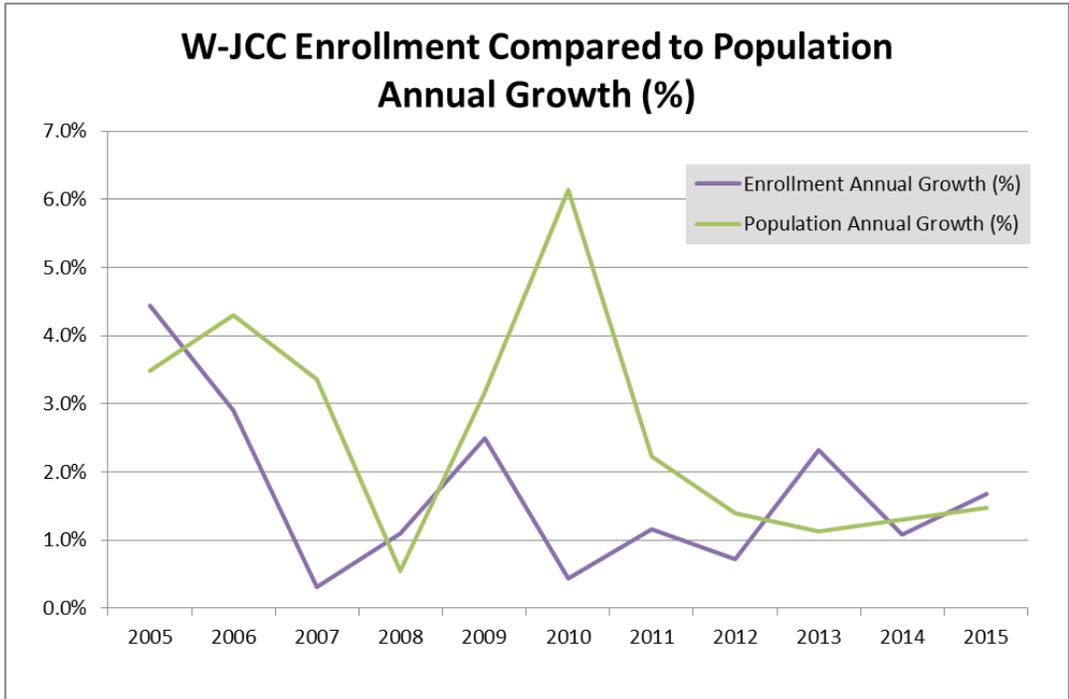
Source: W-JCC Public Schools FY16 Budget; FutureThink Enrollment Projections Update

Figure 19. Williamsburg-JCC Public Schools Enrollment Growth



Source: W-JCC Public Schools FY16 Budget

Figure 20. Williamsburg-JCC Public Schools Enrollment Growth Compared to Population Growth



Source: W-JCC Public Schools FY16 Budget; TischlerBise

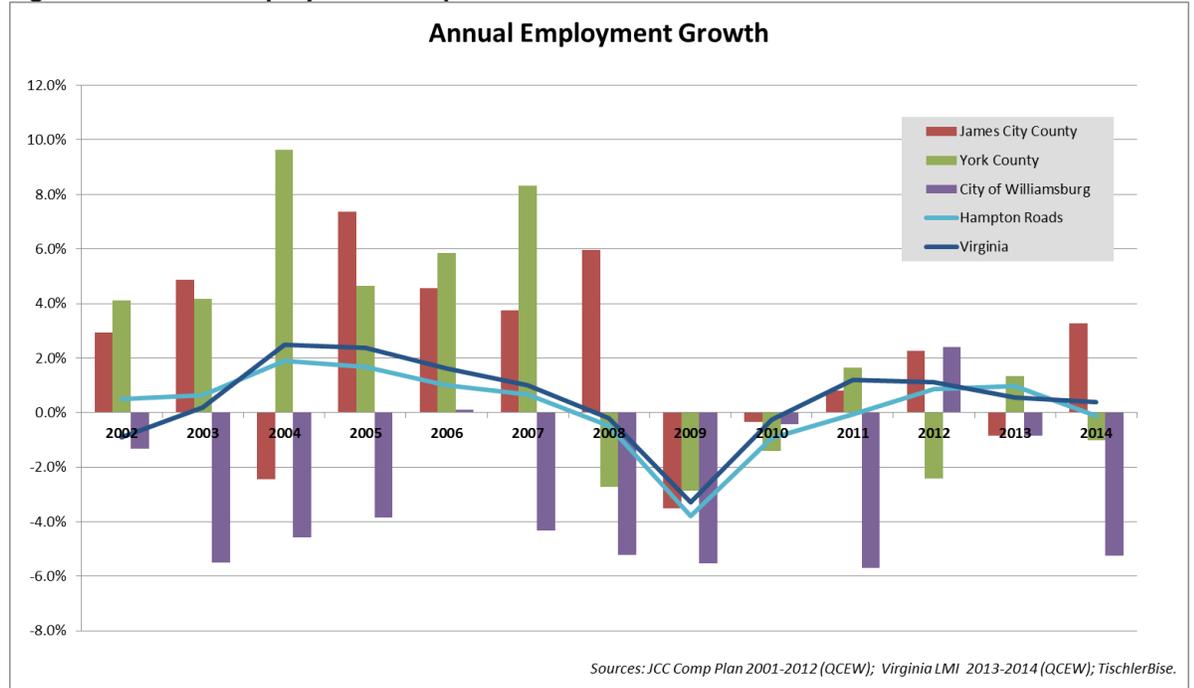
As noted above, the Census population estimate for 2010 was a recalibration and therefore registers as a large increase.

ECONOMY AND INDUSTRY

COUNTY EMPLOYMENT

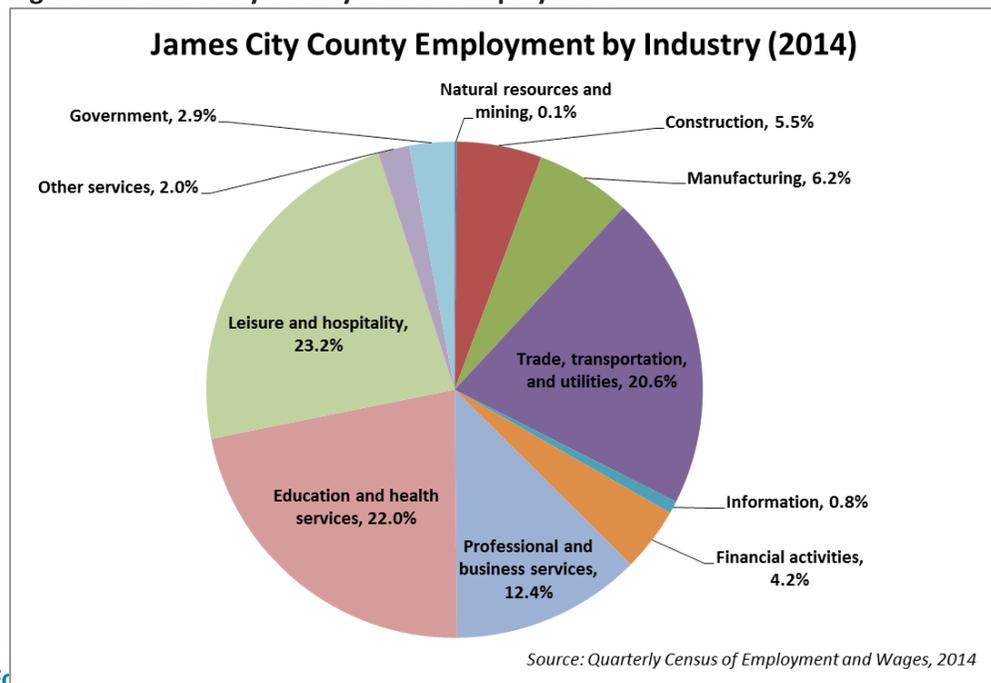
Employment growth in JCC is typically greater than the region and state during periods of growth. During periods of decline, losses tend to be less than the region and state with some exceptions.

Figure 21. Annual Employment Comparisons



Employment in the County is primarily in Leisure and Hospitality, Education and Health Services, and Trade, Transportation, and Utilities. Combined, these three sectors make up over 65 percent of the jobs in the County.

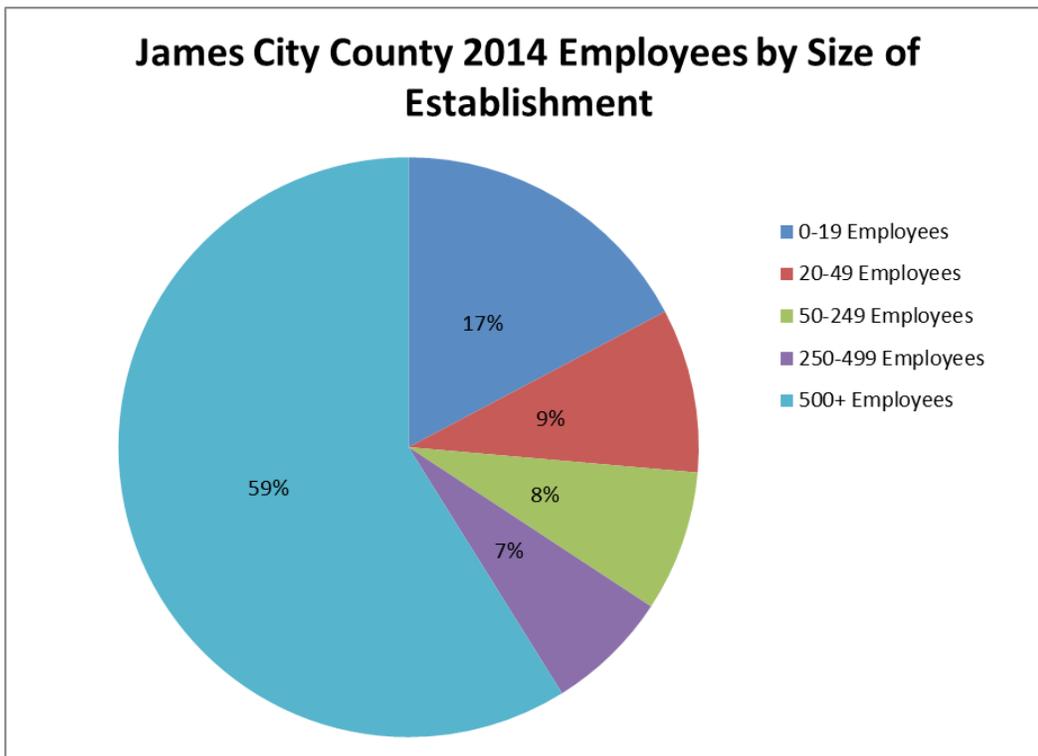
Figure 22. James City County Current Employment



The share of employees by size of establishment has remained steady since 2010 and is also similar to the distribution in the MSA. The one exception is that James City County has a higher percentage of workers in the largest category—59 percent in the 500+ employee category—compared to 55 percent in the MSA. However, approximately 41 percent of employees in James City County work for companies with fewer than 500 employees.

In addition, the County consistently keeps pace with the region and state with regard to startup firms. From 2013 to the first two quarters of 2015, the County has seen a 31 percent increase in startups, which compares favorably to the Hampton Roads region at 28 percent and the state at 41 percent.

Figure 23. Small Businesses Share of Total Businesses



LOCATION QUOTIENT

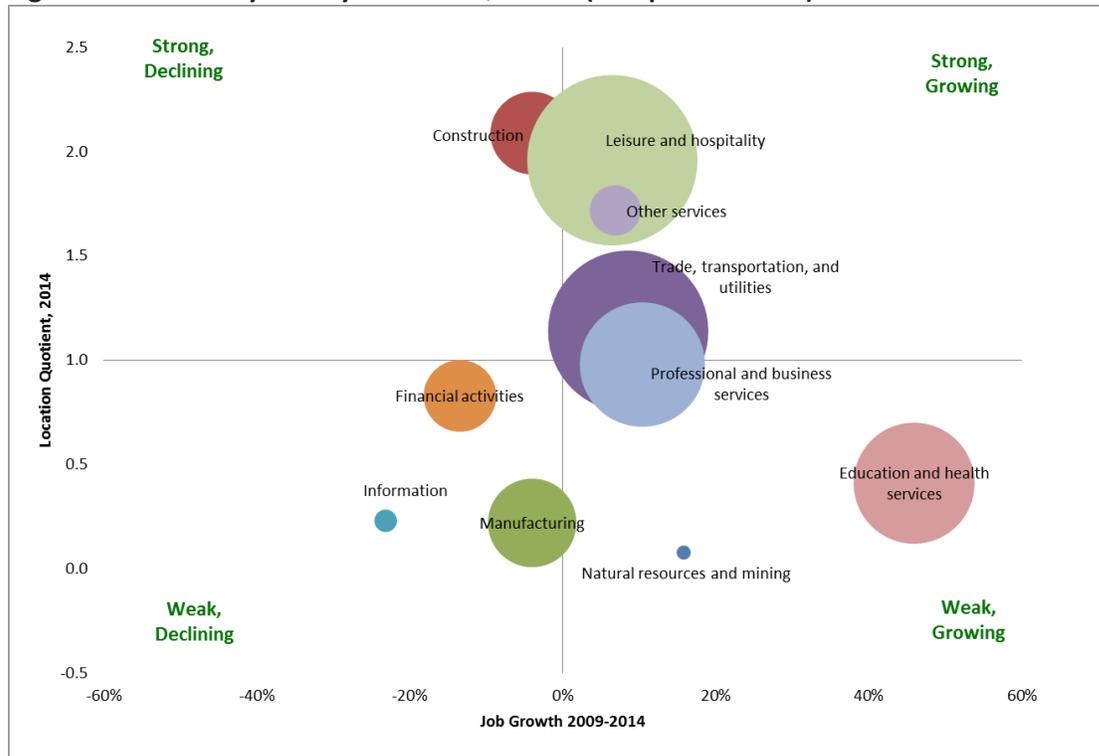
One measure of a region’s ability to weather economic uncertainty is industry diversification. When a region is host to a diverse mix of industries, it is less vulnerable to changes in any one sector. Location Quotient (LQ) is a statistical measure of an industry concentration. The LQ indicates the geographical concentration of an industry in an area, as a function of the expected concentration based on the national average.

As shown in Figure 24, the LQs for James City County compare the 2014 County economy to that of the United States to identify specializations in the local economy. An LQ above 1 (mapped on the Y-axis) indicates an industry concentration higher than the expected share based on the United States. Compared to the United States, James City County has a higher concentration of jobs in Construction; Trade, Transportation, and Utilities; Leisure and Hospitality; and Other Services compared to employment in the United States as a whole. (Professional and Business Services is just below 1.)

The size of each bubble in Figure 24 indicates the relative 2014 employment base by major industry cluster. Lastly, charted along the horizontal x-axis is the job growth between 2009 and 2014 of each major industry cluster present in James City County.

Compared to the national average, the County hosts a larger concentration of employment in Construction industries, but the County lost jobs in these industries between 2009 and 2014. Understanding the four classifications of industries can help design business attraction and business retention and expansion strategies to maximize the growth potential of new and existing businesses.

Figure 24. James City County Location Quotient (Compared to U.S.)



For further detail to compare recent trends in the immediate region, state, and nation, Figure 25 provides job growth and decline from 2009-2014 at the “super sector” level.

Figure 25. Job Growth and Decline Comparisons

Job Growth/Decline 2009-2014					
	James City County	York County	City of Williamsburg	Virginia	U.S.
Natural resources and mining	16%	77%	NC	-3%	16%
Construction	-4%	-7%	-4%	-6%	3%
Manufacturing	-4%	-39%	6%	-3%	3%
Trade, transportation, and utilities	9%	4%	-15%	3%	6%
Information	-23%	-5%	ND	-12%	-3%
Financial activities	-13%	16%	ND	3%	1%
Professional and business services	10%	12%	-12%	6%	16%
Education and health services	46%	13%	-9%	10%	12%
Leisure and hospitality	6%	-9%	-14%	9%	13%
Other services	7%	7%	ND	3%	-3%

(NC) Not Calculable, the data does not exist or it is zero

(ND) Not Disclosable

Source: Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages (QCEW)

For James City County, growth in the following sectors has either outpaced its neighbors or the state as a whole:

- Trade, transportation, and utilities
- Education and health services
- Leisure and hospitality: Stronger growth than the immediate region but slower than the State and United States.
- Other services (small number of employees)

The following sectors reflect industries where James City County’s neighbors and the State have experienced growth but JCC has seen a decline or slower growth—thus identifying potential for growth within JCC.

- Financial activities
- Professional and business services

Detail by subsector is included in the final section of the appendix.

Figure 26. Employment Comparisons

Number and Share of Employment 2014*										
James City County		York County		City of Williamsburg		Virginia		U.S.		
#	%	#	%	#	%	#	%	#	%	
Natural resources and mining	44	0.19%	23	0.14%	NC	—	19,772	0.67%	2,073,041	1.79%
Construction	1,490	6.41%	1,853	11.04%	74	0.80%	178,197	6.00%	6,108,673	5.29%
Manufacturing	1,670	7.19%	397	2.36%	18	0.20%	231,422	7.79%	12,156,537	10.52%
Trade, transportation, and utilities	5,529	23.80%	4,324	25.75%	1,460	15.87%	636,284	21.43%	26,099,969	22.58%
Information	106	0.46%	93	0.55%	ND	—	71,494	2.41%	2,732,191	2.36%
Financial activities	1,120	4.82%	927	5.52%	ND	—	181,446	6.11%	7,674,037	6.64%
Professional and business services	3,338	14.37%	2,716	16.17%	597	6.49%	678,464	22.85%	19,074,275	16.50%
Education and health services	3,142	13.53%	1,224	7.29%	1,540	16.74%	465,609	15.68%	20,573,137	17.80%
Leisure and hospitality	6,244	26.88%	4,175	24.86%	5,106	55.50%	370,824	12.49%	14,626,556	12.66%
Other services	547	2.35%	1,060	6.31%	405	4.40%	131,334	4.42%	4,235,390	3.66%
Unclassified	1	0.00%	NC	—	NC	—	4,439	0.15%	214,881	0.19%
TOTAL	23,231	100.00%	16,792	100.00%	9,200	100.00%	2,969,285	100.00%	115,568,687	100.00%

Reflects above average % for jurisdiction

* Does not include Public Administration (Government) employment.

