

**APPROVED MINUTES
KING WILLIAM COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING OF NOVEMBER 9, 2022**

A regular meeting of the King William County Economic Development Authority Board of Directors was held on the 9th day of November 2022, beginning at 7:00 p.m. in the Board Room of the County Administration Building and via Zoom.

Agenda Item 1. CALL TO ORDER

Chairman Rhoads called the meeting to order.

Agenda Item 2. ROLL CALL

The members were polled:

Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye
D. Straughan Robinson, III	Aye
Jason Brown	Arrived just after roll call
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
Sarah Williams	Aye
C. Meade Rhoads, Jr. – Chairman	Aye

Agenda Item 3. REVIEW AND ADOPTION OF AMENDED MEETING AGENDA

Mr. Hudgins said the Board of Supervisors would like to know the EDA Board’s feelings on reducing the number of members to seven.

Vice Chair Piersa made a motion to approve the Amended Meeting Agenda with the addition of Item 6.c. regarding reducing the number of members on the EDA Board to seven. Ms. Williams seconded. The Chairman called for any discussion. All were in favor with none opposed.

Agenda Item 4. APPROVAL OF MINUTES

4.a. October 12, 2022 Draft Minutes

Vice Chair Piersa made a motion to approve the minutes as presented. Mr. Hardwick seconded. The Chairman called for any discussion. All were in favor with none opposed.

Agenda Item 5. TREASURER’S REPORT

5.a. Establishing EDA Bank Accounts - Steve Hudgins, Deputy County Administrator

Mr. Hudgins said the EDA Treasurer could choose the bank and open the account(s). Counsel recommends opening two accounts – one for the Nestle pass-through and one for EDA operation funds. The EDA is responsible for maintaining the books, providing a monthly report to County Finance, and providing the necessary information to be included in the County’s annual audit.

Mr. Campbell asked if the County had any preference on banks. Mr. Hudgins said no.

Mr. Piersa asked if it would be confusing to have both accounts at the same bank. Mr. Campbell said no.

Mr. Campbell said he was thinking of using Premis. He will meet with Mr. Hudgins and the Director of Finance to work out the process and get the necessary identification paperwork.

Agenda Item 6. NEW BUSINESS

6.a. Taxes & Opportunities - Karena L. Funkhouser, Commissioner of the Revenue

Commissioner Funkhouser presented information regarding taxes and opportunities (Attachment A).

Chairman Rhoads asked how the EDA would approach the Board of Supervisors about additional taxes. Commissioner Funkhouser said she has a model ordinance she could share. She also suggested looking at what other localities have done with the cigarette tax. Mr. Hardwick said the Board of Supervisors has shot down the cigarette tax twice already.

Mr. Hardwick asked how the percentage loss on real estate tax was calculated. Commissioner Funkhouser said County Finance has a ratio to estimate how much of what is billed will actually be collected.

Vice Chair Piersa asked how much tax was coming in from the recently sold Newport News properties. Commissioner Funkhouser said buyers were taxed on the purchase. She said some people are disputing.

Mr. Holderied said some localities have an inventory tax, but we don't.

6.b. Discussion of Hiring EDA Employee - Steve Hudgins, Deputy County Administrator

Mr. Hudgins suggested having a job description, salary range, and other details before bringing the matter before the Board of Supervisors (BOS).

Mr. Holderied said he spoke with Ashland and got a copy of their job description (Attachment B). He thinks an EDA employee would be a great asset. He said he would pull information together by the next meeting if the Board agrees.

Mr. Hudgins said it is not in the budget this year. If the BOS approves the position, it wouldn't begin until July 2023.

Mr. Holderied said the person should be paid, have an expense account, office space, and a County vehicle. He will put together expectations, a job description, and budget which can be taken to the BOS at their December 19, 2022 meeting.

Vice Chair Piersa asked who sets the salary. Mr. Hudgins said if the money comes from the Board of Supervisors, they do. He said the person would be a county employee in name only and would report directly to the EDA.

Mr. Holderied said they would report to the EDA at their meetings.

Chairman Rhoads asked if Trent Funkhouser should be invited to a meeting first to share the information he has.

Mr. Robinson asked when it would need to go to the BOS. Mr. Hudgins said the sooner the better as budget discussions have already begun.

Ms. Williams asked if it would be full-time or part-time. She said benefits add 30-40% to the cost.

Mr. Hardwick said he thinks it is worth trying even though the BOS has shot it down in the past. He said it will be expensive and they should take their time and think it through.

Mr. Hudgins said this would get their foot in the door.

Mr. Brown said the person should pay for themselves with the additional revenue brought in. He said a pro forma should be put together and they need to determine the revenue needed in order for the position to pay for itself. He said he does not like the person being an employee of the EDA. He said a cost/benefit analysis is needed as well as a pro/con list of different supervisory structures.

Mr. Holderied said he would build the budget between now and the next EDA meeting on December 14, 2022. Mr. Brown said he would help. Then it would be passed on to the BOS.

Mr. Brown made a motion for Mr. Holderied and himself to put together the necessary information and a motion requesting hiring an EDA employee to be brought to the EDA Board on December 14, 2022. Vice Chair Piersa seconded. The Chairman called for any discussion. All were in favor with none opposed.

Chairman Rhoads directed EDA members to send any comments or thoughts to Mr. Holderied.

6.c. Reducing the Number of EDA Board Members to Seven - Steve Hudgins, Deputy County Administrator

Mr. Hudgins said that Ms. Barber has resigned from the EDA Board because she is now an employee of the County. State Code and the EDA Bylaws state, "No director shall be an officer or employee of the locality." Because the EDA Board is now down to eight sitting members, the BOS thought now was a good time to consider reducing the required number of EDA Board members to seven. This would make for a more efficient Board. No one would be

removed; the next person whose term expires would not be reappointed. The next two term expirations are June 30, 2023 for Mr. Holderied and Mr. Robinson.

Mr. Brown said the House of Delegates had State Code amended to allow for nine members for King William County. Mr. Hudgins said the language states “the board of supervisors of King William County may appoint nine members to serve on the board of the authority.” They could always go back to nine members in the future if they desire. The EDA bylaws would need to be amended.

Ms. Williams asked the original intent of going to nine members. Mr. Hudgins said to allow for working subcommittees, however that never happened. FOIA laws now make that difficult as well.

Vice Chair Piersa made a motion to reduce the EDA Board of Directors to seven members. Mr. Robinson seconded. The Chairman called for any discussion. All were in favor with none opposed.

The EDA bylaw amendment will be done in January at the organizational meeting.

Other

Vice Chair Piersa asked if the County or EDA had any resources to help the new winery in the County. Mr. Hudgins said he and Mr. Ashcraft met with the owners and asked how we could help. The owners said they didn’t need anything at this time. Mr. Brown said the EDA has money in their budget if they wanted to help.

Vice Chair Piersa asked why we’re not able to get a pharmacy in the County when there are four doctor’s offices. He said someone needs to speak with CVS again.

Mr. Brown asked if the Upper Mattaponi tribe opened a pharmacy in their doctor’s office. Mr. Hudgins said yes. Vice Chair Piersa said it’s limited, and they are not planning to expand. Mr. Hardwick said this could be part of the Closed Session discussion.

Agenda Item 7. PUBLIC COMMENT PERIOD

Chairman Rhoads opened the Public Comment Period. There being no speakers, the Public Comment Period was closed.

Agenda Item 8. CLOSED MEETING

8.a. Motion to Convene in Closed Meeting

Mr. Brown made a motion to convene in closed meeting in accordance with Section 2.2-3711 (A)(3) of the Code of Virginia for a discussion regarding real property used for a public purpose, specifically pertaining to the acquisition of real property for a public purpose, because discussion in an open meeting may adversely affect the bargaining position or

negotiating strategy of the Board. Ms. Williams seconded. The Chairman called for any discussion. The members were polled.

Charles F. Piersa – Vice Chair	Aye
Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
C. Meade Rhoads, Jr. – Chairman	Aye

8.b. Reconvene in Open Session

Mr. Brown made a motion to reconvene in open session. Mr. Holderied seconded. The Chairman called for any discussion. The members were polled.

Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
C. Meade Rhoads, Jr. – Chairman	Aye

8.c. Certification of Closed Meeting

Mr. Brown made a motion to approve Standing Resolution 1 (SR-1) in accordance with Section 2.2-3712 (D) of the Code of Virginia, 1950, as amended, certifying that the Closed Meeting was conducted in conformity with the requirements of the Virginia Freedom of Information Act. Mr. Hardwick seconded. The Chairman called for any discussion. The members were polled:

Sarah Williams	Aye
Eugene L. Campbell, Jr. – Secretary/Treasurer	Aye
D. Straughan Robinson, III	Aye
Jason Brown	Aye
Robert Hardwick	Aye
Kenneth A. Holderied	Aye
Charles F. Piersa – Vice Chair	Aye
C. Meade Rhoads, Jr. – Chairman	Aye

8.d. Action on Closed Meeting (if necessary)

No action was taken.

Agenda Item 9. ADJOURN OR RECESS

Mr. Brown made a motion to adjourn. Motion was seconded by Mr. Holderied. The Chairman called for any discussion. All were in favor with none opposed.

COPY TESTE:

C. Meade Rhoads, Jr.
Chairman

Christine H. Branch
Deputy Clerk

ATTACHMENT A

**REVENUE DIVERSIFICATION
EDA PRESENTATION**



- Approved Revenues
- Revenue Summary
- Landbook Totals
- Revenue Percentages
- Business Exemptions
- Business License Applications
- License Tax Rates
- Cigarette Tax

Karena Funkhouser
Commissioner of the Revenue
November 9, 2022

APPROVED REVENUE

REVENUE CATEOGRY	FY 2020 REVENUE ACTUAL AMOUNT	FY 2021 REVENUE BUDGET	FY 2022 REVENUE PROJECTED AMOUNT
Real Property Taxes (includes Mines&Minerals)	\$ 12,263,284.00	\$ 12,586,444.00	\$ 12,958,929
Public Service Corp. Tax (All funds generally received by Dec)	\$ 402,654.00	\$ 329,350.00	\$ 397,200
Personal Property Tax	\$ 3,730,983.00	\$ 4,190,987.00	\$ 4,919,977
Machinery & Tools Tax	\$ 1,893,476.00	\$ 1,955,791.00	\$ 2,113,235
P & I on Taxes	\$ 325,380.00	\$ 299,362.00	\$ 314,000
Local Sales Taxes	\$ 1,582,699.00	\$ 1,136,170.00	\$ 1,571,468
Consumer's Utility Tax	\$ 263,549.00	\$ 220,000.00	\$ 220,000
Utility Gross Receipts	\$ 49,716.00	\$ 50,000.00	\$ 45,000
BPOL Tax	\$ 420,385.00	\$ 372,500.00	\$ 420,000
Motor Vehicle License Tax	\$ 432,214.00	\$ 425,000.00	\$ 425,000
Bank Stock Tax	\$ 134,929.00	\$ 104,000.00	\$ 120,000
Recordation & Wills Tax	\$ 290,488.00	\$ 226,000.00	\$ 250,000
Tax on Games of Skill	\$ -	\$ -	\$ -
Meals Tax	\$ 426,402.00	\$ 225,000.00	\$ 400,000
Animal Licenses	\$ 5,178.00	\$ 5,000.00	\$ 5,000
Land Use Fees	\$ 41,829.00	\$ 29,500.00	\$ 30,000
Transfer Fees	\$ 707.00	\$ 500.00	\$ 700
Permit & Other Licenses	\$ 368,239.00	\$ 334,000.00	\$ 350,000



APPROVED REVENUE CONTINUED

REVENUE CATEGROY	FY 2020 REVENUE ACTUAL AMOUNT	FY 2021 REVENUE BUDGET	FY 2022 REVENUE PROJECTED AMOUNT
Fines & Forfeitures	\$ 62,505.00	\$ 75,000.00	\$ 72,500
Rev. From the Use of Money	\$ 113,708.00	\$ 105,500.00	\$ 110,000
Rev. From the Use of Property	\$ 68,686.00	\$ 60,000.00	\$ 69,370
Court Costs	\$ 3,902.00	\$ 5,200.00	\$ 4,500
Commonwealth Atty Fees	\$ 1,167.00	\$ 1,500.00	\$ 1,500
Charges for Law Enforcement	\$ 316.00	\$ 300.00	\$ 300
Charges Comm. Dev.	\$ 479.00	\$ 1,000.00	\$ 1,000
Local Rev. Agreements	\$ 4,420.00	\$ 3,500.00	\$ 4,928
Other- Misc	\$ (22,992.00)	\$ 7,000.00	\$ 4,100
Recovered Costs	\$ 60,538.00	\$ 52,945.00	\$ 47,379
Non-Categorical Aid	\$ 1,536,552.00	\$ 1,534,631.00	\$ 1,535,706
Constitutional Officers & GR	\$ 1,348,799.00	\$ 1,370,885.00	\$ 1,404,157
Other Categorical Aid	\$ 164,791.00	\$ 213,476.00	\$ 121,500
Federal Aid-Public Safety	\$ 45,997.00	\$ 65,500.00	\$ 65,500
Use of Unassigned General Fund	\$ 45,997.00	\$ 65,500.00	\$ 135,000
TOTAL	\$ 26,066,977.00	\$ 26,051,541.00	\$ 28,117,949



FY 2023 REVENUE SUMMARY

Description	FY 2022 Revenue Projected Amount	% of Total Budget
Real Property Taxes	\$ 12,958,929.00	46.1%
Public Service Corp. Tax	\$ 397,200.00	1.4%
Personal Property Tax	\$ 4,919,977.00	17.5%
Machinery & Tools	\$ 2,113,235.00	7.5%
BPOL Tax	\$ 420,000.00	1.5%
Motor Vehicle License Tax	\$ 425,000.00	1.5%
Bank Franchise Tax	\$ 120,000.00	0.4%
Meals Tax	\$ 400,000.00	1.4%
Land Use Fees	\$ 30,000.00	0.1%
TOTAL Revenue Projected:	\$ 28,117,949.00	77.5%



LANDBOOK

2022 TAX TOTALS

May 17, 2022
03:49 PM

King William County
Value of Tracts of Land and Improvements and Levies Assessed Thereon for the Tax Year 2022 Books: 01-06

Page

GENERAL RECAPITULATION BY CLASSIFICATION OF FAIR MARKET LEVIES OF TRACTS OF LAND AND LOTS
IN THE COUNTIES AND TOWNS IN THE TAX YEAR 2022
IN KING WILLIAM COUNTY BY , COMMISSIONER OF THE REVENUE

Taxes	Single Family Urban (01)	Single Family Suburban (02)	Multi Family (03)	Commercial/Industrial (04)	Agriculture 20-100 Acres (05)	Agriculture 100 Over (06)	81dg only (11)	Total
MANGOHECK	0.00	2,116,184.56	0.00	17,351.26	411,362.89	367,849.58	0.00	2,912,748.29
ACQUINTON	0.00	4,940,852.03	98,695.34	825,407.91	355,881.62	424,428.37	0.00	6,645,265.27
WEST POINT DISTRICT	0.00	1,326,126.92	0.00	37,428.64	361,118.08	316,528.34	0.00	2,041,201.98
Totals Districts	0.00	8,383,163.51	98,695.34	880,187.81	1,128,362.59	1,108,806.29	0.00	11,599,215.54
Towns	Single Family Urban (01)	Single Family Suburban (02)	Multi Family (03)	Commercial/Industrial (04)	Agriculture 20-100 Acres (05)	Agriculture 100 Over (06)	81dg only (11)	Total
Totals Towns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total	0.00	8,383,163.51	98,695.34	880,187.81	1,128,362.59	1,108,806.29	0.00	11,599,215.54



REVENUE BY CLASSIFICATION (%)

Classification	2022 Tax Assessments	% of Total
Single Family Suburban	\$ 8,383,163.51	72.3%
Multi Family	\$ 98,695.34	0.9%
Commerical / Industrial	\$ 880,187.81	7.6%
Agriculture 20-100 Acres	\$ 1,128,362.59	9.7%
Agriculture 100 Acres +	\$ 1,108,806.29	9.6%
TOTAL:	\$ 11,599,215.54	100.0%

* \$11.6m ÷ \$0.835 = \$138,913



COMMON BUSINESS EXEMPT BY STATE CODE & LOCAL ORDINANCE

1. Public Service Corporations or common carriers (Amtrack)
2. Farm, Domestic or Nursery products
3. Publishing and printing newspapers, magazines, newsletters
4. Manufacturers (M&T tax)
5. Business engaged in severing minerals from the earth
6. Wholesalers without a definite place of business in the locality
7. Business of renting property other than hotels
8. Insurance companies
9. Banks
10. Accredited religious practitioners (Churches)
11. Charitable nonprofit organizations



BUSINESS LICENSE APPLICATION



KING WILLIAM COUNTY
KARENA L. FUNKHOUSER
County Executive

PO Box 227
510 Kings Landing Building
Williamsburg, VA 23182
Phone: 757.266.1100
Fax: 757.266.4922
www.kingwilliamva.gov

Please refer and refer to the information regarding to this license. Please refer to the information regarding to this license.

King William County - Business License Application

Owner's Name: _____

Working Address: _____

City/State/Zip: _____

Please complete all required fields. (*)
Business license applications and payments are due by March 15th of each year unless otherwise specified.
See website for important information.

A) OWNER/BUSINESS INFORMATION

Sole Proprietor
 Partnership
 Corporation
 LLC
 Other

Franchise
 Other

Business Name: _____
 Business Type: _____

Business Address: _____
 City: _____
 State: _____
 Zip: _____

Phone: _____
 Website: _____

Business Hours: _____

Check the box to verify membership to State: _____

Business License #: _____
 License #: _____

B) CONTRACTOR INFORMATION

Class
 License # _____
 Exp. Date: ____/____/____

C) Gross Receipt and Payment Calculations

Category	Amount
1. Net Sales (Total Receipts) - Total Exemptions	\$ _____
2. Total Gross Receipts (Total Receipts - Total Exemptions)	\$ _____
3. Total Category Items (Total Receipts - Total Exemptions)	\$ _____
4. Total Sales Tax (Total Receipts - Total Exemptions)	\$ _____
5. Total Receipts (Total Receipts - Total Exemptions)	\$ _____
6. Total Payments (Total Receipts - Total Exemptions)	\$ _____

I hereby declare that the information provided herein is true and correct to the best of my knowledge and belief.

Signature: _____
 Title: _____
 License #: _____

Expiration Date: ____/____/____
 Issue Date: ____/____/____



RATE OF LICENSE TAXES

<u>Category</u>	<u>County Rate</u>	<u>Maximum State Rate</u>
Contractor	\$0.0016	\$0.0016
Retail Sales	\$0.0020	\$0.0020
Business Services	\$0.0016	\$0.0016
Professional Services	\$0.0038	\$0.0058
Wholesaler	\$0.0005	\$0.0005



LOCAL CIGARETTE TAXES

<u>Locality</u>	<u>Effective Date of Tax</u>	<u>Tax Revenues (thru 9/30)</u>
Accomack	7/1/2022	\$ 190,272.65
Colonial Beach	08/01/21	\$ 97,493.62
Essex	01/01/22	\$ 37,850.74
Lancaster	08/01/21	\$ 60,684.08
Middlesex	08/01/21	\$ 254,188.73
Montross	08/01/21	\$ 58,422.50
Northampton	7/1/2022	\$ 126,137.18
Urbanna	08/01/21	\$ 10,486.79
Warsaw	08/01/21	\$ 106,626.63
Westmoreland	08/01/21	\$ 190,656.92
	Total	\$ 1,132,819.84



Presentation to EDA November 9, 2022

Good Evening,

Mr. Rhoads invited me to speak tonight. He requested I speak about the Business License Tax, Transient Occupancy Tax and the Cigarette Tax. I will present information about these taxes and I would like you to consider these taxes as a means of revenue diversification. First, I will show you some information about County Revenues.

The **slides 2 & 3** are from the County's website and shows a revenue summary by category. I took the taxes assessed by my office and put them in **slide #4**. Real estate taxes account for almost half of County revenues and I think this is too many eggs in one basket. The County adopted a food and beverage ordinance in 2009 and those taxes bring in \$400K per year.

Slide #5 is a copy of the totals from the 2022 County Land Book. It shows total tax levies of \$11.6m.

I put this information in **slide #6**. Not only is the County heavily dependent on real estate taxes, but the County is also overly dependent on residential real estate taxes. This is the reason the County needs to explore other revenue options. The equation at the bottom of the slide shows that one penny on the real estate rate brings in \$138K. This is low approximation because I have not included the Town of West Point or the Public Service Corporations in my calculations. I tend to view things based on this number. By adopting a food and beverage ordinance the County has been able to reduce the real estate tax rate by 3 cents. A paid firefighter costs about a 1/2 cent on the real estate tax rate.

The Business Professional and Occupational License Tax, BPOL, authorized by the Code of Virginia §58.1-3700, is a local option tax on the privilege of doing business within a locality. The General Assembly amended the statute in 1964 to eliminate restrictions allowing localities to adopt a BPOL ordinance. The General Assembly amended the Code again in 1978 imposing ceilings on the tax rates localities could impose on various classifications of businesses. In 1996, Code of Virginia §58.1-3700 was significantly amended to help ensure a more uniform administration of BPOL taxes. Code of Virginia §58.1-3703.1 establishes uniform ordinance provisions which is basically what King William County adopted in 2003.

Slide #7 shows the most common businesses exempt from BPOL as required by State Code & local ordinance.

1. Public Service Corporations (Verizon, Dominion Power) or common carriers (Amtrak)
2. Farm, Domestic or Nursery products (Farmers)
3. Publishing and printing newspapers, magazines, newsletters
4. Manufacturers (M&T tax)
5. Business engaged in severing minerals from the earth
6. Wholesalers without a definite place of business in the locality
7. Business of renting property other than hotels
8. Insurance companies
9. Banks
10. Accredited religious practitioners (Churches)
11. Charitable nonprofit organizations

Slide #8 is the Business License Application. It is only one page and not overly burdensome. Slide #9 shows the County rates compared to the State maximum rate allowed. The County is only lower than the State maximum for the Professional Services category.

How can BPOL revenue be increased? The obvious answer is by attracting more businesses to the County. Currently, the County charges a minimum \$30 fee for business with gross receipts of less than \$50K. After \$50K, the tax is charged. Henrico exempts \$400K before charging the tax. By adjusting the gross receipts exemption or lowering the business tax rate, the County can make itself more attractive to prospective businesses. The Weldon Cooper Center for Public Service publishes the annual tax rates for all taxes for all Virginia localities. This is an important source of information when KW compares itself to its neighbors.

BPOL revenue can also be increased by compliance enforcement aimed at ensuring all businesses have a license and report receipts correctly.

I have been an advocate for the County to adopt a Transient Occupancy Tax. A State Supreme Court decision and recent amendments to Code of Virginia §58.1-3819 and §58.1-3826 allow localities to adopt an ordinance and start collecting money. The CoR Association has a model ordinance and form available for immediate use. This would not be a significant revenue source today, but in 10 years when growth in Mechanicsville reaches Central Garage it could be. Just look at the revenue generated by the meals tax. This is just another tool King William can use to diversify its revenue sources.

The Supreme Court of Virginia opinion in *Norton v. Bd. of Supervisors*, (Record No. 201028 (May 27, 2021)), concerned changes to taxes and zoning made by Fairfax County. The majority of the opinion concerned the zoning changes. As for the taxes, Fairfax County levied a 2% transient occupancy tax on the cost of short-term lodging. The owners of the dwellings challenged Fairfax County's authority to impose this tax. In general, Dillon's Rule prevents local governments from exercising powers unless they are specifically delegated by the state. The dispute is whether Virginia Code § 58.1-3819(A) grants Fairfax County the authority to impose this tax. In pertinent part, Virginia Code § 58.1-3819(A) states

Any county, by duly adopted ordinance, may levy a transient occupancy tax on hotels, motels, boarding houses, travel campgrounds, and other facilities offering guest rooms rented out for continuous occupancy for fewer than 30 consecutive days.

The owners argued that their properties (dwellings) are distinguishable from the types of properties covered by this section. However, the Court said that those distinctions are irrelevant as the section describes the manner in which the property is used. Therefore, it upheld the imposition of the tax. This means everyone who advertises a room for rent in their home was liable to charge and collect the tax.

Effective September 1, 2021, Code § 58.1-3819 required the transient occupancy tax be imposed on the **total price** paid by the customer for the use or possession of the room or space occupied in a retail sale.

Effective until October 1, 2022, Code § 58.1-3826 required **accommodation intermediaries to collect the tax imposed pursuant to this article, computed on the room charge.** (AirBnB, VRBO, Expedia, etc.)

According to Code §58.1-3819, any county that imposes a transient occupancy tax at a rate greater than two percent shall designate any excess from a rate over two percent but not exceeding five percent to be spent solely for tourism and travel. Due to the Supreme Court decision and amendments to The Code, pass an ordinance and collect money.

Effective, July 1, 2021, an amendment to §58.1-3830 added §58.1-3832.1 which allowed localities to become a member of a regional cigarette tax board and have its local cigarette tax administered by the board. This is another instance where the Board of Supervisors can adopt an ordinance and start collecting money. Slide #10 shows the revenue collected by the member localities of the Chesapeake Bay Region Cigarette Tax Board. All localities adopted a tax rate of 40¢ except Accomack which is 10¢. This is another means available to King William to diversify its tax base. If KW passed an ordinance, based on what Middlesex collected, KW could lower the real estate tax by two cents.

Since the EDA is considering hiring an employee, I am offering some information. Nineteen years ago, my husband was the Town Manger of West Point. He worked closely with the Economic Development Consultant assembling properties and preparing sites for development. When he was the Economic Development Director of Essex, rate he submitted numerous grants and Essex was awarded a \$1m grant for the development of a marina. He now works for Middlesex and his focus is on tourism. He said he would speak to the EDA about his work and address any questions. When and if the EDA hires its first employee, the scope of the work should already be determined.

ATTACHMENT B

ECONOMIC DEVELOPMENT

BUSINESS DEVELOPMENT COORDINATOR

The Town of Ashland, