



ECONOMIC CLIMATE

TECHNICAL REPORT

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I. Introduction

Our world is changing. The wide-reaching cultural & socio-economic process known as “globalization” is revolutionizing the way people all over the globe interact with one another and with their own environment. Technological advances, particularly in the areas of transportation and communication are gradually eroding the geographic distances between countries, bringing ideas and different cultures together. The adage “no man is an island” is an appropriate observation of our ever-changing interconnected world.

The potential for globalization to produce economic benefits for people all over the world is often debated. The United States has seen over the past years loss of jobs, particularly in the manufacturing sector, to other countries. On the other hand, countries like Mexico and China have generally benefited from globalization by offering lower labor costs as a means to attract foreign manufacturing jobs. The balance between who gains and who loses with globalization is not always clear. However, it is clear that globalization is changing the way people all over the world live, work, and conduct business, including here in James City County.

As societies adjust to integrate into this new reality, a growing awareness regarding the manner and degree to which human development impacts the natural environment is gradually gaining international recognition. In order to support the current growth rate of populations around the world, the concept of sustainable development has become one of the most important ideas to come forward with an alternative approach to our current development patterns. Sustainable development is: *“Development, which meets the needs of the present and does not impair the next generation to meet their own needs.”*¹ As James City County’s population increases over time, the sustainability of its economic activities and policies will contribute toward the quality of life of its citizens.

This Technical Report aims to revise the economic data used for the review of the Economic Section of the 2003 Comprehensive Plan and provide an updated economic profile of the County. As an innovation, this report will also use selected sustainable trends such as “employment concentration” and “income distribution” to attempt to gauge the sustainability of our local economy.

¹ As defined by the Brundtland Commission

II. Workforce

James City County has one of the fastest growing populations among the localities within the Norfolk-Newport News-Virginia Beach MSA². (Please refer to the Demographics Technical Report for further information on population growth.) Another characteristic of the County's population is that James City County has, in general, a higher percentage of older citizens (over 45 years old) and a lower percentage of younger citizens (under 25 years old) when compared with that of the MSA and the State as a whole. The table below compares the age distribution of James City County's population with that of the MSA and State.

Table 1. James City County's Age Distribution and MSA/State-Year 2006

Location	Under 5	5 to 19	20 to 24	25 to 44	45 to 64	65+
Virginia	7%	21%	7%	29%	26%	11%
MSA	7%	22%	8%	28%	23%	11%
James City County	5%	20%	5%	23%	29%	19%

Source: Weldon Cooper Center for Public Service-University of Virginia

According to the Virginia Employment Commission (VEC), the older segment of the County's population is increasing and will continue to increase over time. The relationship between demographic characteristics, such as age and economics, is important to consider as the aging of the County's population represents challenges to its workforce and to the County's current and future economic development policies.

Civilian Labor Force, Employment and Unemployment

The Civilian Labor Force, or CLF, represents all members of the population aged 16 years or over in the United States who are not in the military or institutions such as prisons or mental hospitals and who are either employed or unemployed and actively seeking and available for work. Table 2 shows changes in the CLF in James City County and selected communities since 2000.

² MSA is an integrated economic and social unit with a large population nucleus consisting of one or more counties and/or cities. The Virginia Beach-Norfolk-Newport News is a MSA with a population of 1.7 million people (est. 2007) consisting of seven counties (Gloucester, Isle of Wight, James City, Mathews, Surry, York, and Currituck-NC) and 9 cities (Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg).

Table 2. Civilian Labor Force (CLF) in James City County and Selected Communities

Locality	2000	2001	2002	2003	2004	2005	2006	2007
Virginia	3,584,037	3,641,231	3,744,023	3,805,178	3,854,728	3,933,949	3,995,077	4,054,199
MSA	721,983	738,026	765,135	778,230	787,566	800,492	805,178	815,193
James City County	23,153	24,017	25,468	26,467	27,627	28,056	30,454	30,852
York County	26,697	27,829	29,052	29,556	29,942	30,465	31,201	31,592
Williamsburg City	4,577	4,655	4,657	4,664	4,667	4,735	4,828	4,895
Newport News City	82,380	83,179	85,819	86,951	87,175	88,653	86,565	87,825
Surry County	3,375	3,418	3,573	3,594	3,574	3,659	3,722	3,777
New Kent County	7,256	7,467	7,755	8,135	8,530	8,702	9,306	9,455
Gloucester County	17,489	17,922	18,665	19,115	19,411	19,754	20,434	20,700
Charles City County	3,593	3,666	3,745	3,790	3,808	3,863	3,853	3,912

Source: Virginia Employment Commission (VEC)

The table below specifically shows the growth of the CLF over time and in comparison with the growth of the County's population.

Table 3. CLF and Population Growth in James City County

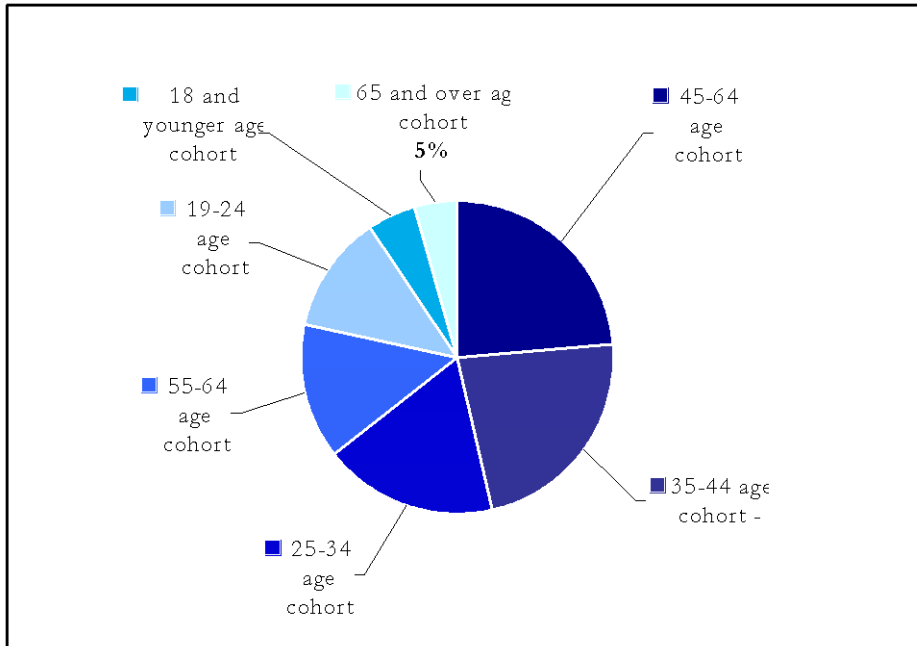
Year	Population*	CLF
2000	48,228	23,153
2001	49,997	24,017
2002	51,622	25,468
2003	53,094	26,467
2004	55,399	27,627
2005	57,584	28,056
2006	59,994	30,454
2007	61,694	30,852
Percentage Increase 2000-2007	27.9%	33.3%

Source: Virginia Employment Commission

* James City County Planning Division estimates, 4th Quarter

According to estimates from the VEC, the majority of the County's workforce falls within the 45-64 age cohort (5,423 workers), followed by the 35-44 age cohort (5,208 workers), and the 25-34 age cohort (4,122 workers). The remainder of the population falls within the following range of age cohorts: 55-64 years old (3,214 workers), 19-24 years old (2,787 workers), 18 & younger (1,131 workers) and lastly the 65 & older (1,049 workers). The graph below illustrates James City County's workforce by age cohort (numbers are shown as percentage of total).

Graph 1. James City County's Workforce by Age Cohort-Year 2006



Source: Virginia Employment Commission (VEC)

Another important characteristic of the James City County workforce is its overall high educational attainment. According to data from the 2000 U.S. Census, 89% of the County's adult population has a high school diploma, over 40% of the population has a four-year college degree, and almost 17% has at least a graduate to professional degree. The table below shows educational attainment in James City County compared to the state and the country.

Table 4. Adult Education Attainment Levels

Education Levels	James City County	State	USA
High School	89.2%	81.5 %	80.4%
Some/Two-Year College	26.87%	55.5%	51.8%
Four-Year College	41.54%	29.5%	24.4%
Beyond College	16.72%	11.6%	8.9%

Source: U.S. Census Bureau 2000

According to the VEC, total employment in James City County in 2007 was 30,078, an increase of 32.5% from 22,700 in 2000. Total employment represents the number of jobs in the County. Unemployment rate represents the number of unemployed as a percent of the civilian labor force. In James City County, the unemployment rate has changed little since the mid 1990s, from a low of 2.0% in 2000 to a high of 3.2% in 2002. However, since 2002 the unemployment rate in the County has gradually fallen to its current rate of 2.5%. (Please refer to Tables 6, and 7 for comparison with other localities.) The table below shows the change in selected economic indicators between 2000 and 2007 for James City County.

Table 5. Selected Economic Indicators for James City County 2000-2007

Year	CLF	Employed	Unemployed	Unemployment Rate (%)
2000	23,153	22,700	453	2.0
2001	24,017	23,410	607	2.5
2002	25,468	24,665	803	3.2
2003	26,467	25,638	829	3.1
2004	27,627	26,779	848	3.1
2005	28,056	27,248	808	2.9
2006	30,454	29,655	799	2.6
2007	30,852	30,078	774	2.5
Percentage Change 2000 to 2007	33.3%	32.5%	70.9%	25%

Source: Virginia Employment Commission (VEC)

Table 6. Total Employment in James City County and Selected Communities

Locality	2000	2001	2002	2003	2004	2005	2006	2007
Virginia	3,502,524	3,524,335	3,587,836	3,649,921	3,712,763	3,797,730	3,873,975	3,930,984
MSA	703,824	713,903	732,851	744,536	754,953	768,218	778,321	788,971
James City County	22,700	23,410	24,665	25,638	26,779	27,248	29,655	30,078
York County	26,180	27,143	28,174	28,647	29,070	29,579	30,376	30,808
Williamsburg City	4,379	4,392	4,317	4,282	4,302	4,377	4,547	4,611
Newport News City	80,245	80,227	81,745	82,649	83,077	84,533	83,506	84,694
Surry County	3,278	3,305	3,415	3,433	3,429	3,489	3,597	3,648
New Kent County	7,124	7,243	7,483	7,850	8,263	8,446	9,052	9,197
Gloucester County	17,153	17,483	18,091	18,530	18,843	19,173	19,901	20,184
Charles City County	3,505	3,487	3,552	3,601	3,619	3,699	3,702	3,761

Source: Virginia Employment Commission (VEC)

Table 7. Unemployment Rate in James City County and Selected Communities

Locality	2000	2001	2002	2003	2004	2005	2006	2007
Virginia	2.3	3.2	4.2	4.1	3.7	3.5	3	3
MSA	2.5	3.3	4.2	4.3	4.1	4	3.3	3.2
James City County	2.0	2.5	3.2	3.1	3.1	2.9	2.6	2.5
York County	1.9	2.5	3	3.1	2.9	2.9	2.6	2.5
Williamsburg City	4.3	5.6	7.3	8.2	7.8	7.6	5.8	5.8
Newport News City	2.6	3.5	4.7	4.9	4.7	4.6	3.5	3.6
New Kent County	1.8	3	3.5	3.5	3.1	2.9	2.7	2.7
Gloucester County	1.9	2.4	3.1	3.1	2.9	2.9	2.6	2.5
Surry County	2.9	3.3	4.4	4.5	4.1	4.6	3.4	3.4
Charles City County	2.4	4.9	5.2	5	5	4.2	3.9	3.9

Source: Virginia Employment Commission (VEC)

III. Workplace

According to the U.S. Bureau of Economic Analysis (BEA) the highest-growing employment sectors in the County between 2001 and 2006 were real estate and rental and leasing (68.15% increase), finance and insurance (66.06% increase), mining (41.18% increase), and professional and technical services (35.26% increase). Farm employment (2.74% increase) and government and government enterprises (1.63% increase) are among the slowest-growing employment sectors in James City County. The table below compares the growth of employment sectors between the County and the MSA and State.

Table 8. Employment Sectors Growth in James City County

2001-2006	Virginia	MSA	James City County
Full-Time and Part-Time Employment	4,859,015	1,149,251	58,197*
EMPLOYMENT SECTOR GROWTH			
Real Estate and Rental and Leasing	46.58 %	49.92%	68.15%
Finance-Insurance	10.02 %	9.51%	66.06%
Mining	-1.74 %	(ND)	41.18%
Professional and Technical Services	20.89%	11.9 %	35.26%
Construction	20.89 %	(ND)	29.84%
Other Services	16.38 %	15.92 %	27.77%

Source: Bureau of Economic Analysis (BEA)

*Numbers are for James City County and the City of Williamsburg.

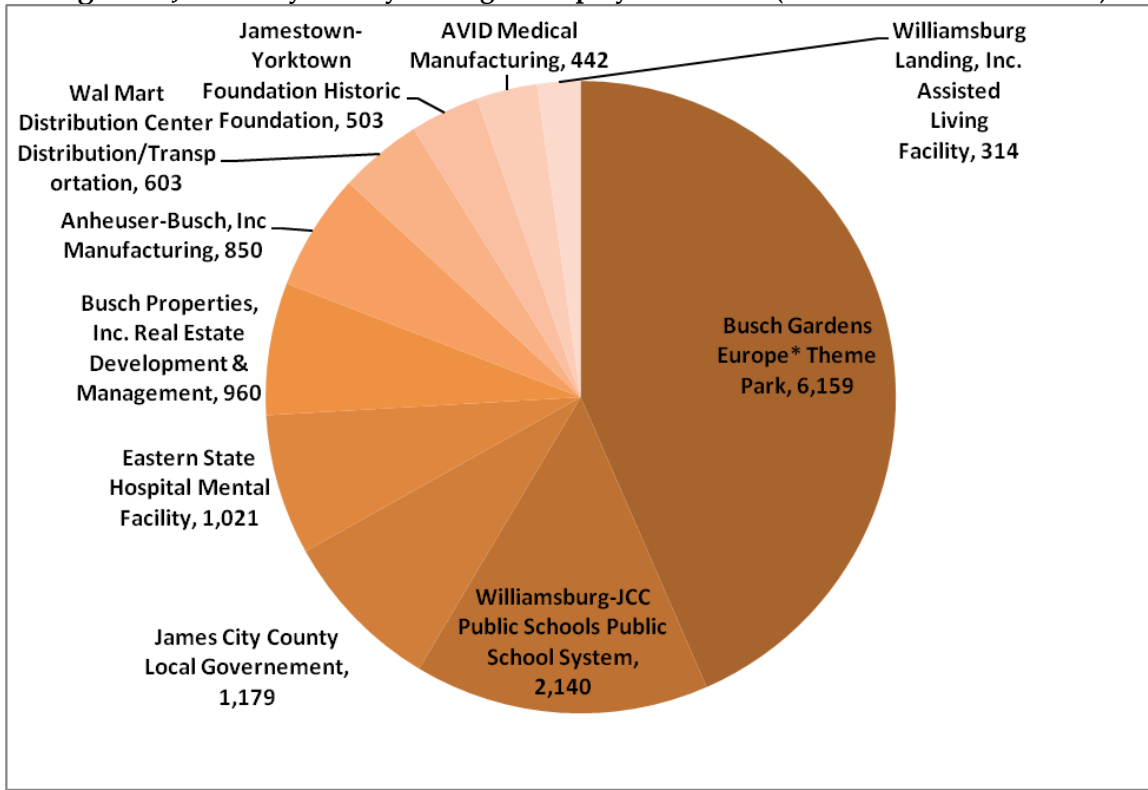
(ND) Not shown to avoid disclosure of confidential information

There are 10 major employers in the County, as measured by the number of employees, providing 14,171 positions or 46.54% of the total employment figures. The types of positions these employees offer and the pay associated with those positions largely determines important economic features such as personal income and overall quality of life.

The largest employer in James City County is, by far, Busch Gardens Europe with 6,159 employees in 2008. Care must be taken when evaluating this number, as many of positions offered are either seasonal or part time; wages are generally low and turnover rates are high. The Williamsburg-James City County Public Schools is the second largest employer with 2,140 employees. Although the education industry is known for offering a more stable workplace (i.e., full-time employment, health benefits), wages tend to be generally moderate to low. James City County government is the third largest employer with 1,179 followed by: Eastern State Hospital (mental health facility), Busch Properties, Inc. (real estate development and management), Anheuser-Busch (manufacturing), Wal-Mart Distribution Center (distribution/transportation), Jamestown-Yorktown Foundation (historic foundation), AVID medical (manufacturing), and Williamsburg Landing (assisted living facility).

The figure below shows the 10 largest employers in the County for fiscal year 2008.

Figure 2. James City County 10 Largest Employers-FY 2008 (numbers are in thousands)



Source: Office of Economic Development, James City County

Sustainability Trend-Employment Concentration

A diverse economy, one that is comprised of a number of different types and sizes of enterprises rather than a smaller group of large employers and major industries, is a good indicator of a sustainable economy. Diversification of the employment base strengthens the economy by protecting it against cyclical economic downturns and changing market demands. In 1996, 45% of all employment in the County was concentrated around 10 major industries. The percentage of the County's labor force who are employed at the 10 major employers has risen slightly to 45.7% in 2000 and 46% in 2008. Table 9 compares employment concentration in James City County during fiscal years of 1996, 2000 and 2008.

Table 9. Employment Concentration in James City County City

Employers	Total Employment Year 1996	Employers	Total Employment Year 2000	Employers	Total Employment Year 2008***
Busch Gardens*	3,000	Busch Gardens*	4,300	Busch Gardens Europe*	6,159
Eastern State Hospital	1,300	Colonial Williamsburg**	3,500	Williamsburg-JCC Public Schools	2,140
Anheuser-Busch, Inc	1,085	Anheuser-Busch	1,100	James City County	1,179
Williamsburg-JCC Public Schools	1,042	Eastern State Hospital	800	Eastern State Hospital	1,021
Williamsburg Pottery Factory**	900	Busch Properties, Inc.	650	Busch Properties, Inc.	960
Busch Properties, Inc	689	John Deere	300	Anheuser-Busch, Inc.	850
JCC Government JCSA	551	Wal-Mart Distribution Center	230	Wal-Mart Distribution Center	603
Branscome Construction	240	Ball-Metal	200	Jamestown-Yorktown Foundation	503
Ball Metal	220	Owens-Brockway	160	AVID Medical	442
Owens-Brockway	200	BP Solar	145	Williamsburg Landing	314
Subtotal	9,227	Subtotal	11,385	Subtotal	14,171
Total Employment in James City County (1st Quarter-1996)	20,467 or 45%	Total Employment in James City County	25,103 or 45.7%	Total Employment in James City County	30,444 or 46%

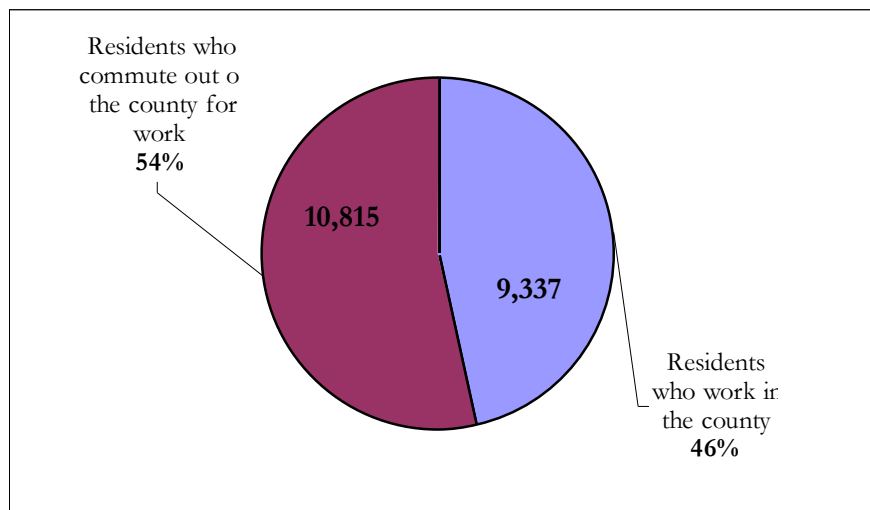
Source: Office of Economic Development, James City County *Seasonal jobs, **primarily located in the City of Williamsburg but employs a large number of County residents, *** Numbers from March 2008 were used to represent employment numbers for 2008.

The above data suggests that employment concentration in James City County has remained relatively unchanged in 2000 and 2008, which may indicate no movement toward this sustainability trend. However, care must be taken when evaluating this information, as additional data such as the County's total non-commuting labor force has not been included in this analysis. Also, the year 2000 and 2008 were used as references but not the in-between years.

Commuting Patterns

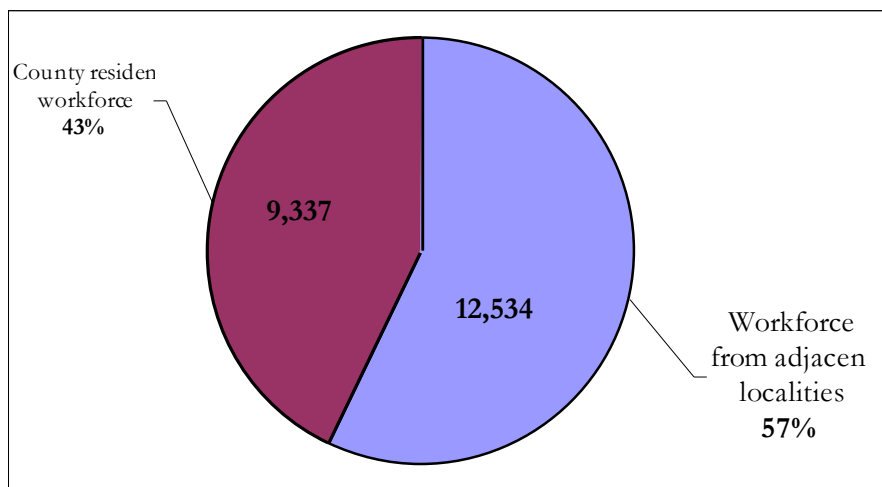
According to the 2000 Census Bureau, and as shown in the two figures below, James City County had almost half of its working population living and working in the County. Fifty-four percent of James City County's labor force commuted out to work and 57% of "out of town" workers commuted into work in James City County.

Figure 3-James City County Working Population



Source: U.S. Census Bureau 2000

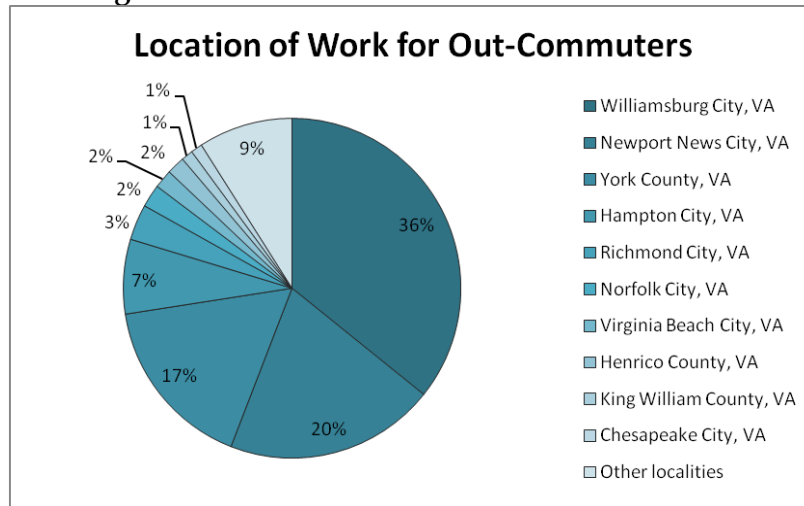
Figure 4-Total Workers in James City County



Source: U.S. Census Bureau 2000

Commuting patterns can also be understood through a broader economic context by showing the relationship between workforce housing and the location of work in and outside the County, and by demonstrating an economic linkage between localities geographically located near the County. According to the 2000 Census, the top three destinations for James City County "out commuters" were Williamsburg, Newport News, and York County.

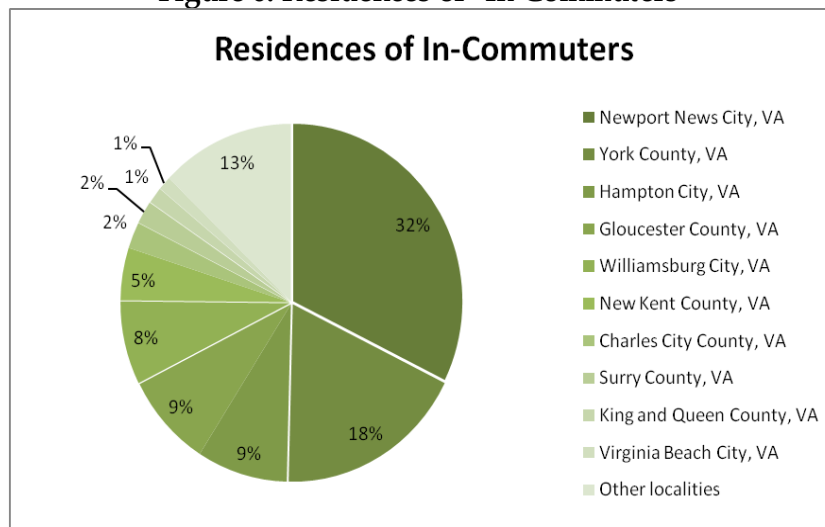
Figure 5. Location of Work for "Out Commuters"



Source: 2000 U.S. Census Bureau

Newport News City, York County, and Hampton City were the top three residences of workers commuting to the County for work.

Figure 6. Residences of "In Commuters"



Source: 2000 U.S. Census Bureau

IV. Income

In 2006, James City County Per Capita Personal Income, or PCPI³ was \$42,923, a 23.2% increase over 2000 and one of the highest personal income rates in the area. James City County PCPI rose lower than Virginia's median change of 27.2%, the MSA change of 32.2% and all surrounding localities except New Kent with 16.5%. Table 10 illustrates the change in PCPI in James City County and other localities in the area between 2000 and 2006.

Table 10. Per Capita Personal Income from 2000 to 2006

Locality	2000	2001	2002	2003	2004	2005	2006	Percentage Change 2000- 2006
Virginia	\$31,083	\$32,511	\$33,033	\$34,001	\$35,841	\$37,968	\$39,540	27.2%
MSA*	\$26,360	\$27,767	\$28,784	\$30,057	\$31,540	\$33,259	\$34,858	32.2%
James City + Williamsburg⁴	\$34,834	\$37,234	\$37,983	\$38,413	\$40,708	\$41,922	\$42,923	23.2%
Newport News	\$21,908	\$23,713	\$24,481	\$25,203	\$26,502	\$27,847	\$28,990	32.3%
Surry	\$21,252	\$22,090	\$22,234	\$23,342	\$24,198	\$25,167	\$26,904	26.5%
York + Poquoson	\$29,734	\$31,460	\$32,873	\$34,193	\$36,154	\$39,882	\$41,656	40.0%
New Kent	\$27,349	\$29,142	\$29,069	\$29,267	\$30,352	\$31,476	\$31,886	16.5%
Gloucester	\$24,477	\$25,880	\$26,429	\$27,044	\$28,595	\$29,445	\$30,674	25.3%
Charles City	\$23,376	\$26,185	\$26,552	\$27,920	\$29,206	\$30,484	\$31,343	34.0%

Source: Bureau of Economic Analysis (BEA),

*MSA: Norfolk - Virginia Beach - Newport News, MSA

Median Income is the income value where 50% percent of a population has an income above a value, and 50% percent of the same group has an income below that value. Median Adjusted Gross Income (MAGI) is the median income calculated after deductions for taxes are made. For married couple returns, the James City County MAGI is higher than the MSA and Virginia and has increased since 1999 from \$61,315 to \$68,116 in 2004 for married couples. Despite the fact that James City County's MAGI is higher than both the State's and MSA's, the percentage increase was lower than both. Table 11 illustrates the change in MAGI for James City County between the years of 1999 to 2004.

³ According to the Bureau of Economic Analysis, the Per Capita Personal Income, or PCPI, is defined as the total income received by all person divided by the total population of the locality.

⁴ James City County and Williamsburg figures are combined.

Table 11. Median Adjusted Gross Income, Married Couple Filers by Year

Locality	Median Adjusted Gross Income 1999	Median Adjusted Gross Income 2004	Percentage Change
Virginia	\$ 53,745	\$ 62,109	15.6%
MSA	\$ 48,928	\$ 57,770	18.0%
James City County	\$ 61,315	\$ 68,116	11.1 %

Source: Weldon Cooper Center (based on Virginia state tax records)

Dollars not adjusted by inflation

Sustainability Trend-Income Distribution

A sustainable society is one in which total personal income is equitably distributed among its entire population. Gaps in income across society can disrupt access to education, housing, health care, and other goods and services. A sustainable society will minimize poverty and be wary of extremes of wealth; it will prosper with strong middle class and a reasonable distribution of income that minimizes poverty. Household income⁵ is the economic indicator used to measure income distribution. The table below shows households by income in James City County in 2000, 2008, and 2013 (projection) with the highest income divisions highlighted.

Table 12. Households Income

Households by Income	Year 1999		Year 2008*		Year 2013*	
	Number	Percent	Number	Percent	Number	Percent
< \$15,000	1,844	9.7%	1,727	6.6%	1,596	5.0%
\$15,000-\$24,999	1,639	8.6%	1,650	6.3%	1,402	4.4%
\$25,000-\$34,999	1,853	9.7%	1,686	6.4%	1,580	5.0%
\$35,000-\$49,999	2,976	15.6%	3,098	11.8%	2,345	7.4%
\$50,000-\$74,999	4,131	21.7%	5,630	21.4%	5,676	17.9%
\$75,000-\$99,999	2,686	14.1%	5,110	19.4%	7,672	24.1%
\$100,000-\$149,999	2,414	12.7%	4,444	16.9%	6,733	21.2%
\$150,000-\$199,000	756	4.0%	1,308	5.0%	2,260	7.1%
\$200,000+	750	3.9%	1,638	6.2%	2,516	7.8%

Sources: U.S. Census Bureau, 2000 Census of Population and Housing, *forecast by ESRI

⁵ Household is defined as all persons sharing a housing unit, such as a house, apartment, or mobile home. "Household Income" is the money income they earned. "Money income" consists of wages, interest, and other personal receipts, including government cash transfers before taxes.

The above data suggests that over time, household incomes should move upwards. In 2000, the majority of households in James City County (21.7%) were within the \$50,000-\$74,999 income bracket. Projections for 2008 indicate this percentage to remain somewhat unchanged for this same income group. The second largest income bracket is projected to fit within the \$75,000-\$99,000 range. Projections for 2013 show the largest income group to fall within the \$75,000-\$99,000 range followed by the \$100,000-\$149,999 group. Care must be taken when interpreting this data as these numbers are based in projections and may not reflect the real household income mobility in James City County.

Poverty

The U.S. Census Bureau uses a set of monetary income thresholds that vary by family size and compositions to determine who is poor. The poverty thresholds do not vary geographically, but are updated annually for inflation. If a family's total income is less than that family's threshold, then that family, and every individual in it, is considered poor. According to the 2000 U. S. Census Bureau, the poverty rate for James City County was at 6.4% percent, below the poverty rates for the State (9.6% percent) and the MSA (10.6% percent).

While categorizing people as "poor" and "non-poor" is one summary of economic position, in reality, economic situations fall across a much broader spectrum. The ratio of income to poverty compares a family income with its poverty threshold and expresses that comparison as a fraction, providing degrees of "near poor". The lower the ratio, the closer to poverty that family is considered.

Wages

According to the U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages (BLS), the weekly average wage in James City County for 2007 was \$602, equivalent to an annual average wage of \$31,305. The average weekly wage in Virginia was \$885 or equivalent to an annual average of \$45,995. The table below offers a comparison of the average weekly wages by industry sector for James City County between 2001 and 2007⁶.

⁶ The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. NAICS was developed under the auspices of the Office of Management and Budget (OMB) and adopted in 1997 to replace the Standard Industrial Classification (SIC) system. The SIC system was used to classify business establishments in the 2003 Economic Development Technical Report.

Table 13. Average Weekly Wages in James City County 2001-2007*

Industry Sector (NAICS)**	2001 Average Weekly Wage	2007 Average Weekly Wage
Farm & Agricultural Services, Forestry & Fishing <i>Private</i>	\$315	\$251
Construction <i>Private</i> <i>State</i>	\$644 Not Disclosed	\$773 Not Disclosed
Manufacturing <i>Private</i>	\$951	\$947
Transportation & Warehousing <i>Federal Government</i> <i>Local Government</i> <i>Private</i>	\$779 Not Disclosed \$397	\$902 Not Disclosed \$489
Wholesale Trade <i>Private</i>	\$689	\$1055
Financial & Insurance <i>Private</i>	\$785	\$1208
Retail Trade <i>Private</i>	\$339	\$386
Other Services <i>Private</i>	\$258	\$489
Public Administration <i>Federal Government</i> <i>State Government</i> <i>Local Government</i>	Not Disclosed Not Disclosed Not Disclosed	\$1599 Not Disclosed Not Disclosed

Source: U.S. Bureau of Labor Statistics (ULB)

*All establishment sizes, **NAICS Sectors equivalent to CIS Sectors for Agriculture & Forestry, Construction, Manufacturing, Transportation, Communication and Utilities, Wholesale Trade, Retail Trade, Service Industries and Public Administration.

V. Taxes

James City County continues to levy a relatively low tax rate compared to surrounding jurisdictions. The 2008 real estate tax was \$0.77 per & 100, which is lower than Hampton (\$1.06), Newport News (\$1.12), Norfolk (\$1.11) and Virginia Beach (\$0.89). The tax rate was \$0.65, \$0.61, and \$0.81, respectively among similarly situated suburban localities (York, Gloucester counties, City of Poquoson).

At \$4.00 per \$100 of capitalized cost, assessed at 25% for an effective rate of \$1 per \$100, James City County's personal property tax rate has remained constant for the last 20 years. York County and Norfolk have the same tax rate, while Hampton and Newport News have higher rates. The range of the personal property tax rates in 2008 for nearby localities ranged from a low of \$2.60 for Gloucester to a high of \$4.40 for Isle of Wight. Williamsburg's personal property tax rate in 2008 was \$3.50 per \$100 (please refer to Tables 15 and 16). According to the James City County Adopted Budget for 2009-2010, and as shown on the table below, the revenue from general property taxes is projected to increase in 2008 and 2009, while other local taxes are projected to decrease. These two sources will remain principal sources of revenue for the County.

Table 14. General Funds Revenue

Detailed Summary Revenues	FY 2008 Adopted	FY2008 Projected	FY 2009 Adopted	FY 2010 Plan
General Property Taxes	\$105,183,729	\$105,631,634	\$107,754,387	\$111,859,085
Other Local Taxes	\$22,555,000	\$21,065,000	\$22,030,000	\$22,930,000
Licenses, Permits and Fees	\$9,745,125	\$8,215,250	\$8,345,000	\$8,653,000
Fines & Forfeitures	\$413,125	\$355,000	\$375,000	\$380,000
Revenues from Use of Money and Property	\$1,311,631	\$1,775,000	\$1,315,000	\$1,315,000
Revenue from the Commonwealth	\$25,724,786	\$25,045,825	\$25,433,233	\$26,004,267
Revenue from the Federal Government	\$5,868	\$5,868	\$5,868	\$5,868
Charges for Current Services	\$7,912,034	\$6,879,092	\$4,678,036	\$4,753,036
Miscellaneous Revenues	\$1,670,250	\$165,500	\$170,500	\$170,500
Total Revenues	\$174,521,548	\$169,138,169	\$170,107,024	\$176,070,756

Table 15. Real Estate Taxation Rates in James City County and Selected Localities

Locality	Tax Rates per \$100							Year			
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
James City County	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7
York	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.6	0.6
Williamsburg	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Newport News	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Surry	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.7	0.8	0.7
New Kent	0.8	0.8	0.8	0.7	0.7	0.7	0.8	0.7	0.8	0.9	0.9
Gloucester	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.5	0.6
Charles City	0.7	0.7	0.7	0.8	0.7	0.8	0.8	0.8	0.7	0.7	0.7

Source: Individual Localities Government

Table 16. Personal Property Tax Rates in James City County and Selected Localities

Locality	Tax Rates per \$100							Year			
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
James City County	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
York	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Williamsburg	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Newport News	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.2	4.2
Surry	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
New Kent	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Gloucester	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4	2.2	2.2	2.2
Charles City	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4

Source: Individual Localities Government

Table 17. Principal Taxpayers in James City County-FY 1997, 2000 and 2007

Taxpayer	Assessed FY 1997 *
Anheuser-Busch	\$3,252,784
Busch Entertainment, Corp.	\$925,472
Busch Properties, Inc	\$617,423
Ball-Metal	\$518,772
Virginia Electric & Power Company	\$496,011
Powhatan Plantation	\$459,012
Owens-Brockway	\$429,274
Williamsburg Landing	\$322,381
Bell Atlantic	\$292,002
Newport News Waterworks	\$194,692
Total in dollar values and percentage of County total revenues	\$7,507,823 or 18.5%

Taxpayer	Assessed FY 2000**
Anheuser-Busch	\$4,669,034
Busch Entertainment, Corp.	\$1,296,851
Ball-Metal	\$699,018
Busch Properties, Inc	\$678,495
Virginia Electric & Power Company	\$578,252
Powhatan Plantation	\$543,337
Williamsburg Outlets, LLC	\$467,282
Owens-Brockway	\$446,733
Williamsburg Landing	\$444,275
Greensprings Associates	\$383,711
Total in dollar values and percentage of County total revenues	\$10,207,438 or 15.8%

Taxpayer	Assessed FY 2007***
Anheuser-Busch	\$4,626,557
Busch Entertainment, Corp.	\$1,438,461
Wal-Mart	\$1,093,159
Powhatan Plantation	\$922,269
Busch Properties, Inc	\$676,616
Ball-Metal	\$621,644
Williamsburg Plantation	\$586,816
Manor Houses	\$571,625
Williamsburg Landing	\$559,475
Virginia Electric & Power Company	\$548,665
Total in dollar values and percentage of County total revenues	\$11,645,287 or 10.9%

Source: James City County Office of Economic Development

The data above indicates that the 10 major employers in James City County contributed 11% of the total County revenues for Fiscal Year 2007, a decline of 2.9% from 2005. The data also indicates a diverse portfolio of contributors ranging from manufacturing industries such as Anheuser-Busch and Ball-Metal Containers; retail and warehousing such as Wal-Mart; timeshares such as Powhatan Plantation and Williamsburg Plantation; and assisted living facilities such as Williamsburg Landing.

VI. Retail Sales

The past decade has seen an increase in retail sales in James City County. In 1998, James City County had retail sales of \$567 million. In 2001, retail sales increased to \$638.6 million⁷ and it is currently at the \$843.3 million⁸ mark. The table below shows the gradual rise of taxable sales in James City County between 1998 and 2007.

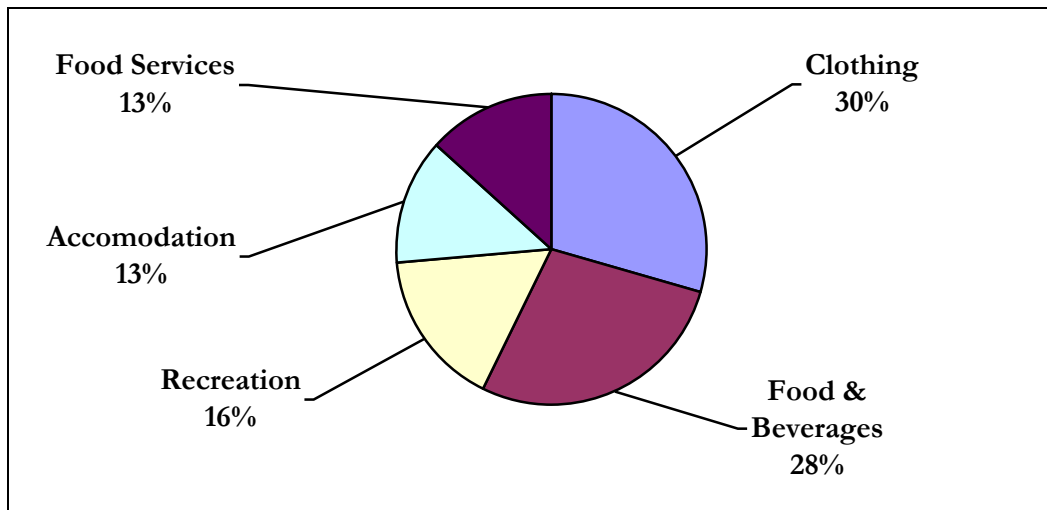
Table 18. Retail Sales in James City County from 1998 to 2007

Year	Taxable Retail Sales	Percentage Change
1998	\$567,112,700	14.3%
1999	\$606,084,800	6.9%
2000	\$644,192,700	6.3%
2001	\$673,000,700	4.5%
2002	\$660,603,800	1.8%
2003	\$678,016,200	2.6%
2004	\$679,508,600	0.2%
2005	\$763,697,400	12.4%
2006	\$832,202,000	9.0%
2007	\$882,593,500	6.1%

Source: Treasurer, James City County,

According to the Virginia Department of Taxation, the business classification categories which provided the highest taxable sales revenues in James City County for 2007 were clothing and clothing accessories (\$138,290,610); followed by food and beverage stores (\$128,958,045); amusement, gambling, recreation industries (\$76,780,841); accommodation (\$62,259,704); and food services and drinking places (\$61,767,394).

Figure 7. Taxable Sales Revenues per Business Categories



⁷ Virginia Department of Taxation

⁸ Virginia Department of Taxation

VII. Agriculture

According to the 2002 Census of Agriculture⁹, James City County had 64 farms corresponding to 8,962 acres of land. The average size of farms was approximately 140 acres while the median size of farms was 40 acres. The table below illustrates selected features regarding agriculture in James City County in 1992, 1997, and 2002.

Table 19. Agriculture in James City County-Years 1992-2002

	1992	1997	2002
Land in Farms (in acres)	9,559	8,861	8,962
Average Size of Farms (in acres)	157	153	40
Market Value of Agricultural Product Sold (in dollars)	2,428	1,892	2,341
Market Value of Agricultural Products Sold, Average per Farm (in dollars)	39,810	32,615	36,579

Source: 2002 Census of Agriculture-U.S. Department of Agriculture.

The following tables illustrate additional characteristics of the agricultural production in James City County.

Table 20. Top 5 Livestock Inventory Items-Year 2000**

Cattle and calves	542
Layers* 20 weeks old and older	422
Horses and ponies	168
Goats	102
Colonies of Bees	30

Source: 2002 Census of Agriculture-U.S. Department of Agriculture, *Layers: Hens kept for laying eggs, ** in hundreds

Table 21. Top 5 Crop Inventory Items*-Year 2000

Soybeans	n/a
Corn for Grain	1,872 acres
Forage	913 acres
All wheat for grain	847 acres
Barley	n/a

Source: 2002 Census of Agriculture-U.S. Department

⁹ The 2002 Census of Agriculture offers the latest numbers in Agricultural products in the United States. The 2007 Census of Agriculture will be released in 2009, according to the United States Department of Agriculture.

VIII. Business and Growth

Since 2000 James City County has experienced continued strong business growth. The table below details the number of business licenses issued during the past eight years according to the Commissioner of Revenue. Business licenses issued in James City County showed its strongest gains from 2006 to 2007 when they increased 17.6%. A business license is required for all business establishments, from small home operating businesses to large corporations.

Table 22. Business Licenses Issued from 2000 to 2007

Fiscal Year	Business Licenses Issued In James City County
2000	3,573
2001	3,783
2001	3,954
2003	4,099
2004	4,696
2005	4,967
2006	5,088
2007	5,983

Source: Commissioner of the Revenue, James City County

According to information provided by the James City County Commissioner of Revenue, as of October 17, 2008, 632 businesses had opened in James City County while 150 businesses closed operations. Table 18 below compares the number of opened and closed business in James City County since 2000.

Table 23. Businesses in James City County-Closings & Openings

Calendar Year	Businesses Opened	Businesses Closed
2000	580	542
2001	826	521
2002	777	615
2003	846	657
2004	921	625
2005	963	638
2006	1047	609
2007	844	595
2008 *	632	150

Source: Commissioner of the Revenue, James City County,

** 2008 data as of 10/17/08*

According to the County's Department of Financial & Management Services, the County's bond rating was upgraded by Standard & Poor's to a AA+ in 2007 (In 2002, Standard and Poor's upgraded the County's bond rating from A+ to AA). The County also enjoys a bond rating of AA2 from Moody's Investors Service and AA+ from Fitch Ratings. These bonds ratings are based on analyst recommendations after a review of the County's economic and fiscal performance, successes in diversifying its economic base, fiscal policies and practices, current debt outstanding, and evidence of financial planning to meet future capital needs. These ratings are excellent for a community the size of James City County and give the County's additional leverage in the bond market for potential bond buyers and investors.

IX. Economic Development

Industry and Office

The table below shows available acreage and useable acreage at seven selected industrial and office parks located in James City County. James City County has additional industrial and office areas located outside industrial and office parks. The majority of these non-residential uses are located within parcels which are zoned MU, B-1, LB, PUD-C, M-1, and M-2.

Table 24. Selected Industrial/Office Parks in James City County

Park	Acreage*	Undevelopable Acreage**	Developed Acreage	Useable Acreage Remaining
Busch	137.69	0.00	108.77	28.92
GreenMount	744.03	46.16	498.07	199.80
Hankins	138.31	4.65	119.27	14.39
Jacobs	86.62	32.02	0.01	54.59
James River	203.32	40.90	75.87	86.55
Stonehouse North	553.36	170.87	0.00	382.49
Stonehouse South	236.76	50.73	126.48	59.55

Source: James City County Planning Division

* All acreage amounts are computed from GIS and do not necessarily reflect legal amounts

** Resource Protection Areas, Steep Slopes, environmental sensitive areas.

Additionally, Discovery Business Park has over 550,000 square feet of new office space. It is one of several successful components of the mixed use development known as New Town. Below are three of the major business announcements for the year of 2008 according to the James City County Office of Economic Development:

- ❖ **Dylla Manufacturing** signed a lease to occupy 20,000 square feet in James River Commerce Center. Dylla makes customized rubber elevator parts.
- ❖ **Walsh Electric** announced plans to construct a 12,000-square-foot facility in GreenMount Industrial Park. Walsh Electric offers a variety of commercial general electric contracting services in seven states in the eastern United States
- ❖ **Yeargin Landscaping, Inc.** announced plans to construct a facility in GreenMount Industrial Park

Commercial & Retail

James City County is served by a variety of retail establishments, from smaller “mom & pop” local stores to larger commercial operations such as Prime Outlets. These commercial and retail establishments are an important economic sector for James City County strengthening the economic and social fabric of the County. The majority of commercial and retail square footage is clustered in the following areas:

- ❖ Colonial Heritage- 350,000 square feet;
- ❖ Williamsburg Pottery- 2, 000,000 square feet
- ❖ Lightfoot Corridor- 1, 000,000 square feet
- ❖ Williamsburg Market Place-125,000 square feet
- ❖ Monticello Shopping Center-300,000 square feet
- ❖ New Town-300,000 square feet

Time shares & Assisted Living Facilities/Community Care Retirement Community (CCRC's)

As previously discussed in this report, timeshares and assisted living facilities also contribute to the economy of James City County by creating jobs (Williamsburg Landing, an assisted living facility is the 10th largest employer in the County) and by providing revenues to the County as major taxpayers (such as Powhatan Plantation and Williamsburg Plantation). The following are the largest timeshares and assisted living facilities located in the County:

Time Shares and number of units at build out:

- ❖ Greensprings Vacation Resort Monticello-444 units
- ❖ Historic Powhatan Resort-889 units
- ❖ Marriot Manor Club at Ford's Colony-276 units
- ❖ Williamsburg Plantation-590 units
- ❖ Colonies at Williamsburg- 391 units

Assisted Facilities/CCRCs:

- ❖ The Village at Ford's Colony-741 units
- ❖ Patriot's Colony Convalescent Center-420 units
- ❖ WindsorMead at Williamsburg-419 units
- ❖ Chambrel at Williamsburg-376 units
- ❖ Morningside of Williamsburg-188 units

Appendix A

Business Climate Task Force Study

In order to sustain the economic viability of James City County, the Board of Supervisors and the Economic Development Authority (EDA) commissioned a Business Climate Task Force (BCTF) to review the local climate for business retention and expansion of existing small, medium, and cornerstone business in the County, as well as recruiting outside business to the area. In April 2007, the Business Climate Task Force Report was released with recommendations to be carried forward by different County agencies (i.e. Office of Economic Development, Office of Housing and Community Development, Planning). The Economic Climate Technical Report has incorporated elements discussed in the Business Climate Task Force.

Assessing the Future Labor Market in the Greater Williamsburg Area

Released on February 15, 2007, this document prepared for the Greater Williamsburg Chamber of Tourism and Alliance, assesses the current and projected for laborforce in the Greater Williamsburg Area (i.e. Williamsburg, James City County, and York County). Data and information found in this document has been incorporated by this technical report.

Appendix B

Citizen Commentary

James City County's Citizen Survey 2007 Input

- ❖ Almost five in ten respondents (49.1%) from the Virginia Tech survey rate economic development in the County as either "excellent" or "good."
- ❖ Many responses on the open ended portions of the Virginia Tech survey regarding desired services and business opportunities in James City County included: control of residential and non-residential growth, more business and industries to increase the County's tax base, and more variety of businesses.
- ❖ Many respondents of the survey raised the issues of slowing down growth and decreasing development in the County as principal concerns when asked "What would you most like to see change in the County in the future?"

The National Citizen Information Survey 2007 Input

- ❖ Survey respondents were asked to rate community features related to economic opportunity and growth. The highest rated features were shopping and overall quality of business establishments in the County. The lowest rated feature was employment opportunities.
- ❖ Survey respondents were asked to reflect on their economic prospects in the next 6 months. 17 percent of the respondents expected that the coming six months would have a "somewhat" or "very" positive impact on their family, while 35% felt that the economic future would be "somewhat" or "very" negative (48% of the respondents expressed neutrality).

Community Conversation Input (rounds 1 and 2)

- ❖ Participants identified job opportunities, full-time employment, and better wages as currently missing but desired economic elements in the County.
- ❖ An unbalanced economy and rapid growth were concerns expressed by many participants, as was the desire to see existing empty buildings and shopping centers rehabbed and reused before building new centers.
- ❖ When asked "what are important features (such as clean industries, living wages, shopping opportunities) citizens would like to see in the business and industries the County attracts?" many responders answered: clean industries, businesses that create and/or promote green building techniques, high-tech jobs, high paying jobs, research and development jobs and water efficient businesses. The general theme indicated participants are interested in attracting businesses with minimal impacts on the environment and surrounding area.

- ❖ In the second round of Community Conversations, participants were asked if redevelopment of non-residential areas was an important economic strategy in the County. Eighty-three percent (83%) of the participants responded yes to this question.
- ❖ Participants were also asked to identify what type of economic development activities citizens would like to see more or less of in James City County. Participants included the following activities in the “more” category: research & development, eco-business/eco-tourism, agri-business, farming, and home-based occupation. In the “less” category, the following activities were noted: retail, office, industry, and tourism.
- ❖ When asked if the County should invest more in the development, retention, and attraction of a skillful young work force, 88.7% of the surveyors responded yes. Of the nine strategies to attract and retain younger professionals listed on the survey, participants rated the following in the order from the most effective to the least effective (percentages of responses stated at the beginning of statement):
 - a. 71% “Recruit more knowledge-based business that can provide higher paying jobs.”
 - b. 50% “Provide more affordable and workforce housing.”
 - c. 43% “Increase the opportunities for outdoor recreation and sports.”
 - d. 42% “Provide more public open spaces such as parks and trails.”
 - e. 31% “Provide more subdivisions with mixed income and mixed type housing.”
 - f. 31% “Provide additional urban living options similar to New Town.”
 - g. 30% “Provide more cultural venues such as theaters and/or museums.”
 - h. 28% “Provide more public entertainment venues for musical concerts.”
 - i. 26% “Provide more diverse commercial venues such as taverns and/or nightclubs.”

Other Input (CPT forums, listening stations, letters & e-mails)

- ❖ Listening station comments and comment cards included the following statements: stop residential growth, less development, expand the railroad system, reduce the number of shopping centers, place a priority on local agriculture, attract a tax base other than retail and tourism, more shopping centers, recruit high paying jobs and clean industries, develop technological infrastructure to entice high-tech businesses, and need more large industries.
- ❖ The Economic Development Authority (EDA) presented to the Citizen Participation Team and explained the importance of considering issues such as: redevelopment, land

use and economic development, workforce education, and achievement of a balanced economic portfolio into the review of the 2008 Comprehensive Plan. The EDA also discussed the implementation of the Business Climate Task Force Study and the importance of making James City County more business friendly.

- ❖ The Greater Williamsburg Chamber & Tourism Alliance also presented to the Citizen Participation Team and identified the following issues as important ones to be addressed for the future of James City County: retaining the uniqueness of the County, encouraging growth of existing and new business in the area, strengthening tourism, and supporting workforce needs.
- ❖ Many letters and e-mails raised control of growth in the County as one of their major concerns.