Source: Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages (QCEW)

EMPLOYMENT PROJECTIONS

Employment projections are available from the Virginia Employment Commission by Workforce Investment Area (WIA). James City County is part of the Greater Peninsula WIA (LWIA XIV⁶). The following figure provides 10-year projections (2012-2022) along with the calculated Location Quotient for James City County. Above average amounts of growth and Location Quotients are identified. Overlap occurs in Construction; Professional and Business Services; and Other Services. Financial Activities also is worth further exploration.

Figure 27. Employment Projections and County LQ

	Greater Peninsula Workforce Area			JCC Location Quotient
	Est'd. Employment 2012	Projected Employment 2022	% Projected Increase	
Natural resources and mining	ND	ND	na	0.08
Construction	8,768	11,030	25.8%	2.09
Manufacturing	29,586	30,725	3.8%	0.22
Trade, transportation, and utilities	35,090	38,133	8.7%	1.14
Information	2,899	2,814	-2.9%	0.23
Financial activities	7,739	8,633	11.6%	0.83
Professional and business services	25,975	30,759	18.4%	0.98
Education and health services	48,557	59,237	22.0%	0.41
Leisure and hospitality	30,512	32,037	5.0%	1.96
Other services	5,955	6,962	16.9%	1.72
Government	2,463	2,473	0.4%	na
Total Disclosed	197,544	222,803	12.8%	

Source: Virginia Employment Commission, Industry and Occupational Projections; Bureau of Labor Statistics; TischlerBise

6 The jurisdictions in the Greater Peninsula WIA are: Gloucester County, James City County, York County, Hampton city, Newport News city, Poquoson city, and Williamsburg city.

RETAIL

TischlerBise examined the retail market potential for (1) James City County and (2) a 15-minute regional driveshed using ESRI Business Analyst. Retail market potential is a standard measure of retail characteristics in the trade area. A comparison of supply and demand can be used to assess opportunity. A retail gap appears when household expenditure levels for a specific area are higher than the corresponding retail sales estimates. This difference signifies that resident households are meeting the available supply and supplementing their additional demand potential by going outside of their resident trade area, and is otherwise referred to as leakage. The opposite is true in the event of a retail surplus. That is, when the estimated levels of household expenditures are lower than the retail sales estimates. In this case, local retailers are attracting customers from outside the immediate area. (It should be noted that this type of analysis is quantitative in nature—based solely on sales and expenditure data—and does not address the availability of specific stores and/or local and regional consumer habits or desires. If this were to be identified as a priority focus area, additional work will need to be done.)

James City County has significant unmet retail needs. Overall, the County is estimated to have a \$1.6 billion demand for retail goods, food, and drink with local supply at \$866 million—reflecting a gap of \$774 million. A large portion (approximately 40 percent) of the gap is demand for motor vehicles; however, even excluding demand for motor vehicles leaves almost \$500 million in unmet needs (i.e., spending occurring outside James City County). For Food and Drink expenditures, approximately 30 percent of demand from the County is lost to other localities. This represents \$76 million in potential spending. When the region is expanded to include a 15-minute driveshed, which includes the City of Williamsburg, the retail gaps change somewhat. The food and drink gap becomes a surplus—that is, retail sales exceed estimated demand, which makes sense given the area is a tourist location. However, other types of retail still show a gap—again, pointing to an opportunity to capitalize on local and regional demand.

Figure 28. Retail Gap Analysis

	<i>Demand (Retail Potential)</i>	<i>Supply (Retail Sales)</i>	<i>James City County Retail Gap/(Surplus)</i>	<i>15-minute Driveshed Retail Gap/(Surplus)</i>
Total Retail Trade and Food and Drink	\$1,640,364,925	\$866,235,072	\$774,129,853	\$64,449,198
Total Retail Trade	\$1,481,787,126	\$783,877,220	\$697,909,906	\$112,866,818
Total Food and Drink	\$158,577,799	\$82,357,852	\$76,219,947	(\$48,417,619)
<i>Category Detail</i>				
Motor Vehicle and Parts Dealers	\$347,570,048	\$64,560,561	\$283,009,487	\$125,832,589
Auto Dealers	\$290,050,363	\$40,138,140	\$249,912,223	\$91,918,240
Other Motor Vehicle Related	\$57,519,685	\$24,422,421	\$33,097,264	\$33,914,349
Furniture and Home Furnishings Stores	\$45,365,282	\$71,635,345	(\$26,270,063)	(\$23,953,347)
Electronic and Appliance Stores	\$61,503,215	\$26,421,724	\$35,081,491	\$13,989,339
Building Materials, Garden Equipment and Supply Stores	\$79,117,599	\$22,185,226	\$56,932,373	\$31,391,989
Food and Beverage Stores	\$279,308,254	\$233,106,293	\$46,201,961	(\$29,372,528)
Health and Personal Care Stores	\$83,915,349	\$39,151,286	\$44,764,063	\$25,710,960
Gasoline Stations	\$101,546,939	\$18,649,440	\$82,897,499	\$66,731,216
Clothing and Clothing Accessories Stores	\$74,175,118	\$103,385,863	(\$29,210,745)	(\$39,702,680)
Sporting Goods, Hobby, Book, and Music Stores	\$39,937,858	\$19,875,545	\$20,062,313	\$3,980,147
General Merchandise Stores	\$276,778,600	\$61,808,709	\$214,969,891	\$82,716,861
Miscellaneous Store Retailers	\$49,049,401	\$118,687,989	(\$69,638,588)	(\$114,452,394)
Nonstore Retailers*	\$43,519,463	\$4,409,239	\$39,110,224	(\$30,005,332)
Total Food Services and Drinking Places	\$158,577,799	\$82,357,852	\$76,219,947	(\$48,417,619)
Full-Service Restaurants	\$87,483,710	\$47,491,256	\$39,992,454	(\$29,126,205)
Limited-Service Eating Places	\$66,951,958	\$33,868,728	\$33,083,230	(\$19,437,840)
Other (Special Food Services and Drinking Places)	\$4,142,131	\$997,868	\$3,144,263	\$146,427

Demand exceeds supply

* Electronic shopping; mail-order; vending; direct sales

Source: ESRI and Infogroup

Given the gap identified—particularly for food and drink establishments in the County, a rough calculation of supportable restaurant square feet is as follows. Given the unmet demand, an additional 200,000 square feet could be supported. However, it should be noted that there is a surplus of space within the 15-minute driveshed and therefore any additional space in the County has the potential to siphon business from existing establishments. That said, the surplus shown for the 15-minute driveshed also is a result of tourists—external dollars coming in to the region thus strengthening the market for additional restaurant development in the County.

Figure 29. Food and Drink Market Opportunity

	James City County
Unmet Food and Drink Demand	\$76,219,947
Average Sales/Sq. Ft.	\$400
Supportable Sq. Ft.	190,550

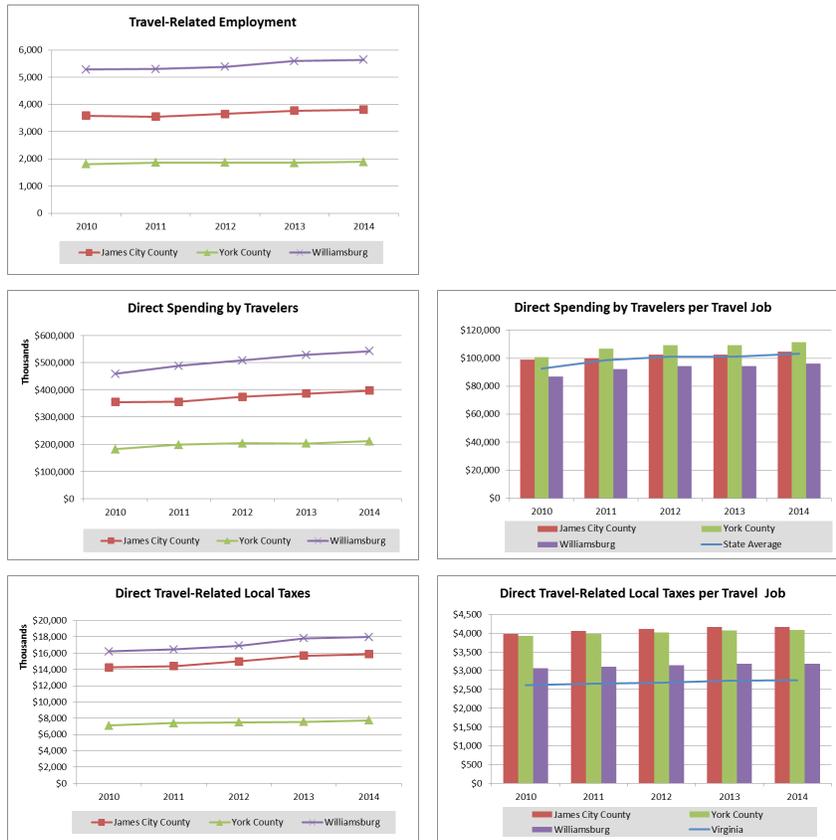
Source: ESRI and Infogroup; TischlerBise

TRAVEL AND TOURISM

According to data from Smith Travel Research (Year to Date as of September 2015), annual occupancy in Williamsburg region hotels is approximately 50 percent. However, this does not account for rental timeshares, which comprise approximately 45 percent of the regional lodgin inventory. Average room rates are comparable to the state and region, if not slightly higher than the region (Virginia Beach excepted).

Travel has an economic impact to James City County and the immediate region. The following series of charts are from the Virginia Tourism Corporation and provide the direct economic impacts of domestic travelers’ spending (employment created and local expenditures) as well as local excise tax collections (sales and transient taxes).

Figure 30. Economic Impacts of Domestic Travel in James City County, York County, and City of Williamsburg



ECONOMIC DEVELOPMENT ORGANIZATIONAL INFRASTRUCTURE

James City County has its own economic development agency—James City County Economic Development Authority. The County had been part of the larger regional entity—Hampton Roads Economic Development Authority—but recently formed a new smaller regional economic development entity with York County and the City of Williamsburg. The three entities have experience working together with the regional incubator, “LaunchPad,” which is jointly funded by the three localities. In addition, the three localities have a revenue sharing agreement for revenue generated by companies that emerge from incubator regardless of whether the business locates in any of the three jurisdictions—for all revenues except real property tax.

In terms of incentives, James City County currently has a Tourism Investment Zone that covers the entire County with available incentives including reduction of selected development fees; Business and Professional License Fees (BPOL) grant; personal property tax relief grant; and expedited review. There are no other local discretionary incentives. Furthermore, the current State designated Enterprise Zone in the County will expire at end of the 2015 calendar year. JCC has applied for another Zone designation jointly with City of Williamsburg but was not selected.

LABOR MARKET

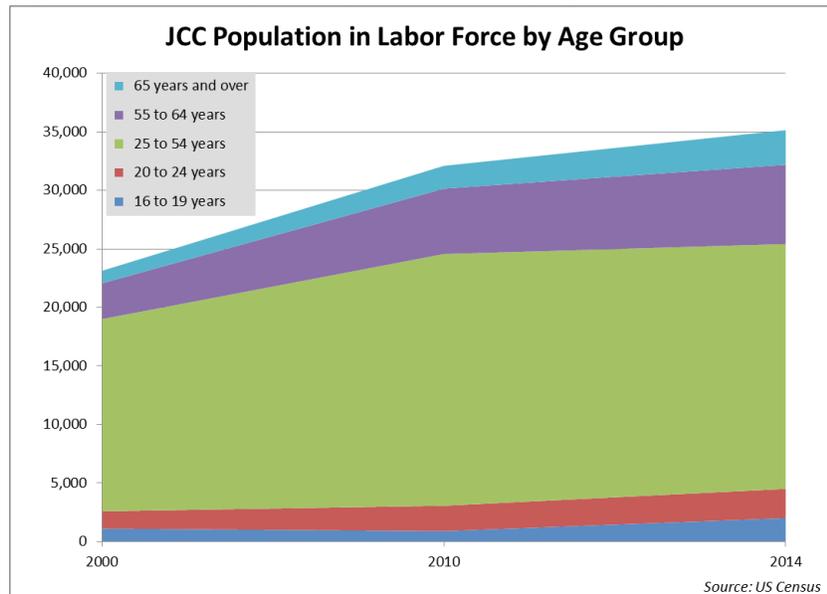
There has been quite a bit of work done in recent years on trends in the County and Region. Key resources include the James City County Comprehensive Plan, adopted in 2015, and the Hampton Roads Planning District Commission Benchmarking Study (2015).

This document summarizes key items from those resources and further explores data on the local economy in support of the Strategic Plan.

LABOR MARKET AND EMPLOYMENT BASE

The current estimate of the number of jobs located in James City County is approximately 28,000 and the current labor force is estimated at 35,000, reflecting approximately 60 percent of population aged 16 years or older. The following figure shows the change in the County's labor force since 2000 by major age group. As shown, and consistent with national trends, people are working longer as evidenced by the increasing share of 65 and older residents working in 2014.

Figure 31. James City County Labor Force by Age Group



Approximately 30 percent of the County's jobs are held by residents with 70 percent of the County's jobs held by in-commuters. On the other hand, approximately 65 percent of the County's labor force commutes outside the County for work with 35 percent working in the same County (JCC) where they live.

Figure 32. Employment Inflow and Outflow Characteristics

	2013	
	Count	Share
Employed in the Selection Area	28,086	100.0%
Living in the Selection Area	24,139	85.9%
Net Job Inflow (+) or Outflow (-)	3,947	-

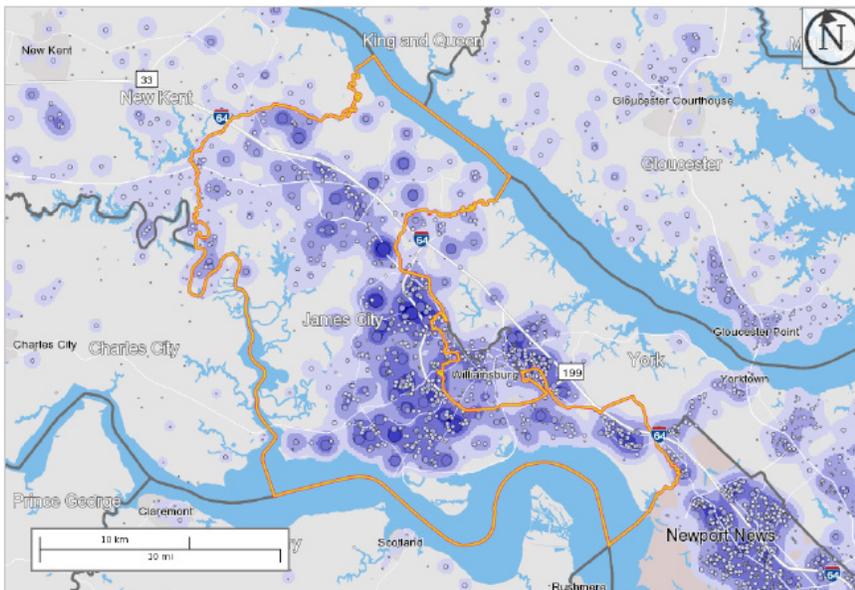
	2013	
	Count	Share
Living in the Selection Area	24,139	100.0%
Living and Employed in the Selection Area	8,409	34.8%
Living in the Selection Area but Employed Outside	15,730	65.2%

	2013	
	Count	Share
Employed in the Selection Area	28,086	100.0%
Employed and Living in the Selection Area	8,409	29.9%
Employed in the Selection Area but Living Outside	19,677	70.1%

Source: U.S. Census, OnTheMap Application and LBHD Origin-Destination Employment Statistics

The following two figures show where workers who work in the County live—in-commuters followed by where residents work—out-commuters. The largest draw for both in- and out-commuting is Southeast toward Newport News.

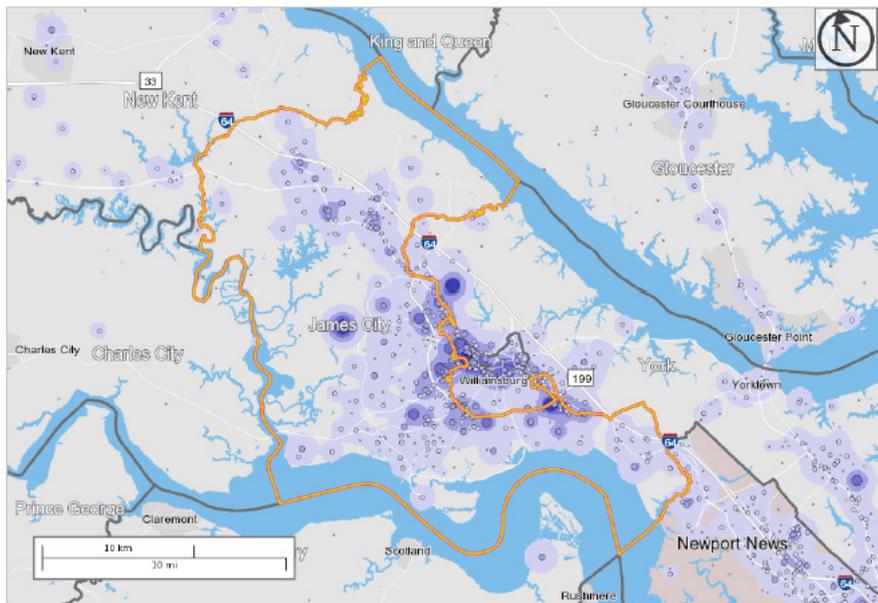
Figure 33. In-Commuters: Where the Employees in the County Live (Work Census Block to Home Census Block)



Map Legend

Job Density [Jobs/Sq. Mile] ■ 5 - 30 ■ 31 - 105 ■ 106 - 231 ■ 232 - 407 ■ 408 - 634	Job Count [Jobs/Census Block] ● 1 - 3 ● 4 - 18 ● 19 - 58 ● 59 - 137 ● 138 - 267 Selection Areas ■ Analysis Selection
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Figure 34. Out-Commuters: Where the County Labor Force Works (Home Census Block to Work Census Block)



Map Legend

Job Density [Jobs/Sq. Mile]	Job Count [Jobs/Census Block]
■ 5 - 158	• 1 - 3
■ 159 - 617	• 4 - 35
■ 618 - 1,382	• 36 - 173
■ 1,383 - 2,453	• 174 - 546
■ 2,454 - 3,830	• 547 - 1,334
	Selection Areas
	▲ Analysis Selection

EDUCATION LEVEL

Residents of James City County and the immediate region are better educated on average than the rest of the state and country.

Figure 35. Education Attainment

	<i>High School Graduate or Higher (% of persons 25 years+)</i>	<i>Bachelor's Degree or Higher (% of persons 25 years+)</i>
James City County	93.6%	46.1%
York County	94.0%	42.0%
City of Williamsburg	91.9%	48.6%
Virginia	87.9%	35.8%
United States	86.3%	29.3%

Source: US Census, 2014 American Community Survey 5-Year Estimates

James City County is home to the College of William & Mary and houses a satellite campus of Thomas Nelson Community College. The College of William & Mary is consistently ranked one of the best public colleges in the United States. Enrollment at the university is almost 10,000 in over 40 undergraduate programs and 40 graduate and professional degree programs. The Mason School of Business houses an Entrepreneurship Center, providing resources, support, and training for business development as well as manages the Triangle Business Incubator located in James City County.

Thomas Nelson Community College has its main presence in Hampton and a satellite campus in James City County with future plans to expand the James City County campus. The College has a mix of students with about half pursuing a two-year degree and then going on to complete a Bachelor's Degree and the other half pursuing professional, technical, and continuing education. The College has two current workforce development initiatives: (1) Advanced Manufacturing and (2) Cybersecurity. These programs present opportunities for potential economic development linkages in the County.

REAL ESTATE MARKET

NATIONAL TRENDS

For the first time since the 1920s, many urban markets across the country are growing faster than neighboring traditional suburban subdivisions. The national shift from suburban sprawl to a more traditional model of center-oriented development seeks to address a series of consequences of previous patterns including “dead zones” created by single-use development, increasing traffic congestion and commute times, infrastructure costs, lack of place identity, affordability, and market activity.

The economic impacts of “dead zones” created by auto-centric single use development, and the fiscal impacts of expanding infrastructure to serve outlining pockets of limited activity are key drivers of a renewed focus on town centers and center cities. Increased interest is making infill/redevelopment plans to concentrate new population and commercial activity in places with existing infrastructure is more financially feasible. Additionally, a personal preference for more walkable and vibrant live/work/play centers is spurring the change, albeit not uniformly across demographics or geographies.

RESIDENTIAL DEVELOPMENT

During the housing boom of the early and mid-2000s, the size of single family homes increased. According to U.S. Census Bureau data regarding the characteristics of housing units built in 2013, the national trend of larger single family homes continued after the housing bubble burst, reaching a new peak of 2,384 square feet. The increase in average size after the recession is due in part to a national market for new construction restricted to higher income levels, who can afford a larger and higher-end single family home, and an over-supply of existing units in a variety of markets available for lower income levels.

Unlike single family homes, units in multi-unit structures have trended down in size from a 2007 peak of 1,200 square feet, to just above 1,000 square feet in 2013. At the tail-end of the recession, multifamily housing development nationwide ramped-up to meet a new demand from former homeowners, millennials entering the workforce, and some delaying the purchase of homes. Some real estate analysts see the national multifamily market as being in a mature phase of the development cycle, while others still see emerging demand. Those who see unmet demand are monitoring the housing preferences of an increasingly mobile workforce defined by millennials who choose smaller units in exchange for vibrant community space, preferences for shorter and multi-modal commutes, and the preferences of baby boomers. Whether demand for multifamily is ramping-up or stabilizing, many investors recognize that in most cases profit from new developments will come from volume over price. Therefore, they are looking to build in markets that allow higher densities.

National trends suggest lifestyle and housing preferences are changing as demographics change, and analysts see a tipping point on the horizon. National indicators suggest that in as soon as five years, the national supply of suburban homes will outnumber demand. The year 2020 is projected to be a critical point in the national housing market, as it marks a time when baby boomers may begin to downsize in earnest as well as when the first big wave of millennials may start to buy homes. Unfortunately, the sell-off by the boomers will occur mostly in 10- to 20-year old, large-lot single family suburbs, which so far has seem to hold less appeal for purchasers.

While it is important for James City County to monitor the start of the baby boomers downsizing, and encourage the development of a wide-range of housing options, recent local market demand suggests the County will not experience the transition from suburban home demand as soon as national trends. Recent residential building has continued to be in single family units.

MIXED-USE DEVELOPMENT

Recent work to analyze commercial and mixed-use development trends helps to clarify that “mixed-use development” is not a one-size-fits-all growth strategy. Findings published in the June 2014 report, *Restore*, identifies seven types of development patterns all defined as mixed-use⁴. While some are most successful in areas of high population, wealth, and creativity, the Sonoran Institute argues that every type of community can benefit from development that intensifies and combines land uses in strategic areas.

OFFICE SPACE

Three key trends related to size, layout, and location are changing demands for office space. First, is the shift to fewer square feet per employee. This is expected as files are digitized, telecommuting grows, and costs per square foot increase. Second, the sharing economy and collaborative innovation is transforming the traditional office space. Market demand is growing for smaller spaces, with collaborative space layouts, that are easily redesigned to meet various tenant needs.

Additionally, research from The George Washington University suggests market rents for office space that is located in an area of mixed-use vibrancy can achieve, on average, a 44 percent premium over space in less dense areas of limited land use diversity⁵. These trends are increasing demand for space that is flexible to rearrange, and that is centrally located in vibrant districts.

COMMERCIAL SPACE

Bricks and mortar retail is evolving. Most real estate analysts see very little future market for retail development focused on single tenant retail. Instead, future retail development is projected to focus on infill establishments close to residential and business activity. Nationally, redevelopment projects are already repurposing neighborhood and community vacant retail as medical and healthcare services and community services (e.g., libraries, workforce training centers), to take advantage of the proximity to established neighborhoods. Real estate analysts see medical office space as the primary driver for localized office space, both in town centers and center cities. Estimates suggest that as the baby boomers age, health care may represent 20 percent of GDP; this economic dominance will affect the design and location of health services space. Vacant and underutilized retail space offers existing local access for the core customer base for Health Services.

4 Sonoran Institute. (June 2014). *Restore Commercial and Mixed-Use Development Trends in the Rocky Mountain West*.

5 Leinberger, Christopher and Patrick Lynch. *Foot Traffic Ahead: Ranking Walkable Urbanism in America’s Largest Metros*. 2014. The Center for Real Estate and Urban Analysis, School of Business at The George Washington University.

REGIONAL AND LOCAL REAL ESTATE MARKET TRENDS

James City County is generally analyzed as part of the larger Hampton Roads real estate market. Within the region, the James City County's submarket is typically captured as part of the Williamsburg area and sometimes part of the larger Peninsula submarket. Current nonresidential inventory in the Williamsburg Submarket is as follows:

- Office: Inventory of approximately 1.5 million square feet of Class A and B office space with an overall vacancy rate of 7.2 percent. Vacancy rates differ between Class A and B space in the submarket with a vacancy rate of 7 percent for Class A space and 36 percent for Class B. Rents are higher than the regional average for Class A and at average for Class B space⁶.
- Industrial: Current inventory of approximately 8 million square feet with major users Walmart (distribution), Anheuser Busch, Ball Metal, Haynes Furniture, Owen Brockway, and Lumber Liquidators comprising the majority of the space. Vacancy rate (Q3 2015) of approximately 4 percent⁷.
- Retail: Inventory of approximately 7 million square feet with a 2015 (third quarter) vacancy rate of approximately 7 percent. Rental rates are higher in the Williamsburg submarket than the regional average⁸.

OFFICE DEVELOPMENT

Market reports for the Hampton Roads Region note that reduced federal spending through sequestration has hindered growth in the region specifically due to reduced military spending—affecting not only direct spending on contractors but indirect and induced effects on spending in the community. The region's economy has experienced slower growth than the national economy as a whole for past four years. Vacancy rates have decreased in the last year albeit at a relatively slow pace. Future office users will “continue to want location and amenities but, with fewer employees and more of those employees working from home or at client sites, they simply will not require as much space.”⁹

Current demand in the region is from medical users and government contractors, albeit hampered by continued low defense spending. Per Cushman & Wakefield/Thalhimer, “the office market has plenty of inventory, but many buildings are in need of improvement” and they expect continued demand from medical tenants.¹⁰ The Williamsburg Market accounts for approximately 3.5 percent of the office market inventory for the entire region and approximately 13 percent of the Peninsula Submarket.

INDUSTRIAL DEVELOPMENT

Market reports for the Hampton Roads Region indicate that the regional economy is “still hindered by reduced military spending and infrastructure congestion.” But that the Port of Virginia is experiencing increased activity and is third in market share among ports on the East Coast with 13 percent market share. The Port is expected to continue to drive demand for warehousing/distribution space.

6 Cushman & Wakefield / Thalhimer “Marketbeat: Office Snapshot Q3 2015, Hampton Roads.” Cushman & Wakefield / Thalhimer for the Center for Real Estate and Economic Development at Old Dominion University, 2015 Market Review Reports: Office.

7 Cushman & Wakefield/Thalhimer, “Marketbeat: Industrial Snapshot Q3 2015, Hampton Roads.”

8 Cushman & Wakefield/Thalhimer, “Marketbeat: Retail Snapshot Q3 2015, Hampton Roads.”

9 Cushman & Wakefield / Thalhimer for the Center for Real Estate and Economic Development at Old Dominion University, 2015 Market Review Reports: Office.

10 Cushman & Wakefield/Thalhimer, “Marketbeat: Office Snapshot Q3 2015, Hampton Roads.”

For industrial development, market reports indicate that “the investment market is heating up as out-of-town investors search for desirable inventory in second-tier markets.” However, the reports note that the “lack of appropriate product is discouraging.”¹¹ Again, this market report is for the entire Hampton Roads region—of which James City County is not identified by name and where the Williamsburg submarket reflects approximately 8.5 percent of the industrial inventory for the entire region and approximately 30 percent of the Peninsula Submarket.

RETAIL DEVELOPMENT

The theme for retail space in the region is mergers and consolidations, thus ultimately leaving vacant stores in the market. Good performers in the regional market are grocery stores and auto stores. Market reports indicate that “regional franchise tenants are replacing the units once sought by local ‘mom and pop’ [establishments]” and . . . “medical users [are] occupying retail space rather than traditional medical office buildings.”¹² New construction is occurring in the regional market with over 500,000 square feet in process (as of third quarter of 2015)—however, this reflects activity in the entire region. That said, Cushman & Wakefield/Thalhimer indicates that the Peninsula Submarket is strong.

The Williamsburg Submarket includes approximately 10 percent of the retail inventory for the entire Hampton Roads Market and 30 percent of the retail inventory of the Peninsula Submarket. Input from the working groups indicate that age of the retail inventory in the County is an issue with recent activity centered around redevelopment of vacant and older buildings.

The Working Groups note that retail space is aging and outdated and there is potential for revitalization and redevelopment of aging retail products.

11 Cushman & Wakefield/Thalhimer, “Marketbeat: Industrial Snapshot Q3 2015, Hampton Roads.”

12 Cushman & Wakefield / Thalhimer for the Center for Real Estate and Economic Development at Old Dominion University, 2015 Market Review Reports: Retail.

COUNTY CONDITIONS

According to James City County Economic Development and supported by regional market intelligence, a key challenge is available space and properties for office and industrial development. Available space in James City County as of November 2015 is as shown in Figure 36.

Figure 36. James City County Available Space and Land

	<i>Estimated Available Space</i>
Industrial/Flex Sq. Ft.*	710,000
Office Sq. Ft.*	270,000
Land/Sites Acres Total	2,350
Land/Sites Acres with Utilities	1,540

* Reflects 230,000 sq. ft. of space including in both categories

Source: James City County Office of Economic Development
(downloaded from www.yesjamescitycountyva.com)

The Comprehensive Plan identifies a current capacity of approximately 2,500 acres of zoned but undeveloped industrial land plus an additional 1,200 acres of designated industrial lands that are not yet zoned. The Comp Plan notes that “staff projects that sufficient land is appropriately zoned and/or designated to meet the commercial acreage for employment growth through 2035. This zoned and/or designated land contains a mixture of areas where utilities are already in place as well as areas where there are not currently utilities, such as the north-east side of the Croaker interchange. For the areas where utilities are not currently in place, utility extension may increase the absorption rate for the parcels.”¹³

Recent construction and improvement activity has quickened in the last few years. Recent building permit activity indicates a 40 percent increase in building permit activity from FY2012 to FY2015. The Economic Development Department indicates that the pace of commercial activity in FY2015 is reminiscent of FY2008, pre-Recession.

Figure 37. James City County Building Application/Permit Activity

	<i>FY2012</i>	<i>FY2015</i>	<i>% Growth</i>
Residential	1,197	1,444	21%
Commercial	429	601	40%

Source: James City County

Finally, it should be noted in this section that James City County’s Enterprise Zone will be expiring at the end of December 2015.

FISCAL CONDITIONS AND TRENDS

NATIONAL REVENUE TRENDS

The Center for City Solutions and Applied Research at the National League of Cities has conducted an annual survey of finance officers in U.S. cities for the past 30 years. The results are published annually. The most recent publication, “City Fiscal Conditions 2015,”¹⁴ reveals the following national trends:

- Finance officers report an increase in revenues over the last three years—but with progressively less growth since 2013.
 - Current revenue base is only 91.6 percent of the 2006 base
- Property tax revenues have increased over the last 2 years—recovering from the Great Recession—but growth is slowing
- Sales tax revenues have increased since 2012 but also progressively decreasing in recent years
- Fiscal pressures continue to include: infrastructure costs, pensions, health care benefits

COUNTY FISCAL TRENDS

It should be noted here that the section below reflects an initial examination of James City County fiscal trends. Later phases of the 2035 Strategic Plan effort will provide a more detailed fiscal evaluation and will further explore fiscal impacts in the County particularly as it relates to economic development, land uses, and service levels.

COUNTY REVENUES

Figure 38 provides a summary of James City County General Fund revenue sources for Fiscal Year 2016. The General Fund budget for FY 2016 is approximately \$187 million, reflecting a 4.7 percent increase from the adopted FY 2015 budget, mainly due to a property tax increase. The main sources of revenue for the County are property taxes from real and personal property at 66 percent of the General Fund.

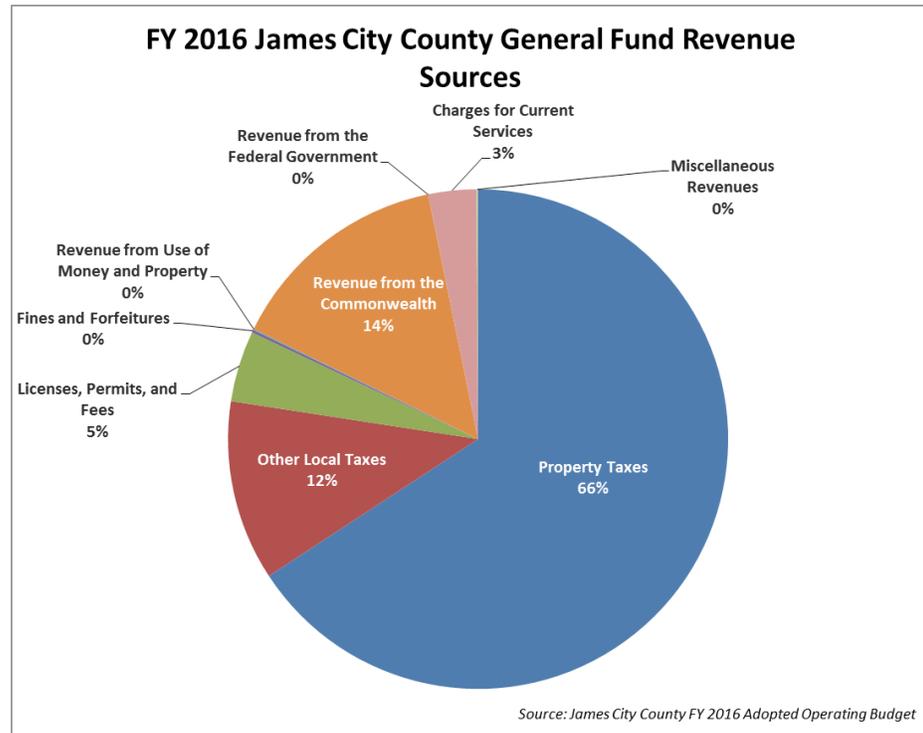
Figure 38. James City County FY 2016 General Fund Revenue Sources

	<i>FY 2016 James City County General Fund Revenue Sources</i>	<i>%</i>
Property Taxes	\$122,976,950	66%
Other Local Taxes	\$21,790,000	12%
Licenses, Permits, and Fees	\$8,585,000	5%
Fines and Forfeitures	\$320,000	0%
Revenue from Use of Money and Property	\$125,000	0%
Revenue from the Commonwealth	\$27,177,500	15%
Revenue from the Federal Government	\$7,500	0%
Charges for Current Services	\$5,798,750	3%
Miscellaneous Revenues	\$183,300	0%
TOTAL	\$186,964,000	100%

Source: James City County FY16 Adopted Budget

Figure 39 provides a graphic depiction of FY 2016 County budgeted revenues.

Figure 39. James City County FY 2016 General Fund Revenue Sources (Graph)



The reliance on property tax is important in understanding the County’s revenue structure and fiscal condition. This will be a critical piece of further fiscal evaluation in the County. For instance, if development trends continue into the future, is ample property tax revenue available to offset the costs generated by future housing, retail, and other nonresidential development?

REVENUE TRENDS

Assessed values have plateaued in recent years, echoing national trends. However, personal property (and public service)¹⁵ values have continued to increase in recent years.

¹⁵ Public service properties are regulated public utilities (railroads, electric, telephone, gas, and telecommunications companies) and assessed by the State Corporation Commission.

Figure 40. James City County Personal and Public Service Property Assessed Values

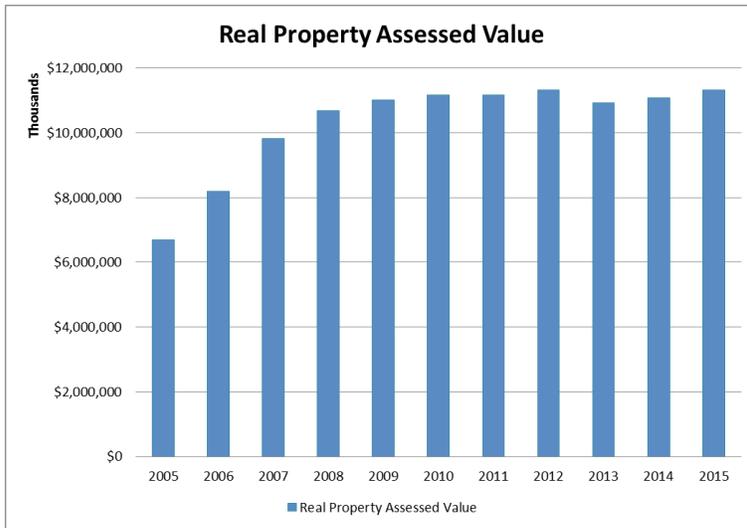
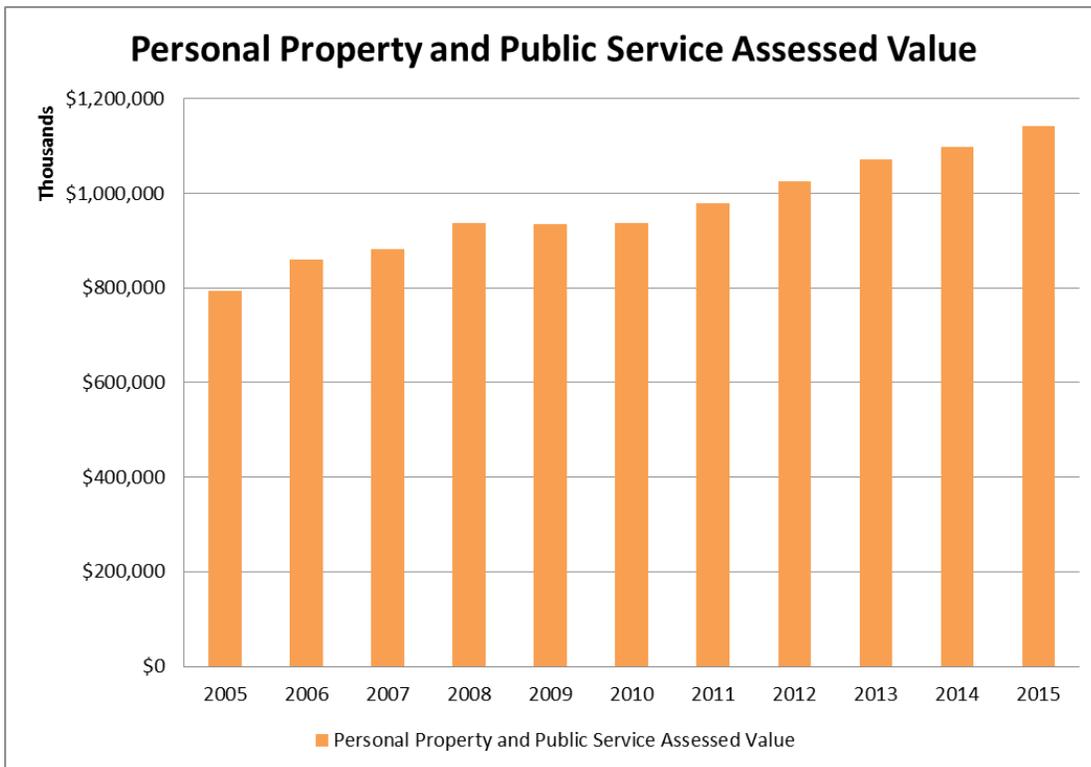
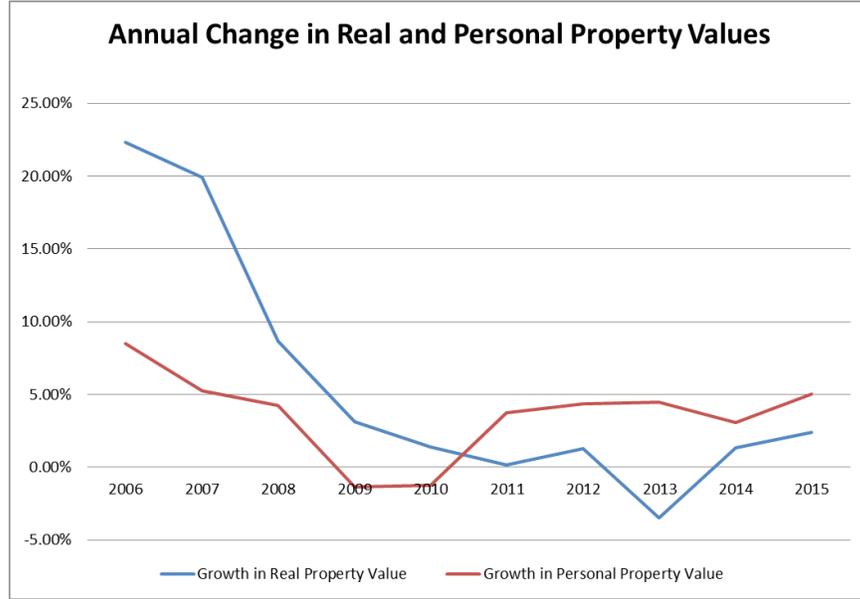


Figure 41. James City County Personal and Public Service Property Assessed Values



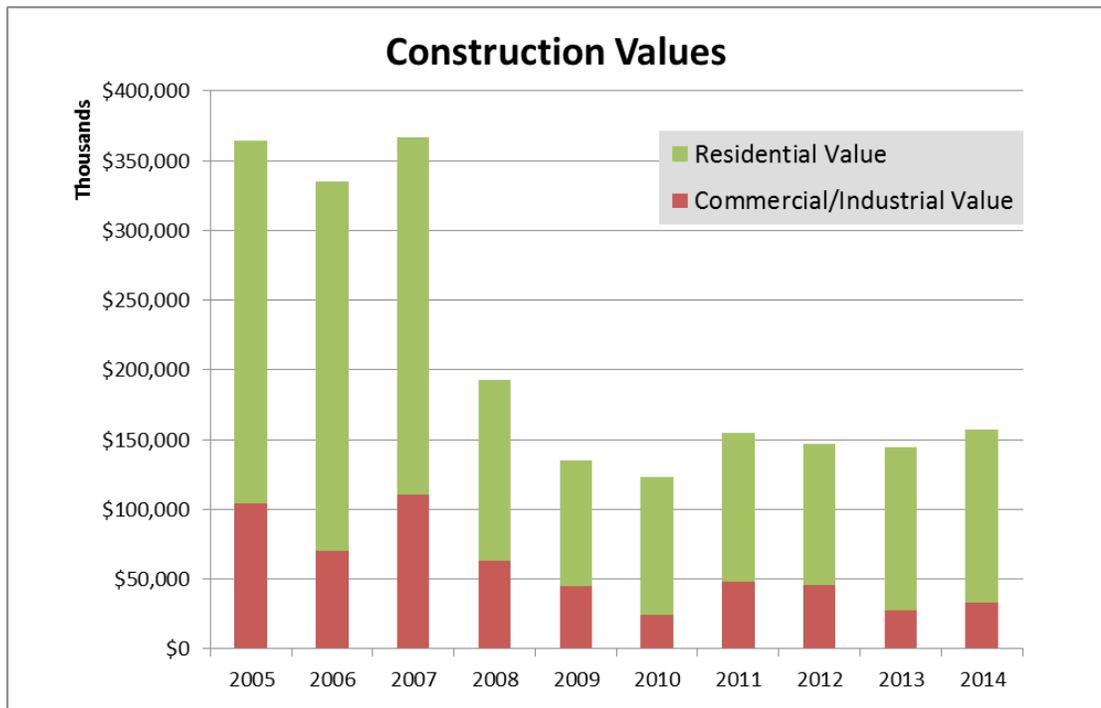
Comparing the growth rates in real and personal property values over the past 10 years in James City County reflects national trends of local governments trying to recover from the Great Recession—after decreases in value after the Great Recession, modest increases in value are starting to occur. The percentage changes reflect the annual increases/decreases illustrated in the above figures.

Figure 42. James City County Real and Personal Property Value Annual Change



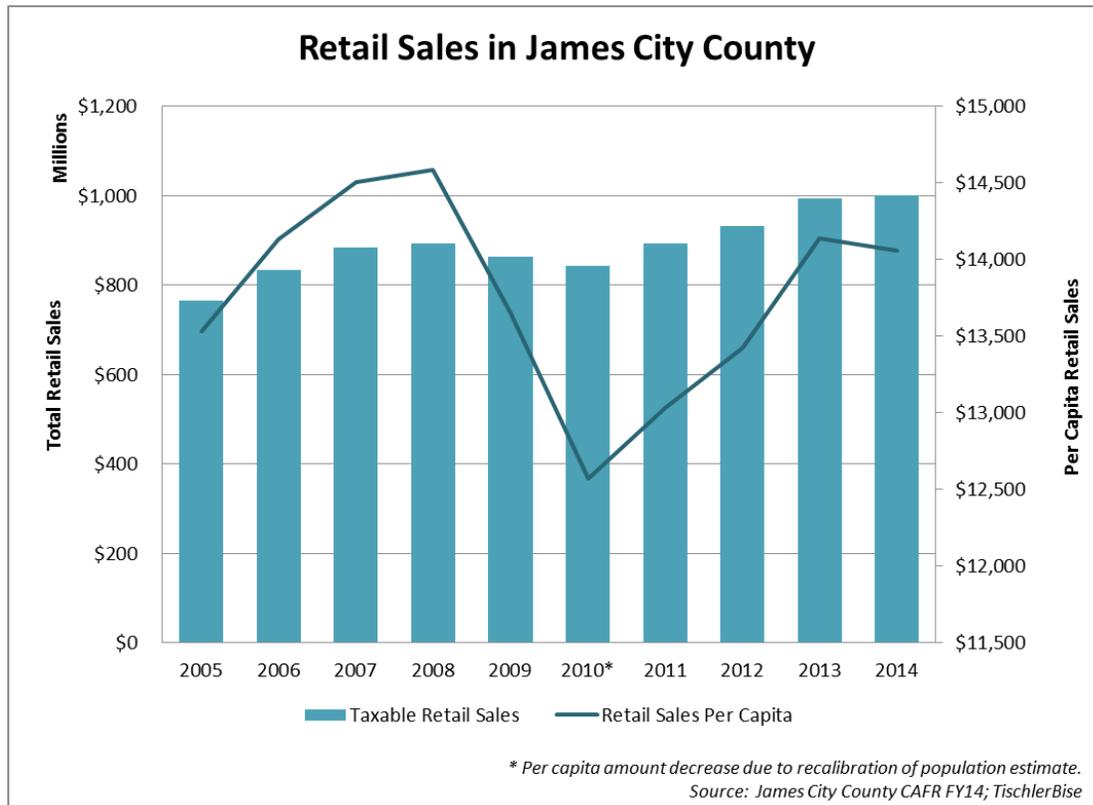
Construction prior to the Great Recession was generating over \$300 million annually in new value to the County’s tax rolls. This level of investment was essentially cut in half over the last seven years with FY2014 registering approximately \$150 million in construction value. Of that amount, 80 percent is from residential development. Over the ten-year period shown, the weighted share from residential development is 73 percent.

Figure 43. James City County Construction Activity



Taxable retail sales in James City County have gradually increased since a recent low point in 2010. However, recent trends show slowing growth. In addition, retail sales per capita in the County have decreased in the past year. It should be noted that with the recalibration of the County’s population estimate in 2010, the significant decrease in the per capita amount starting in 2010 is due more to the population figure than retail sales, although retail sales did decrease in that year.

Figure 44. Retail Sales Trends



Other local revenue trends in the County have followed national trends:

- BPOL tax revenue collected by the County peaked in FY2008 and has subsequently decreased from the peak over the next six fiscal years. This reflects the effects of the Great Recession, which began in December 2007 and officially ended in June 2009. However, local economies continue to struggle to return to pre-Recession revenue levels.¹⁶
- Other taxes from businesses have increased substantially since FY2010. See below.

16 National League of Cities, “City Fiscal Conditions in 2015.” www.nlc.org

Figure 45. Trends in Business Taxes

	<i>FY2010</i>	<i>FY2015</i>	<i>% Growth</i>
Machinery and Tools Tax	\$5,191,287	\$5,773,761	11%
Local Sales Tax	\$8,431,320	\$10,352,847	23%
Meals Tax	\$5,561,107	\$6,366,518	14%
Business and Professional License Tax (BPOL)	\$5,243,145	\$5,977,515	14%

Source: James City County

COUNTY EXPENDITURES

The County Fiscal Year 2016 budgeted expenditures are shown in Figure 46. As shown, the total General Fund budget is approximately \$187 million.

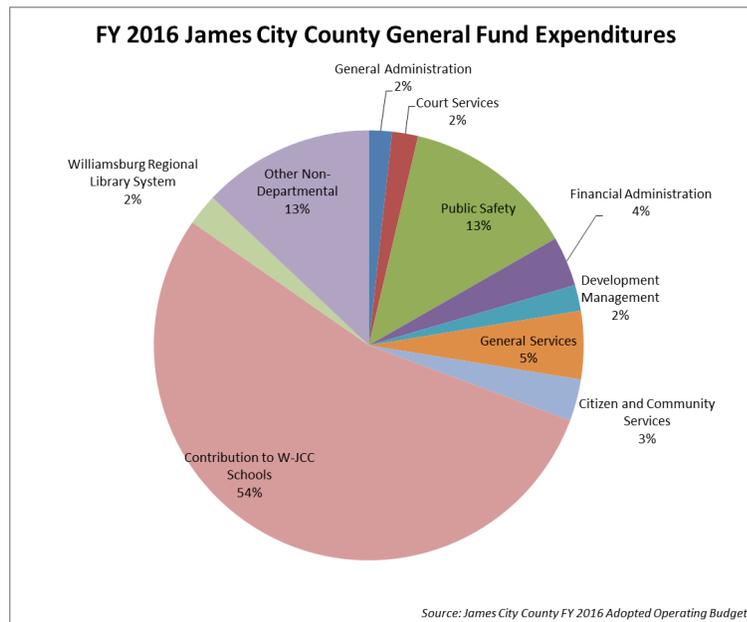
Figure 46. James City County FY 2016 General Fund Expenditures

	FY 2016 James City County General Fund Expenditures	%
General Administration	\$3,254,423	2%
Court Services	\$3,644,492	2%
Public Safety	\$24,389,454	13%
Financial Administration	\$6,992,388	4%
Development Management	\$3,629,402	2%
General Services	\$9,592,667	5%
Citizen and Community Services	\$5,873,340	3%
Contribution to W-JCC Schools	\$100,948,507	54%
Williamsburg Regional Library System	\$4,421,282	2%
Other Non-Departmental	\$24,218,045	13%
TOTAL	\$186,964,000	100%

Source: James City County FY16 Adopted Budget

Figure 47 provides a summary of General Fund budgeted expenditures by major departments for FY 2016. As shown, the largest expenditure is the County's contribution to the School District at 54 percent of the total followed by Public Safety and Non-Departmental at 13 percent each.

Figure 47. James City County FY 2016 General Fund Expenditures (Graph)





Outside of the General Fund, the James City Service Authority (JCSA) has an annual operating budget of approximately \$13 million and a 5-Year Capital Improvement Plan of approximately \$26 million, or an annual expenditure of approximately \$5.2 million. Utility rates and fees were modified in FY2015 with the implementation of a fixed charge for water and sewer service and adjustment to service rates.

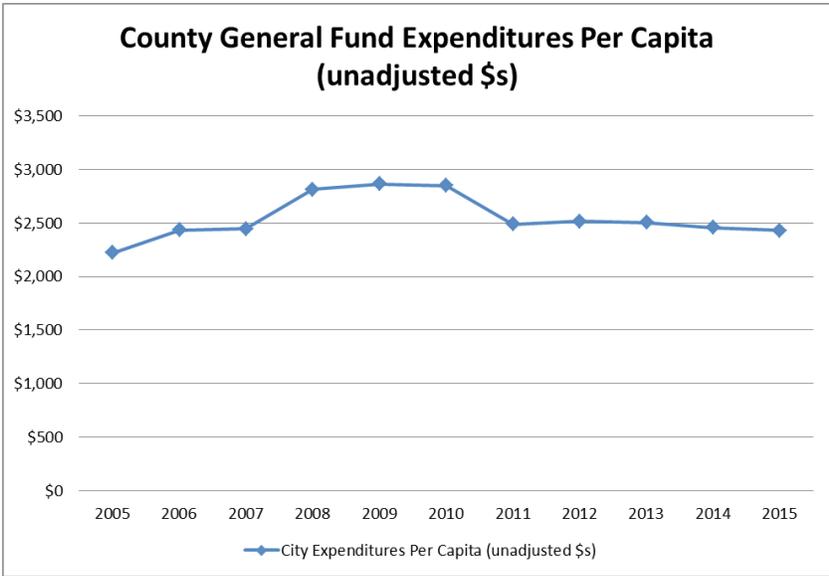
JCSA has outstanding debt to fund the “Project Development Agreement (PDA)” with the City of Newport News to obtain treated water. The County is currently paying debt service on the first installment of the PDA (\$25 million). The need to pay for the second installment will depend on the County’s identified solution to future water supply needs.

It is instructive to look at the County’s expenditures over time to provide some context for this discussion. Expenditures per capita have essentially remained flat even in current dollars (not adjusted for inflation). A summary of County expenditures from 2005 to 2015—including General Fund and Debt Service payments—is provided in Figure 48. As shown, the level of expenditure per capita is essentially flat after a peak in FY2009.

Figure 48. James City County Expenditures Per Capita (unadjusted \$s)

FY	County Expenditures*	Population^A	City Expenditures Per Capita (unadjusted \$s)
2005	\$125,521,940	56,463	\$2,223
2006	\$143,254,932	58,893	\$2,432
2007	\$148,757,573	60,867	\$2,444
2008	\$172,082,789	61,195	\$2,812
2009	\$180,710,064	63,135	\$2,862
2010	\$190,856,672	67,009	\$2,848
2011	\$170,415,061	68,500	\$2,488
2012	\$174,592,061	69,451	\$2,514
2013	\$175,817,038	70,231	\$2,503
2014	\$174,700,422	71,140	\$2,456
2015	\$175,288,489	72,187	\$2,428

* Includes interest on Debt Service
^A Estimates used in this study; CAFR estimates differ slightly based on time of estimate.
 Sources: FY14 James City County CAFR; FY16 James City County Adopted Budget



One area of fiscal focus by the County is eliminating current outstanding debt. The following figure provides a summary of the ratio of debt service to general government expenditures over the last 10 years. As shown, the level of debt service has increased significantly since 2005 reaching a peak of 15.5 percent in 2013 and plateauing in recent years at around 12 percent. It should be noted that James City County holds a AAA bond rating, the highest possible, from two of the three main rating agencies.¹⁷

Figure 49. Ratio of Debt Service to General Government Expenditures

<i>FY</i>	<i>James City County Ratio of Debt Service to General Governmental Expenditures*</i>
2005	6.9%
2006	7.7%
2007	12.2%
2008	12.0%
2009	12.0%
2010	12.7%
2011	12.4%
2012	12.0%
2013	15.5%
2014	11.9%
2015	12.2%
5-Yr Average	12.8%

** Includes General Fund, Debt Service Fund, Special Revenue funds, and operating transfers to Capital Projects and Schools
Sources: FY14 James City County CAFR; FY16 James City County Adopted Budget*

INFRASTRUCTURE LEVELS OF SERVICE

For this initial evaluation, TischlerBise looked at several infrastructure categories to identify potential trends.

WATER AND SEWER

Water and Sewer infrastructure expansion has remained relatively consistent with growth in infrastructure mirroring growth in the County. For instance, population has increased by 26 percent from 2005 to 2014 with water line mileage increasing by 31 percent and sewer line mileage by 22 percent.

¹⁷ As of December 2015, two of the three rating agencies (Moody’s and Fitch Ratings) have designated James City County as AAA rated; the third major agency (Standard and Poor’s) is expected to reaffirm the County’s AAA rating early in the 2016.

Figure 50. Water and Sewer Lines per 1,000 Residents

Year	Water Lines	Sewer Lines	JCC Population	Water Lines	Sewer Lines
	(Miles)			(Miles Per 1,000 Persons)	
2005	305	352	56,463	5.4	6.2
2006	319	360	58,893	5.4	6.1
2007	329	370	60,867	5.4	6.1
2008	332	375	61,195	5.4	6.1
2009	339	379	63,135	5.4	6.0
2010	344	382	67,009	5.1	5.7
2011	393	419	68,500	5.7	6.1
2012	390	423	69,451	5.6	6.1
2013	393	425	70,231	5.6	6.1
2014	400	430	71,140	5.6	6.0

% Chg (2005-2014) 31% 22% 26%

Sources: James City County FY14 CAFR; Weldon Cooper Center; US Census.

Water supply needs are a top priority currently. The County is currently pursuing a solution to its future water needs given restrictions implemented by the State. The County has a current agreement to obtain water from Newport News Water Works (NNWW), however the County has not accepted any water from NNWW yet. It is assumed that the County will ultimately need to build a Water Treatment Plant.

JCSA has relatively low utility rates now because groundwater is cheaper to treat; however, with future capital investment needed—and the change in water source, those rates/fees are likely to increase in the future. The uncertainty regarding future water availability affects the County’s ability to pursue certain industries; however, the southern areas of the County are already served by NNWW.

PARKS AND RECREATION

For Parks, James City County has a relatively high level of service (acres per 1,000 residents) given the sizable inventory of open space/natural areas at approximately 70 percent of the County’s park inventory. However, smaller more active parks (community parks, special use parks) were below the James City County recommended standards per the “Parks and Recreation Master Plan” (2009).

Figure 51. Park Levels of Service

Year	Park	Park	JCC Population	Park Acres	Park Attendance
	Acres*	Attendance		(Per 1,000 Persons)	Per Capita
2005	333	1,021,620	56,463	5.9	18
2006	1,547	1,100,051	58,893	26.3	19
2007	1,749	1,151,574	60,867	28.7	19
2008	1,622	1,236,968	61,195	26.5	20
2009	1,622	1,368,462	63,135	25.7	22
2010	1,622	1,349,550	67,009	24.2	20
2011	1,622	1,708,976	68,500	23.7	25
2012	1,622	2,253,617	69,451	23.4	32
2013	1,622	2,163,533	70,231	23.1	31
2014	1,622	2,428,894	71,140	22.8	34

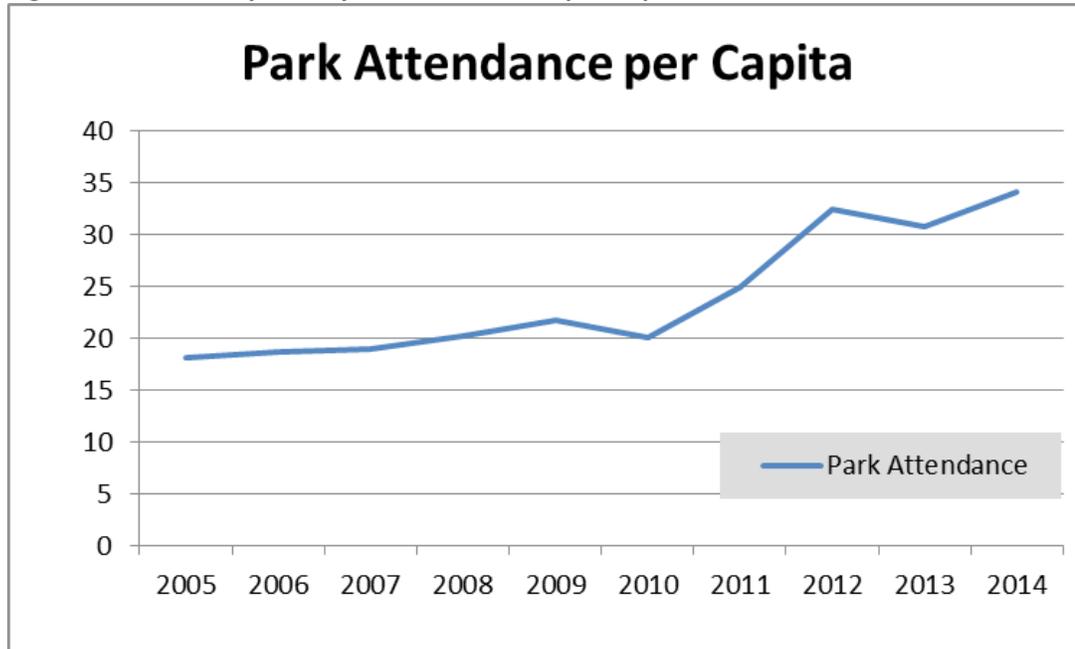
% Chg (2005-2014) 387% 138% 26%

* Approximately 70% of acreage (from 2006) is Open Space/Natural Areas

Sources: James City County FY14 CAFR; Weldon Cooper Center; US Census.

Park attendance has increased significantly since 2009 with attendance at 34 annual visits per capita.

Figure 52. James City County Park Attendance per Capita

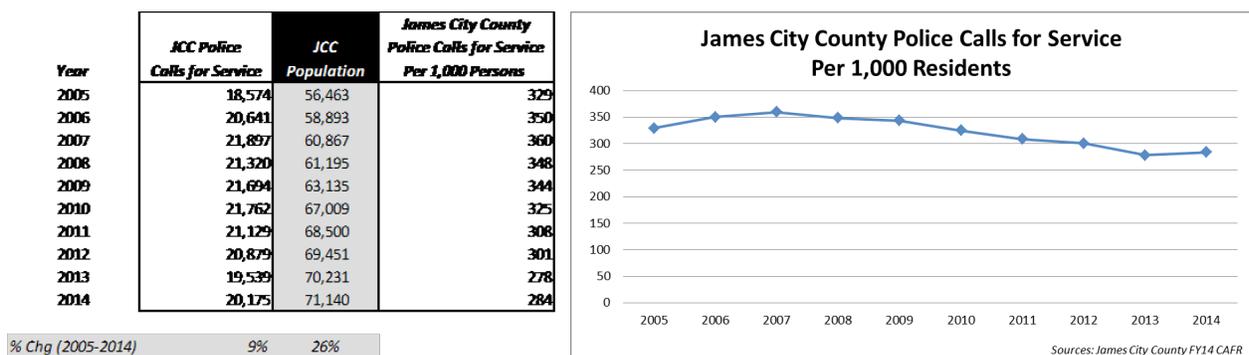


Furthermore, the Parks and Recreation Department hosts tournaments and youth sporting events that bring external dollars into the County.

POLICE

The James City County Police Department has one headquarters station, which was recently expanded and is projected to have capacity to serve the County through buildout. Police calls for service have remained relatively stable at around 20,000 per year. Figure 53 provides detail on Police calls for service trends and calls for service per 1,000 residents. Calls for service reached a low in 2013 at 278 per 1,000 and peaked in 2007 at 360 per 1,000. While not illustrated through calls for service data, the Police Department notes that the department is particularly affected by special events in the County such as sporting events and holiday-themed activities.

Figure 53. James City County Police Calls for Service



FIRE/EMS FACILITIES AND SERVICES

The County operates out of five Fire Stations currently. The Fire Department has identified a need for an additional Fire Station (#6) in the western part of County due to response time issues. Currently, homeowners are paying more expensive rural insurance rates due to geographic gaps in coverage. In addition, Fire Stations 1 and 4 are being rebuilt currently, which will add capacity and modernize the facilities.

The Department notes that there has been a general deferral of apparatus replacement that is now starting to be replaced. In addition, similar to the Police Department, the Fire Department notes the Department experiences additional impacts from special events.

A summary of Fire/EMS responses for 2005 to 2014 is provided below in Figure 54. As shown, total Fire and EMS calls have increased by 34 percent while population grew by only 26 percent. As shown, this is mainly due to a faster growth of EMS responses as opposed to an impact from Fire protection services. This is attributed to an aging population as well as increased access to mobile phones.

Figure 54. James City County Fire/EMS Calls for Service

Year	Fire/Other	EMS	Total Fire/EMS	JCC	Fire Responses	EMS Responses	Total Fire/EMS
	Responses	Responses	Responses	Population	Per 1,000 Residents		
2005	2,411	4,688	7,099	56,463	43	83	126
2006	2,822	4,869	7,691	58,893	48	83	131
2007	3,064	5,219	8,283	60,867	50	86	136
2008	3,575	4,851	8,426	61,195	58	79	138
2009	2,969	5,276	8,245	63,135	47	84	131
2010	2,922	5,573	8,495	67,009	44	83	127
2011	2,786	5,956	8,742	68,500	41	87	128
2012	3,178	6,147	9,325	69,451	46	89	134
2013	2,822	6,446	9,268	70,231	40	92	132
2014	3,065	6,450	9,515	71,140	43	91	134
% Chg (2005-2014)	27%	38%	34%	26%			

Sources: James City County FY14 CAFR; Weldon Cooper Center; US Census.

ADDITIONAL DATA

Figure 55. Detail on Growth by Age Cohort

	1980	1990	2000	2010	2011	2012	2013	2014
Under 5 years	1,475	2,483	2,709	3,491	3,553	3,588	3,599	3,670
5 to 9 years	1,647	2,479	3,169	3,877	3,871	3,976	4,000	4,119
10 to 14 years	1,895	2,296	3,376	4,294	4,352	4,449	4,522	4,514
15 to 19 years	2,078	2,106	2,838	4,167	4,245	4,182	4,281	4,396
20 to 24 years	1,982	2,352	2,211	3,445	3,462	3,609	3,852	3,982
25 to 29 years	1,868	2,951	2,327	3,462	3,542	3,665	3,708	3,774
30 to 34 years	1,906	3,179	2,946	3,194	3,242	3,476	3,626	3,753
35 to 39 years	1,626	3,045	3,805	3,741	3,589	3,502	3,558	3,755
40 to 44 years	1,260	2,678	4,061	4,424	4,381	4,292	4,309	4,186
45 to 49 years	1,263	2,160	3,683	5,045	4,945	4,857	4,825	4,752
50 to 54 years	1,249	1,753	3,360	4,950	4,965	5,071	5,104	5,166
55 to 59 years	1,147	1,687	2,931	4,787	4,813	4,822	4,863	4,942
60 to 64 years	1,053	1,651	2,589	4,847	5,033	4,907	4,899	5,011
65 to 69 years	779	1,504	2,465	4,419	4,458	4,740	4,913	5,133
70 to 74 years	575	1,147	2,126	3,364	3,488	3,773	4,080	4,266
75 to 79 years	389	716	1,643	2,612	2,668	2,737	2,839	2,976
80 to 84 years	186	500	985	1,842	1,870	1,961	2,034	2,113
85 years and over	209	335	878	1,790	1,852	1,925	1,952	2,075
	22,587	35,022	48,102	67,751	68,329	69,532	70,964	72,583

	Annualized from 10-Year Data			One-Year Data			
	1980-1990	1990-2000	2000-2010	2010-2011	2011-2012	2012-2013	2013-2014
Under 5 years	7%	1%	3%	2%	1%	0%	2%
5 to 9 years	5%	3%	2%	0%	3%	1%	3%
10 to 14 years	2%	5%	3%	1%	2%	2%	0%
15 to 19 years	0%	3%	5%	2%	-1%	2%	3%
20 to 24 years	2%	-1%	6%	0%	4%	7%	3%
25 to 29 years	6%	-2%	5%	2%	3%	1%	2%
30 to 34 years	7%	-1%	1%	2%	7%	4%	4%
35 to 39 years	9%	2%	0%	-4%	-2%	2%	6%
40 to 44 years	11%	5%	1%	-1%	-2%	0%	-3%
45 to 49 years	7%	7%	4%	-2%	-2%	-1%	-2%
50 to 54 years	4%	9%	5%	0%	2%	1%	1%
55 to 59 years	5%	7%	6%	1%	0%	1%	2%
60 to 64 years	6%	6%	9%	4%	-3%	0%	2%
65 to 69 years	9%	6%	8%	1%	6%	4%	4%
70 to 74 years	10%	9%	6%	4%	8%	8%	5%
75 to 79 years	8%	13%	6%	2%	3%	4%	5%
80 to 84 years	17%	10%	9%	2%	5%	4%	4%
85 years and over	6%	16%	10%	3%	4%	1%	6%

Source: US Census, Population Division

Figure 56. James City County Current Employment by NAICS Sector (2014)

NAICS	2014
Total, All Industries	27,628
11 Agriculture, Forestry, Fishing and Hunting	38
21 Mining, Quarrying, and Oil and Gas Extraction	nd
22 Utilities	nd
23 Construction	1,490
31-33 Manufacturing	1,670
42 Wholesale Trade	836
44-45 Retail Trade	3,869
48-49 Transportation and Warehousing	nd
51 Information	217
52 Finance and Insurance	391
53 Real Estate and Rental and Leasing	729
54 Professional, Scientific, and Technical Servi	1,208
55 Management of Companies and Enterprises	951
56 Administrative and Support and Waste Managi	1,177
61 Educational Services	2,095
62 Health Care and Social Assistance	3,818
71 Arts, Entertainment, and Recreation ^A	3,264
72 Accommodation and Food Services	2,975
81 Other Services (except Public Administration)	548
92 Public Administration	787
Subtotal Disclosed	26,063
Not Disclosed	1,565
GRAND TOTAL	27,628

^A From BLS (QCEW 2014)

Source: QCEW 2014 (via BLS and Virginia LMI)

Figure 57. Location Quotient at the Sector Level: US as Base

Industry	James City County,	York County, Virginia	Williamsburg City, Virginia
Base Industry: Total, all industries	1	1	1
NAICS 11 Agriculture, forestry, fishing and	ND	ND	NC
NAICS 21 Mining, quarrying, and oil and gas	ND	ND	NC
NAICS 22 Utilities	ND	ND	NC
NAICS 23 Construction	1.21	2.09	0.15
NAICS 31-33 Manufacturing	0.68	0.22	0.02
NAICS 42 Wholesale trade	0.72	0.44	ND
NAICS 44-45 Retail trade	1.25	1.61	1.11
NAICS 54 Professional and technical services	0.72	0.99	0.39
NAICS 55 Management of companies and	2.2	0.68	0.75
NAICS 56 Administrative and waste services	0.68	1.04	0.28
NAICS 61 Educational services	0.44	0.26	0.59
NAICS 62 Health care and social assistance	0.81	0.43	0.96
NAICS 48-49 Transportation and warehousing	ND	ND	ND
NAICS 51 Information	0.19	0.23	ND
NAICS 52 Finance and insurance	0.35	0.34	0.4
NAICS 53 Real estate and rental and leasing	1.78	2.18	ND
NAICS 71 Arts, entertainment, and recreation	7.75	1.18	ND
NAICS 72 Accommodation and food services	1.18	2.1	ND
NAICS 81 Other services, except public	0.64	1.72	1.16
NAICS 99 Unclassified	0.02	NC	NC

Footnotes:
 (ND) Not Disclosable
 (NC) Not Calculable, the data does not exist or it is zero

Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area.

Figure 58. Location Quotient at the Subsector Level: US as Base

Industry	James City County, Virginia	York County, Virginia	Williamsburg City, Virginia
Base Industry: Total, all industries	1	1	1
NAICS 111 Crop production	ND	ND	NC
NAICS 112 Animal production and aquaculture	ND	NC	NC
NAICS 113 Forestry and logging	ND	NC	NC
NAICS 114 Fishing, hunting and trapping	NC	13.35	NC
NAICS 115 Agriculture and forestry support activities	0.38	ND	NC
NAICS 211 Oil and gas extraction	ND	ND	NC
NAICS 212 Mining, except oil and gas	ND	NC	NC
NAICS 213 Support activities for mining	NC	NC	NC
NAICS 221 Utilities	ND	ND	NC
NAICS 236 Construction of buildings	1.32	2.45	ND
NAICS 237 Heavy and civil engineering construction	2.83	0.35	ND
NAICS 312 Beverage and tobacco product manufacturing	ND	NC	NC
NAICS 313 Textile mills	NC	NC	NC
NAICS 314 Textile product mills	NC	0.72	NC
NAICS 315 Apparel manufacturing	NC	ND	NC
NAICS 316 Leather and allied product manufacturing	NC	NC	NC
NAICS 321 Wood product manufacturing	ND	NC	NC
NAICS 322 Paper manufacturing	ND	NC	NC
NAICS 238 Specialty trade contractors	0.8	2.37	0.2
NAICS 311 Food manufacturing	ND	ND	ND
NAICS 337 Furniture and related product manufacturing	1.22	ND	NC
NAICS 339 Miscellaneous manufacturing	0.13	0.17	ND
NAICS 423 Merchant wholesalers, durable goods	1	0.39	0.13
NAICS 424 Merchant wholesalers, nondurable goods	0.43	0.5	ND
NAICS 425 Electronic markets and agents and brokers	0.43	0.45	NC
NAICS 441 Motor vehicle and parts dealers	0.21	1.78	0.71
NAICS 442 Furniture and home furnishings stores	2.89	0.3	1.15
NAICS 443 Electronics and appliance stores	0.61	ND	ND
NAICS 444 Building material and garden supply stores	0.35	2.12	ND
NAICS 445 Food and beverage stores	1.31	1.32	1.13
NAICS 446 Health and personal care stores	0.7	1.08	1.34
NAICS 323 Printing and related support activities	0.22	0.66	NC
NAICS 324 Petroleum and coal products manufacturing	NC	ND	NC
NAICS 325 Chemical manufacturing	NC	NC	NC
NAICS 326 Plastics and rubber products manufacturing	ND	NC	ND
NAICS 327 Nonmetallic mineral product manufacturing	4.42	NC	NC
NAICS 331 Primary metal manufacturing	NC	ND	NC
NAICS 332 Fabricated metal product manufacturing	1.36	0.22	NC
NAICS 333 Machinery manufacturing	NC	ND	NC
NAICS 334 Computer and electronic product manufacturing	ND	ND	ND
NAICS 335 Electrical equipment and appliance mfg.	ND	2.15	NC
NAICS 336 Transportation equipment manufacturing	NC	NC	NC
NAICS 533 Lessors of nonfinancial intangible assets	ND	NC	NC
NAICS 541 Professional and technical services	0.72	0.99	0.39
NAICS 551 Management of companies and enterprises	2.2	0.68	0.75
NAICS 561 Administrative and support services	0.7	1.02	0.29
NAICS 562 Waste management and remediation services	0.31	1.59	NC
NAICS 611 Educational services	0.44	0.26	0.59
NAICS 621 Ambulatory health care services	1	0.59	0.61
NAICS 622 Hospitals	ND	NC	ND
NAICS 623 Nursing and residential care facilities	1.75	0.49	0.78
NAICS 624 Social assistance	ND	0.67	ND
NAICS 447 Gasoline stations	0.52	1.38	1.85
NAICS 448 Clothing and clothing accessories stores	4.82	0.11	2.33
NAICS 451 Sports, hobby, music instrument, book stores	2.35	1.51	2.11
NAICS 452 General merchandise stores	0.76	2.9	ND
NAICS 453 Miscellaneous store retailers	1.52	2.09	3.46
NAICS 454 Nonstore retailers	0.15	ND	NC
NAICS 481 Air transportation	NC	ND	NC
NAICS 482 Rail transportation	NC	NC	NC
NAICS 483 Water transportation	NC	ND	NC
NAICS 484 Truck transportation	0.14	0.74	ND
NAICS 485 Transit and ground passenger transportation	0.11	ND	ND
NAICS 486 Pipeline transportation	NC	NC	NC
NAICS 487 Scenic and sightseeing transportation	ND	ND	NC
NAICS 488 Support activities for transportation	0.19	0.87	NC

NAICS 491 Postal service	NC	NC	NC	
NAICS 492 Couriers and messengers	ND	NC	NC	
NAICS 493 Warehousing and storage	ND	ND	NC	
NAICS 511 Publishing industries, except Internet		0.04	ND	ND
NAICS 512 Motion picture and sound recording industries	ND	ND	ND	ND
NAICS 515 Broadcasting, except Internet	ND	ND	NC	NC
NAICS 516 Internet publishing and broadcasting	NC	NC	NC	NC
NAICS 517 Telecommunications	ND	ND	ND	ND
NAICS 518 Data processing, hosting and related services	ND	ND	NC	NC
NAICS 519 Other information services	ND	ND	ND	ND
NAICS 521 Monetary authorities - central bank	NC	NC	NC	NC
NAICS 522 Credit intermediation and related activities		0.4	0.51	0.49
NAICS 523 Securities, commodity contracts, investments		0.58	ND	0.79
NAICS 524 Insurance carriers and related activities	ND	ND	ND	0.14
NAICS 525 Funds, trusts, and other financial vehicles	ND	NC	NC	
NAICS 531 Real estate		2.18	2.78	0.58
NAICS 532 Rental and leasing services	ND		0.6	ND
NAICS 711 Performing arts and spectator sports	ND	ND	ND	ND
NAICS 712 Museums, historical sites, zoos, and parks	ND	ND	ND	ND
NAICS 713 Amusements, gambling, and recreation		10.19	1.61	ND
NAICS 721 Accommodation		1.53	3.7	ND
NAICS 722 Food services and drinking places		1.12	1.81	2.8
NAICS 811 Repair and maintenance		0.54	2.33	0.23
NAICS 812 Personal and laundry services		1.08	1.24	1.71
NAICS 813 Membership associations and organizations		0.26	1.83	1.59
NAICS 814 Private households		0.84	0.91	0.48
NAICS 999 Unclassified		0.02	NC	NC

Footnotes:
(ND) Not Disclosable
(NC) Not Calculable, the data does not exist or it is zero
Location Quotient: Ratio of analysis-industry employment in the analysis area to base-industry employment in the analysis area divided by the ratio of analysis-industry employment in the base area to base-industry employment in the base area.

SWOT ANALYSIS

The analysis of community input and policy direction was used to develop a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis. The purpose of this analysis is that it can help distill the key opportunities to take advantage of and understand and manage potential threats.

STRENGTHS

- Education system
- Rural character / and local quality of life
- Low cost to do business
- Central location in region
- History / existing tourism base
- Existing military presence

WEAKNESSES

- Interjurisdictional competitiveness
- Aging hotel products
- Lack of unique and local restaurants
- Lack of understanding/need to define niche in the region
- Lack of marketable available buildings/properties for attraction and expansion of existing companies
- Future developable areas for nonresidential development lack infrastructure
- Time it takes to get approvals/business start up
- No State Enterprise Zone/State incentives (expiring at end of year)
- Increasing challenges for lower wage workers (affordable housing, access to services, transportation)
- Growing working class/working poor that have greater need for services

OPPORTUNITIES

- Military presence and military subcontractors
- Expanding the tourism base
- Revitalization and redevelopment of aging commercial corridors and centers
- Mixed use development to respond to changes in the market
- Rural economic development
- Maintaining quality of public schools through appropriate investments

THREATS

- Water source: Uncertainty, future cost increases
- Pressure on the PSA
- BRAC (Base Realignment and Closure)
- Declining market for heritage tourism
- Political environment and perceived threats on investment environment

Appendix 4: Current Policy Direction

A review of James City County’s policy documents and studies was conducted to identify the policy direction that has been established for the Strategic Planning theme topics. The summaries provided here shed light on the County’s policy direction for these topics.

ECONOMIC DEVELOPMENT POLICIES

The following summary was developed as part of a review of key economic development policies and strategies within the Business Climate Task Force Report (2008, JCC), Economic Diversification in America’s Historic Triangle Report (Economic Diversification Task Force, 2015), and the James City County 2035 Comprehensive Plan, Toward 2035: Leading the Way (JCC, 2015).

REGIONAL MARKETING

Current policies set out by the Greater Williamsburg Region seek to foster collaboration in developing an integrated tourism marketing strategy for the Williamsburg-York-JCC region, expanding business, and promoting the tourism industry through the Greater Williamsburg Chamber and Tourism Alliance. At the heart of the regional marketing strategy are entrepreneurship initiatives, incubation partnerships – in particular the regional business and technology incubator, business mentoring, expansion, and retention of new businesses, and attraction of established businesses. This policy direction suggests that the region encompassing James City County has established a solid foundation for regional economic development collaboration and tourism marketing. This resource can help promote existing tourism opportunities and help develop new attractions.

SETTING ECONOMIC DEVELOPMENT TARGETS

The Greater Williamsburg Region has set policy to target small- to medium-size businesses in expanding industrial sectors such as health care, technology, light advanced manufacturing, professional services, and port-related operations. An updated target industries analysis to be completed in 2016 by James City County’s Office of Economic Development, York County, and Williamsburg, will enhance and refine this listing to guide future economic development initiatives. This study will help set the economic development strategies for the County.

Policies promote continued collaboration with William & Mary and other educational institutions in order to tap into the professional workforce, and leverage emerging regional research and education initiatives being pursued in healthcare, bioscience areas, and high tech industries. Key to this vision is the expansion of green businesses, expanded airport access, and an inclusive and equitable economy that promotes women-owned and minority-owned businesses and trains the local workforce for living wage jobs. Tools for achieving this vision set out in these policy documents include the following:

- Incentives
- Regulations
- Public and Private Partnerships
- Coordinated Marketing
- Programs and Facilities
- State Collaboration
- Technical and Professional Workforce Training

BUILT ENVIRONMENT, INFRASTRUCTURE (INVESTMENTS, SHOVEL-READY SITES)

James City County's current policies seek to identify areas in the County that are suitable for economic development potential, where infrastructure already exists or can be installed to target preferred businesses. The need for shovel-ready sites is critical for communities competing within a regional economic environment. An analysis in the 2035 Comprehensive Plan of the supply of nonresidential land suggests that there is sufficient capacity of land to accommodate future business and industrial development within the Primary Service Area (PSA) beyond the year 2035. However, several sources cite concerns about potential industrial lands that are opportunities limited by their location outside of the PSA. And that these sites are not currently served by needed infrastructure. Furthermore, the challenge of identifying James City County's current long-term water supply strategy is a limiting factor for recruiting some targeted industries to the County.

QUALITY OF LIFE

The County's current policies recognize the need for quality of life amenities in order to attract and retain businesses and workers. Policies encourage workforce housing near employment centers, quality of life initiatives, excellent transportation infrastructure, low cost public transit, and walkable development built in mixed use clusters that leverage existing infrastructure and transportation networks. The County's Residential Redevelopment Policy and the Housing Opportunities Policy further expand local opportunities for affordable housing. Policies to promote improved built environments include flexible regulations and procedures, public incentives, public private partnerships, and redevelopment and infill development opportunities, and clear growth policies. These policies suggest that quality of life is becoming increasingly recognized as a key economic development tool for recruiting new businesses to the County.

FISCAL HEALTH POLICIES

A review of the County's adopted FY2016 Budget, FY2016-2020 Capital Improvement Program, the James City County 2035 Comprehensive Plan, *Toward 2035: Leading the Way* (JCC, 2015), and the James City County Citizens Survey (2014) revealed the following summarized policies and policy considerations for managing the County's fiscal health.

FISCAL GOALS

The FY2016 Adopted Budget sets out a series of 45 fiscal goals for James City County. Organized under General, Accounting, Capital Improvements, Debt, Investments, Operating Budgets, Reserves, Revenues, and Economic Development, these fiscal goals describe the budgeting approaches and action steps that the County employs to manage public revenues and expenditures. Five general goals establish the County's overarching approach for budget planning:

1. To promote fiscal health of the County by encouraging a healthy diversified economy.
2. To establish minimally acceptable standards of quality for the County's various public services.
3. To take positive steps to improve productivity of County programs and employees.
4. To seek to eliminate duplicative functions within County government and semiautonomous agencies in the community.
5. At least every four years, to reassess services and service levels, utilizing service level standards of quality, seeking citizen advice and review in a zero-based budgeting process.

In addition, the County has several adopted policies related to financial and management services: Fund Balance, Legislative Spending, Requests made Pursuant to Public-Private Education Act of 2002, Purchasing Policy, and Statement of Fiscal Goals, Reserves, and Capital Improvements.

The 2035 Comprehensive Plan also sets out a series of goals in various plan chapters that sets out the County's interest in seeking public and private funding sources to assist with future budgetary needs, and particularly public-private partnerships opportunities to fund new and existing public facility needs.

TAXES AND TAX BASE

Tax rates in James City County (\$0.84) are higher compared to other localities in the Historic Triangle Area (York County \$0.75 and Williamsburg \$0.57), but are lower when compared to other Peninsula communities such as Newport News (\$1.22) and Hampton (\$1.06), even after JCC's 2015 tax increase. Personal property tax rates have remained steady for the last 20 years at \$4 per \$100 assessed value. York County has the same tax rate, Williamsburg is slightly lower (\$3.50 per \$100), and Newport News and Hampton have a slightly higher tax rate at \$4.50 and \$4.25 per \$100 assessed value.

According to the 2014 James City County Citizens Survey, 72% of the survey responded that the value of services provided by the County in relation to taxes paid was "about right." Overall it seems that citizens are more willing to pay extra taxes and fees for opportunities they deem to be important, such as bike and walking trails, community programs, and public access to waterways.

FY2015-FY2016 ANNUAL OPERATING BUDGET

James City County's FY2015-2016 annual operating budget was adopted by the Board of Supervisors on April 28, 2015. The County's approach to budgeting is "pay-go" that finances expenditures with current funds rather than borrowing.

The annual budget increased from the previous year by \$9,230,400, and includes revenues from the tax increase adopted in 2015 and an increase in JCSA service charges will fund the County's five strategic initiatives that will be implemented over the next five years:

1. Addressing long-term water supply needs
2. Improving stormwater management systems
3. Improvements to school facilities and replacement buses
4. Economic development initiatives
5. County appearance enhancements

The County's Fund Balance Policy sets out the specific parameters for maintaining the County's fund balance. Since the Great Recession, the County has met the required 10 percent Fund Balance, but not met the 12 percent goal.

DEBT SERVICE

As of 2015, James City County currently owes \$226 million. Reinforcing the County's pay-go approach to financial management, the County's finance team has developed a plan as part of the FY2015-FY2016 budget to reduce this debt to \$75 million by 2024.

INFRASTRUCTURE POLICIES

Three key documents provided established infrastructure policies for James City County: James City County 2035 Comprehensive Plan, *Toward 2035: Leading the Way* (JCC, 2015), the James City County-Williamsburg-York County Comprehensive Transportation Plan (March 2012), and the James City County Parks and Recreation Master Plan (2009). In addition, Memoranda from Bryan Hill, County Administrator (April, July, August, 2015), the 2014 Annual Report from the Planning Commission (December 2014), the *Shaping Our Shores* Master Plan, James City County Energy Use Report (2014), the Water Supply Study prepared for JCSA (2015), and a report from the Virginia's Golden Crescent Summit (June 2012) provide context information relevant to this policy summary.

PUBLIC FACILITIES

James City County is dedicated to providing high quality public facilities in a sustainable and cost efficient manner. The Comprehensive Plan sets out specific goals and policies to construct new public facilities in a manner that facilitates future expansion and promotes maximum utility of resources. And the County has set targets for reducing energy consumption in public facilities through the County's Sustainable Building Policy and endorsement of the Cool County Climate Stabilization Initiative's goals.

Expenditures for public facilities can be categorized in two ways: capital investment in new or existing facilities, and funding for ongoing maintenance and improvements of existing facilities. This is a fairly new distinction being employed by the County, and the budgeting of capital improvements is now being separated from ongoing preventative maintenance. A facility study is being prepared for the County that will include an evaluation of current public facilities and future maintenance and replacement needs. This study will help with budgeting for expected maintenance costs, and help identify future capital investments needs.

With regard to new facilities, the County's current policies are to stay ahead of the curve and conduct long-range evaluations to determine future facility needs. The County's Adequate Public Schools Facilities Test Policy is one tool used to identify future impacts of development on schools. The County is also working on another model to assess and track cumulative impacts of development on planned facilities and services.

PARKS AND RECREATION

James City County is known for its picturesque parks and open spaces. The comprehensive plan sets out policies to better connect people of all abilities and walks of life with the public recreational spaces and parks offered by the County. It also sets out policies to target recreational programming to the specific needs and desires of the community, such as the County's growing senior population and its youth.

At the same time, the County is very conservative in its approach to funding these facilities and programs. The James City County Parks and Recreation Department was estimated to have a 57% cost recovery rate from user fees in 2014, which is significantly higher than most other departments throughout the nation. The County is also seeking other non-public funding mechanisms to develop future public parks and recreational facilities through proffers offered during development negotiations; through public-private partnership opportunities such as those discussed in the Master Plan for Jamestown Beach Campground, Jamestown Yacht Basin, and the Chickahominy Riverfront Park; and by using a portion of privately owned facilities in the County to count

towards the County's parks and recreation level of service inventory.

The Greenways Master Plan, the James City County Parks and Recreation Master Plan, and individual park plans are dated and could be opportunities for updates.

STORMWATER MANAGEMENT AND SHORELINE PROTECTION

Stormwater management is a critical challenge for JCC and its neighbors due to the number of local waterways with poor water quality and increasing Federal and State regulations. The County is designated as the Virginia Stormwater Management Program authority that oversees implementation of post-construction stormwater requirements as well as the Chesapeake Bay Preservation Ordinance. Since 2003, the County has been regulated as an operator of a municipal separate storm sewer system (MS4) and must take steps to reduce pollution of storm runoff. In 2015, the County submitted its first Chesapeake Bay Total Maximum Daily Load (TMDL) Action Plan to reduce pollution in the County's waterways. This plan is current through 2018 when a new plan must be developed. The County also supports ongoing efforts of citizen volunteers to monitor water quality in County waterways.

Recognizing the importance of sound resource management to the protection and restoration of County waterways, the County has been developing watershed management plans to preserve, restore and maintain the quality of waterways and wetlands. These plans identify retrofit and restoration projects which the James City County Stormwater Division and Stormwater Program Advisory Committee have developed into a list of priority stormwater projects. The current 5-year stormwater capital improvement and maintenance programs total \$15 M. Moving forward, the stormwater team will assess stormwater management priorities on a biennial basis to make recommendations for future improvements to the County's administration and Board of Supervisors.

The County's location in the James River and York River basins makes it vulnerable to severe flooding occurrences and on-going shoreline erosion. Projects to mitigate these conditions have been identified but are not currently included in the stormwater capital improvement program. The County works closely with its neighbors through regional programs to monitor and address sea level rise and its impacts on the region.

TRANSPORTATION

Like most communities around the nation, James City County's citizens and businesses are demanding a full range of complementary transportation options (taking transit, walking, biking, and driving), while at the same time Federal and state transportation funding is decreasing. The Virginia Golden Crescent, a regional entity representing numerous high growth communities in Virginia reports that by 2017, the state highway fund will not be able to fully fund highway maintenance and operations programs. And it won't have funding for new road projects. This collaboration of local governments are working to secure available funding for projects in high growth areas in the state.

The joint James City County, Williamsburg, York County 2012 Comprehensive Transportation Plan identifies three corridors in James City County that were severely congested as of 2012: portions of I-64, Longhill Road, and Monticello Ave. These road segments total approximately 3 percent of the road network. Modeled transportation conditions for 2034 suggest that this will increase to 22 percent of the County's network being designated as severely congested. The County currently plans for its full range of transportation services through several plans. The 2012 Comprehensive Transportation Plan pulls together each of these plans into a cohesive framework. It

references the County's 2011 Pedestrian Accommodation Plan, the Regional Bicycle Facilities Plan, and the 2009 Comprehensive Plan's complete street policies. The County's Greenways Plan, while dated, is another transportation policy guide. Transit planning is led by WATA (Williamsburg Area Transit Authority) and the Hampton Roads Regional Transit Plan.

The County develops a six year capital improvement plan for transportation improvements and updates these plans as part of the regional transportation planning process. The County's 2035 Comprehensive Plan identifies several actions beyond implementation of the previously stated plans. It goes on to identify the implementation of Longhill Road and Mooretown Road Extension Corridor Studies, development of a Safe Routes to Schools Program, and the importance of identifying new transportation opportunities for seniors, specifically through expanding transit service provided by WATA. The 2035 Comprehensive Plan also includes several actions aimed at identifying alternative funding sources for pedestrian and bicycle facilities and road improvements to assist with implementation of these as public funding sources are reduced.

UTILITIES

Perhaps the most critical infrastructure dilemma the County is facing is securing a long-term source for water. James City Service Authority (JCSA) is the largest public utility in Virginia with public aquifers as its only source of water. The Virginia Department of Environmental Quality has stated its intent to reduce the JCSA's groundwater withdrawal permit to a lower level than currently required to meet demand. Options existing to purchase water from another source or have the system absorbed by the Newport News Waterworks system.

However, these solutions don't address the County's long-term water demand that will need to be operational by 2030. The County is currently exploring long-range water source alternatives that maximize investments in the short-term and set the County up to meet its long-term water needs in a manner that will allow the County to control its water supply. In addition, the County supports the implementation of water efficiency initiatives, such as developing regional reclamation and reuse technologies and infrastructure in conjunction with neighboring jurisdictions.

James City County utilizes the primary service area (PSA) as a growth management and rural preservation tool. The JCSA has established policies for extending public water and sewer service that aligns with the goals of the PSA. The PSA identifies areas within the County that are appropriate for extending public water and wastewater service lines. It also restricts the extension of water and sewer utilities and the formation of new central sewer systems in areas outside the PSA. The intent is to better manage growth and manage the costs of providing public services. National studies suggest that development that is spread out across a community can be much more costly than more compact forms of development.

Analysis in the current comprehensive plan concludes that there is ample land for residential and non-residential development within the PSA through 2035. However, input from some stakeholders suggests that this analysis should be re-evaluated. The plan also suggests that the PSA should be monitored over time to ensure an adequate supply of land that can be served by public water and sewer is available for future development.

COMMUNITY CHARACTER POLICIES

James City County's 2035 Comprehensive Plan is the primary source for the County's policy direction with respect to community character, and the 2014 Citizens Survey also provides important guidance regarding citizens' preferences for the County.

GROWTH MANAGEMENT

The County has a long history of using land planning tools to protect community character and manage long-term growth. The County is known for its high quality living environment and town and country divide because of these efforts.

PRIMARY SERVICES AREA

The location of growth is managed by the County's Primary Services Area (PSA) which defines areas where public water, sewer, and other public services exist or are expected to exist over the next 20 years. This tool is used to manage future growth for the purpose of protecting community character and reducing the public costs to service development "on the edges." As supported through the 2014 Citizen's Survey, "It is more important to preserve farmland in the County than it is to have more development." This sentiment has been the driving force behind the County's growth management policy for many years.

FUTURE LAND USE MAP

The County also uses a future land use map and corresponding land use designations to denote the most appropriate locations for different types of development in the County's planning and zoning jurisdiction. The current plan identifies particular areas where higher density, mixed-use development is appropriate, and areas where preservation of environmental and rural lands should be protected. It also denotes economic opportunity locations, and existing residential areas of different densities and character.

LAND DEVELOPMENT REGULATIONS

The County's land development regulations - the Zoning and Subdivision Ordinances - explicitly govern the types of uses and design and development standards that are applied to each property within the County. This also includes environmental regulations such as the Resource Protection Areas that are enforced as part of the Chesapeake Bay Preservation Ordinance.

The 2035 Comprehensive Plan sets out several actions to update the County's land development ordinance to better align with the goals of the 2035 Comprehensive Plan and the Future Land Use plan for the County. These updates include supporting compact and mixed use development forms in appropriate locations within the primary services area, increased protections for environmentally sensitive areas, and incentives for new housing solutions.

REGIONAL PLANNING COORDINATION

In addition, the County has collaborated with the city of Williamsburg and York County to coordinate long-range planning efforts, particularly the most recent updates to each jurisdiction's comprehensive plan, and the long-range transportation plan for the region.

COMMUNITY APPEARANCE

James City County guides the design and character of new development through several tools. The Community Appearance Guide (2007) illustrates the preferred design and construction techniques for development requiring site plan approval, rezoning or special use permits. It is intended to compliment the community appearance goals and actions included in the County's



Comprehensive Plan. The 2035 Comprehensive Plan sets out additional policy guidance and related action strategies to improve and protect the County’s gateway corridors, to seek opportunities to address billboards along the County’s road corridors, and funding strategies for undergrounding utilities.

HISTORIC AND CULTURAL PRESERVATION

The County’s historical and cultural roots are a key component to its core character and tourism economy. The comprehensive plan sets out several strategies to protect existing sites, including improving methods for identifying and tracking important historical and cultural sites, developing a current inventory of eligible sites for the Virginia Landmark of Historic Places, updating the County’s archeological resource assessment, and working with landowners to seek formal historic designations.

LIST OF POLICY DOCUMENTS REVIEWED

Board of Supervisors Adopted Policies
FY 2016 Adopted Operating Budget & Capital Improvement Plan (2016)
Greater Williamsburg 2014 Affordability Survey Results (2015)
Greater Williamsburg 2015 Brand Health Survey (2015)
James City County Credit Rating Presentation (2015)
Regulations Governing Utility Services (2015)
Toward 2035: Leading the Way, James City County Comprehensive Plan (2015)
Water Supply Study Final Draft Report (2015)
James City County Parks and Recreation Advisory Commission Senior Services Meeting (2015)
FY 2016 Budget: County Administrator's Message (2015)
Economic Diversification in America's Historic Triangle: Progress and Next Steps (2015)
James City County Energy Use Report (2014)
James City County 2014 Planning Commission Annual Report (2014)
2014 Annual Lodging Report (2014)
Longhill Road Corridor Study (2014)
Greater Williamsburg 2014 Tourism Strategy Brief (2014)
James City County Citizens Survey (2014)
Historic Triangle Coordinated Comprehensive Plan Review Final Summary Report (2014)
2013 Virginia Outdoors Plan (2013)
Williamsburg Area Visitor Research (2013)
2013 Williamsburg Post-Advertising Tracking Survey Results (2013)
Regional Bicycle Facility Plan (2013)
Williamsburg Regional Library Strategic Plan (2012)
Virginia's Golden Crescent Summit (2012)
James City County/Williamsburg/York County Comprehensive Transportation Study (2012)
James City County Tourism Zone (2012)
2011 Virginia Outdoors Demand Survey (2011)
James City County 2011 Pedestrian Accommodation Master Plan (2011)
James City County Enterprise Zone: Policies and Procedures for Requesting Local Enterprise Zone Incentives (2011)
James City County Parks & Recreation Economic Impact Study (2010)
Shaping Our Shores: Master Plan for Jamestown Beach Campground, Jamestown Yacht Basin & Chickahominy Riverfront Park (2009)
James City County Division of Parks and Recreation Master Plan Update (2008)
Business Climate Task Force Report (2008)
Housing Needs Assessment James City County and Williamsburg, Virginia (2007)
James City Community Profile (2007)
Better Site Design in James City County: Report and Findings from the Better Site Design Implementation Committee (2007)
Greenway Master Plan (2002)
James City County Chesapeake Bay Preservation Ordinance (1990)
Chesapeake Bay Preservation Act (1988)



Appendix 5: Strategic Plan Framework

One of the core objectives of the 2035 Strategic Plan is to set out a common framework that aligns all County plans and policies, and that sets out a unified path for achieving success. While this planning effort is intended to incorporate opportunities for new ideas and new community strategies, it also capitalizes on the work of previous planning efforts. As such this section sets out framework elements that are still relevant today and that should be carried forward in the 2035 Strategic Plan.

THE FRAMEWORK

Framework Element	Definition	Questions It Responds To
Mission Statement	Purpose and responsibilities of James City County Government	What does the James City County government do?
Vision Statement	Statement describing aspirations for future success as a community	Where does James City County aim to be in the future?
Guiding Principles	Value-based principles that will guide County operations long-term, regardless of changing goals and action plans	What are our values?
Goals	Desired outcomes that describe success	If we are successful, what will we have accomplished?
Actions	Specific steps needed to implement goals	What specific steps do we need to take to implement each goal? Who will it be assigned to? What resources are needed to support this effort? When can it realistically be accomplished?

JAMES CITY COUNTY'S STRATEGIC PLANNING FRAMEWORK

The County's Mission Statement

James City County has a mission statement that dates back more than a decade, and continues today. This mission statement is referenced in the County's FY2015-2016 Adopted Operating Budget.

We work in partnership with all citizens to achieve a quality community.

The 2035 Strategic Plan Vision Statement

James City County's 2035 Strategic Plan Vision Statement builds off the County's established mission statement and sets out a long-range vision that describes the future end state for the County as it relates specifically to the County's role in fostering economic development, maintaining public services and facilities, making investments in the community, land planning and regulation, managing the County's financial resources, and partnerships with jurisdictions in the region.

***James City County in 2035:
A Premiere Community that Honors the Past by Advancing the Future***

- ***Sustainable Workforce*** supported by high quality employment, housing, and community amenities
- ***Improved Infrastructure*** to support 21st century economic targets and an enhanced and sustainable quality of life
- ***Public Services*** that support aging in place and a diversifying local workforce
- ***Fiscal Approaches*** that result in community investments that achieve successful rates of return
- ***Revitalization Efforts*** that enhance the County's built environment

Setting a vision for the 2035 Strategic Plan is one of the main outcomes of Phase 1 work. This 2035 Strategic Plan Vision Statement, expressed above, acknowledges the key planning themes and the economic opportunities set out in this report and will set the stage for future goals and actions to be included in the 2035 Strategic Plan. It also builds off concepts included in the Toward 2035: Leading the Way Comprehensive Plan vision statement. In particular, it acknowledges the following vision concepts set out in Toward 2035:

- Responsibility to preserve and protect the County's irreplaceable assets (historical, environmental, cultural, educational, social) for future generations
- Balance the protection of these irreplaceable assets while also sustaining quality of life and economic vitality
- Importance of leaving the County in good shape - economically, socially, and ecologically - for present and future residents and visitors
- Fostering industries that offer quality employment opportunities that are compatible with the County's goals
- Well-placed and well-planned commercial establishments will add to both the character

and economy of our County

- Regional integration through a well-planned transportation system

The Guiding Principles for the Strategic Plan

The following Guiding Principles establish the community's values that will help guide County operations over time. These Guiding Principles are a set of value-based criteria for evaluating future opportunities and decisions before the County.

Balance Economic Development Investments

County economic development recruitment and expansion efforts will balance the need for high quality jobs and enhancing the tax base with ensuring that community character is protected and that public investments receive a reasonable rate of return.

What could this entail?

- Evaluating the quality and nature of jobs that will be created by future businesses seeking incentives or public investments
- Evaluating the future impacts of business recruitment decisions on infrastructure and public services
- Estimating the rate of return on an economic development investment (e.g., recruitment incentives) that reasonably calculates the short and long term return and costs to the County
- Encouraging new businesses to be good community stewards and respectful corporate citizens that invest in the community
- Evaluating the extent to which new businesses may diversify the economy or support other local businesses

Achieve Fiscal Sustainability

Annual budgeting and 5-year capital improvement planning decisions will address immediate and shorter-term financial planning within the context of expected longer term financial challenges and opportunities, and seek to create a positive fiscal balance.

What could this entail?

- Evaluating the evolving long-term financial needs of the County as annual financial plans are developed
- Evaluating community investment decisions within the context of long-range financial forecasts
- Evaluating the long-term costs of deferring maintenance on aging infrastructure and facilities

Strategically Select Infrastructure Investments

To maximize the use of public revenues, future infrastructure investments will be strategically evaluated to determine the value the investment will bring to the community and estimate the rate of return on the investment.

What could this entail?

- Evaluating the opportunities and trade-offs for infrastructure investments
- Identifying not only short-term capital financing mechanisms, but also long-range maintenance costs, and identify methods for securing necessary funding sources
- Developing an approach to prioritize investments based on the vision and goals of the 2035 Strategic Plan (goals to be developed next in Phase 2)

Enhance Community Character

Future County infrastructure investments and land development decisions will enhance James City County's unique and historical community character.

What could this entail?

- Evaluating the impact of local government investments and actions on community character and quality of life
- Identifying and recruiting industries and supporting established businesses that uphold community character
- Potentially passing up economic development opportunities that do not support protection of the County's community character
- Evaluating the Primary Service Area and growth management strategies to ensure that it is achieving the correct balance to protect community character and manage growth, to minimize fiscal costs to provide public services, and to provide economic opportunities through the availability of employment sites for future development

Foster Regional Collaboration and Coordination

James City County will work with neighboring jurisdictions and other institutional partners to support regional initiatives that will generate growth in the regional economy and enhancement of community character and quality of life in James City County.

What could this entail?

- Continue to coordinate with the Greater Williamsburg Chamber and Tourism Alliance to support regional tourism marketing initiatives.
- Engaging in GoVA Regional Cooperation initiatives.
- Partnerships with other neighboring jurisdictions and partners to foster collaboration to achieve the goals set out in the 2035 Strategic Plan.

Goals and Actions

Goals and actions will be developed as part of Phase 2 and Phase 3 of the 2035 Strategic Plan initiative.





2035 STRATEGIC PLAN Foundations Report

WWW.JCCSTRATEGY2035.ORG



2035 STRATEGIC PLAN

Report on Phase 1: Setting Directions

CLARION

TischlerBise
FISCAL & ECONOMIC PLANNING

Board of Supervisors | February 9, 2016 | 4:00pm–6:00pm

BOS Meeting Agenda

1. Welcome
2. Strategic Plan Project Update
3. Strategic Plan Foundations Report Discussion
4. Strategic Plan Goal Priorities Exercise
5. Next Steps
6. Adjourn

Item 2

STRATEGIC PLAN PROJECT UPDATE

Strategic Plan Project Update

Phase 1: Setting Directions

85% complete



Phase 2: Focusing Efforts

10% complete



Phase 3: Implementation

Summer 2016



Phase 4: Reporting

Fall 2016



Phase 5: Final Plan

Fall 2016



Phase 1 Tasks:

- ✓ Kickoff meetings (BOS, SPAG, TAG)
- ✓ Stakeholder Interviews
- ✓ Economic and Fiscal Analyses
- ✓ Synthesis of Policies and Actions
- ✓ Present Strategic Plan Foundations Report to SPAG / TAG and Finalize
- Present Foundations Report to BOS

Phase 2 Tasks:

- Goal Priority Exercises (BOS, SPAG, TAG)

www.jccstrategy2035.org

Website Provides:

- ✓ Overview of Process and Purpose of Plan
- ✓ Notices on Events and Project Updates
- ✓ Opportunities for Participation
- ✓ Reports
- ✓ Project Leadership

The screenshot shows the website for the James City County 2035 Strategic Plan. The page is titled "Process" and provides an overview of the five-phase approach. A sign-up form for updates is on the right, and a "Project Kickoff" announcement is below it. A detailed "Strategic Planning Process" timeline is also visible.

Process

JCC Strategy 2035 is a year-long planning initiative set to have the Strategic Plan ready for adoption by October 2016. A five phase approach is being used to develop the plan in a logical and transparent manner:

- Phase 1: Setting Direction (Environmental Scan and Vision)
- Phase 2: Focusing Efforts (Goals and Priorities)
- Phase 3: Implementation (Countywide / Department Plans)
- Phase 4: Reporting (Progress)
- Phase 5: Final Strategic Action Plan (Approval)

Strategic Planning Process

	PHASE 1 SETTING DIRECTION	PHASE 2 FOCUSING EFFORTS	PHASE 3 IMPLEMENTATION	PHASE 4 REPORTING	PHASE 5 FINAL PLAN
WORK	Data Collection Economic Opportunities Analysis Synthesis of Adopted Goals and Actions	Fiscal Analysis Set Plan Priorities Public Open House #1	Develop List of Actions Responsible Parties Timeline for Action	Develop Metrics for Evaluation Ongoing Process for Updating	Present Final Plan at Open House #2 Adoption Hearings
OUTPUTS	Vision for Economic Future Report	Strategic Vision Plan Priorities	Strategic Vision Plan Action Agenda	Strategic Action Plan Agenda Metrics and Reporting	Final Strategic Action Plan
SCHEDULE	WINTER 2016	SPRING 2016	SPRING 2016	SUMMER 2016	FALL 2016

Click the image above to see a summary of the five phase process and the timeline for completion of the project.

Item 3

STRATEGIC PLAN FOUNDATIONS REPORT PRESENTATION

Strategic Plan Foundations Report

Report Presented in 4 Parts:

1. Economic Trends and Opportunities
2. Strategic Planning Themes
3. Current Policy Direction
4. Strategic Plan Framework
(mission, vision, guiding principles, goals, actions)



Part 1: Economic Trends & Opportunities

- Summary of Trends
 - Economic
 - Regional Real Estate
 - Fiscal
- Economic Opportunity Sectors
 - Regional Target Industries Analysis will define economic development targets

Part 2: Strategic Planning Themes

What are the Strategic Planning Themes?

Key planning themes that will drive development of the 2035 Strategic Plan

- Organizational framework for developing vision, guiding principles, goals, and actions
- Developed from input of BOS, SPAG, TAG, stakeholders
- Checked through review of existing policies

JCC's Five Current Strategic Funding Initiatives

1. James City Service Authority (water)
2. Stormwater
3. Education
4. County Appearance
5. Economic Development (sports tourism, business development)

It is quite possible the JCC Strategy 2035 goals and actions will overlap with the current Strategic Initiatives.

Strategic Planning Themes

Four Main Themes:

- Regional and Local Economic Development
- Fiscal Health, Efficiency, and Sustainability
- Infrastructure, Facilities, and Services
- Community Character

Regional and Local Economic Development

Strategic Planning Theme Topics

- Tourism sector is challenged by aging product
- Economic development is an important tool for fiscal sustainability
- Need to diversify the local economy
- Need to support small businesses
- Importance of regional marketing
- Need for shovel-ready sites
- Local workforce housing challenges

Planning Theme Topics

- Planning checked by true costs for implementation
- Evaluating the costs of potentially expanding growth
- New financing and service provision tools
- Evaluating infrastructure and other investments

Infrastructure, Facilities, and Services

Strategic Planning Theme Topics

- Long-term raw water source solution
- Future infrastructure investment ideas
- Aging infrastructure
- Need for transportation enhancements
- Growing demand for human services
- Growing public safety service requests
- Enhancing technology

Community Character

Strategic Planning Theme Topics

- Protecting community character is a priority
- Changes to the growth management structure should be carefully considered
- Revitalization of existing developed areas and corridors is critical for maintaining community character
- Many local workers face quality of life challenges
- Consider impacts of “graying” community
- Consider how the County will attract younger generation workers and families

Additional Planning Topics Raised

- Education
 - Public K-12
 - Higher education / workforce development

Part 3: Current Policy Direction

Evaluated established JCC policies related to Strategic Planning Themes:

- Regional and Local Economic Development
- Fiscal Health, Efficiency, and Sustainability
- Infrastructure, Facilities, and Services
- Community Character

Policy Documents Reviewed

Board of Supervisors Adopted Policies
FY 2016 Adopted Operating Budget & Capital Improvement Plan (2016)
Greater Williamsburg 2014 Affordability Survey Results (2015)
Greater Williamsburg 2015 Brand Health Survey (2015)
James City County Credit Rating Presentation (2015)
Regulations Governing Utility Services (2015)
Toward 2035: Leading the Way, James City County Comprehensive Plan (2015)
Water Supply Study Final Draft Report (2015)
James City County Parks and Recreation Advisory Commission Senior Services Meeting (2015)
FY 2016 Budget: County Administrator's Message (2015)
Economic Diversification in America's Historic Triangle: Progress and Next Steps (2015)
James City County Energy Use Report (2014)
James City County 2014 Planning Commission Annual Report (2014)
2014 Annual Lodging Report (2014)
Longhill Road Corridor Study (2014)
Greater Williamsburg 2014 Tourism Strategy Brief (2014)
James City County Citizens Survey (2014)
Historic Triangle Coordinated Comprehensive Plan Review Final Summary Report (2014)
2013 Virginia Outdoors Plan (2013)
Williamsburg Area Visitor Research (2013)
2013 Williamsburg Post-Advertising Tracking Survey Results (2013)
Regional Bicycle Facility Plan (2013)

Williamsburg Regional Library Strategic Plan (2012)
Virginia's Golden Crescent Summit (2012)
James City County/Williamsburg/York County Comprehensive Transportation Study (2012)
James City County Tourism Zone (2012)
2011 Virginia Outdoors Demand Survey (2011)
James City County 2011 Pedestrian Accommodation Master Plan (2011)
James City County Enterprise Zone: Policies and Procedures for Requesting Local Enterprise Zone Incentives (2011)
James City County Parks & Recreation Economic Impact Study (2010)
Shaping Our Shores: Master Plan for Jamestown Beach Campground, Jamestown Yacht Basin & Chickahominy Riverfront Park (2009)
James City County Division of Parks and Recreation Master Plan Update (2008)
Business Climate Task Force Report (2008)
Housing Needs Assessment James City County and Williamsburg, Virginia (2007)
James City Community Profile (2007)
Better Site Design in James City County: Report and Findings from the Better Site Design Implementation Committee (2007)
Greenway Master Plan (2002)
James City County Chesapeake Bay Preservation Ordinance (1990)
Chesapeake Bay Preservation Act (1988)

Part 4: Strategic Plan Framework

Framework Element	Definition	Questions It Responds To
Mission Statement	Purpose and responsibilities of James City County Government	What does the James City County government do?
Vision Statement	Statement describing aspirations for future success as a community	Where does James City County aim to be in the future?
Guiding Principles	Value-based principles that will guide County operations long-term, regardless of changing goals and action plans	What are our values?
Goals	Desired outcomes that describe success	If we are successful, what will we have accomplished?
Actions	Specific steps needed to implement goals	What specific steps do we need to take to implement each goal? Who will it be assigned to? What resources are needed to support this effort? When can it realistically be accomplished?

Reviewed existing County mission and vision statements to align Strategic Plan with other plans.

Strategic Plan Framework

County's Established Mission Statement:

We work in partnership with all citizens to achieve a quality community.

Strategic Plan Framework

DRAFT Vision for Strategic Plan:

James City County in 2035:

A Premiere Community that Honors the Past by Advancing the Future

- ***Sustainable Workforce*** supported by high quality employment, housing, and community amenities
- ***Improved Infrastructure*** to support 21st century economic targets and an enhanced and sustainable quality of life
- ***Public Services*** that support aging in place and a diversifying local workforce
- ***Fiscal Approaches*** that result in community investments that achieve successful rates of return
- ***Revitalization Efforts*** that enhance the County's built environment

Strategic Plan Framework

DRAFT Guiding Principles:

- Balance Economic Development Investments
- Achieve Fiscal Sustainability
- Strategically Select Infrastructure Investments
- Enhance Community Character
- Foster Regional Collaboration and Coordination

Strategic Plan Framework

DRAFT Goals and Actions:

- Goals prepared in Phase 2 (Spring 2016)
- Actions prepared in Phase 3 (Summer 2016)

Item 4

STRATEGIC PLAN GOAL PRIORITIES EXERCISE

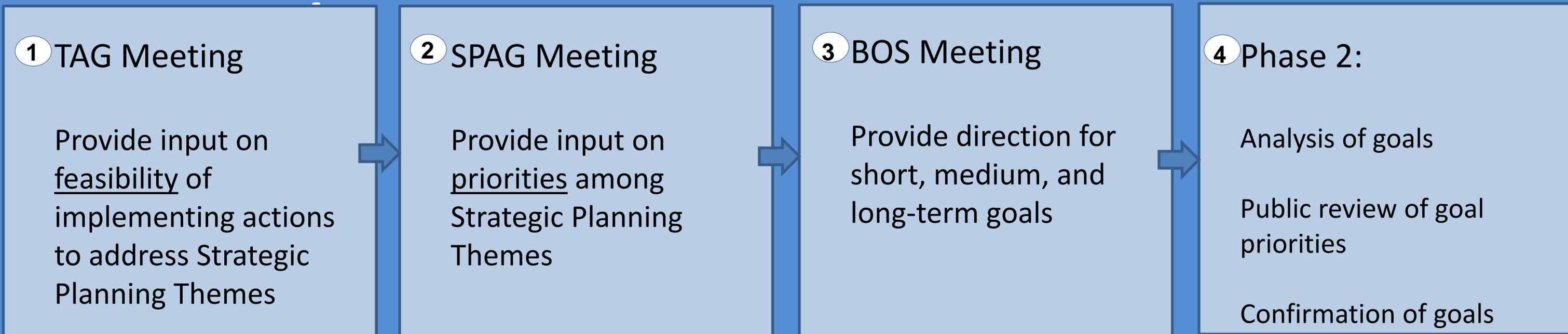
Need for Priorities

- Over 200+ different policy topics raised by project leadership (BOS, SPAG, TAG)
- Won't have resources to tackle all in short-term
- Need to set priorities

Goal Priorities Exercise (multi-part & iterative)

Objective:

Use Strategic Planning Themes to develop Strategic Plan Goals (short, medium, long-term)



Key Question

- Should the Strategic Plan incorporate policy topics (through goals and actions) for which the County plays an indirect or supportive role?
 - Ex. advancing educational excellence and workforce development

Exercise Instructions

 **James City County Board of Supervisors (BOS)**
Strategic Planning Themes Topic Rating Exercise

Objective
Rate and rank the priorities for addressing the following Strategic Planning Theme Topics.

Purpose
Understand the BOS's priority ratings and rankings for taking action to address the topics. This will help inform development of priority goals for the Strategic Plan.

Instructions
Step 1: Review each of the Strategic Planning Theme topics and place a checkmark on your sheet identifying your priority rating for each topic. For reference, the 2035 Strategic Plan Foundations Report page numbers are provided for each topic.
Step 2: Rank the top five implementation priorities (1 as 1st priority - 5 as 5th priority) in terms of their importance to JCCS' economic and fiscal future.

#	Topic	Step 1: Priority Rating			Step 2: Priority Ranking (Top 1-5)
		Low	Medium	High	
Regional and Local Economic Development*					
1 (p.17)	Modernize the tourism sector				
2 (p. 18)	Diversify the local economy				
3 (p. 18)	Foster small businesses				
4 (p. 18)	Regional marketing				
5 (p. 18)	Prepare shovel-ready sites				
6 (p. 18)	Workforce housing				
Fiscal Health, Efficiency, and Sustainability*					
7 (p. 19)	Evaluate costs of expanding growth				
8 (p. 19)	New financing and service provision tools				
9 (p. 19)	Evaluate infrastructure and investments				
Infrastructure, Facilities, and Services					
10 (p. 19)	Long-term raw water solution				
11 (p. 19)	Future infrastructure investments				
12 (p. 20)	Aging infrastructure				
13 (p. 20)	Transportation enhancements				
14 (p. 20)	Address demand for human services				
15 (p. 20)	Address growing public safety requests				
16 (p. 20)	Enhance technology				
Community Character					
17 (p. 20)	Enhance community character				
18 (p. 21)	Consider changes to growth management				
19 (p. 21)	Revitalization of developed areas/corridors				
20 (p. 21)	Quality of life challenges for workforce				
21 (p. 21)	Impacts of "graying" community				
22 (p. 21)	Attract younger generation workers				
Other Ideas (additional topics you would like to see included)					
	Advancing public education (?)				
	Workforce development (?)				

1. Individually review Strategic Planning Theme Topics on worksheet/report
2. Write-in any additional topics that should be added
3. Rate the topics as low, medium, or high priorities
4. Rank the top five priorities
5. Share top five priorities
6. Provide sheets to facilitators who will tally overall results
7. Review SPAG / TAG results and discuss

Item 5

NEXT STEPS (PHASE 2)

Next Steps

Phase 2: Focusing Efforts

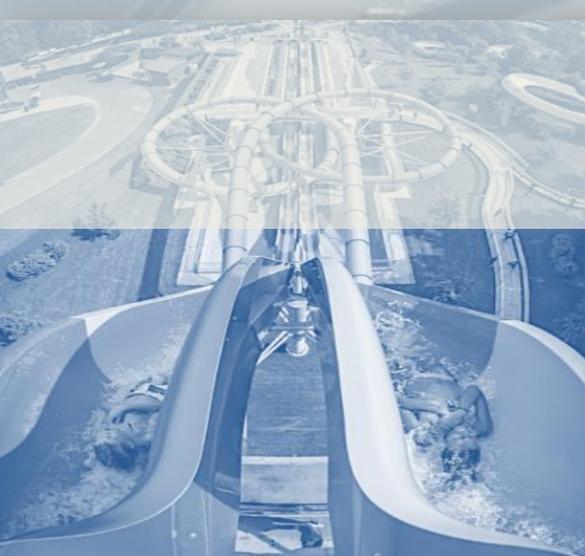
- January – February: Goal Analysis
- March 7: TAG & SPAG Confirmation of Priority Goals
- March 30: Public Open House Event
- April 25: Present Phase 2 Report to TAG, SPAG
- May 24: Present Phase 2 Report to BOS

Product for Phase 2:

Vision, Guiding Principles, and Priority Goals for Plan



James City County, Virginia
JCCSTRATEGY2035.ORG



ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Greg Dale, McBride Dale Clarion
SUBJECT: Strategic Plan Goal Priorities Exercise

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 4:19 PM

ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Leigh Anne King, Clarion Associates
SUBJECT: Next Steps

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 2:13 PM

ITEM SUMMARY

DATE: 2/9/2016
TO: The Board of Supervisors
FROM: Teresa J. Fellows, Administrative Coordinator
SUBJECT: Adjourn until Regular Meeting at 6:30 pm

REVIEWERS:

Department	Reviewer	Action	Date
Board Secretary	Fellows, Teresa	Approved	2/2/2016 - 2:16 PM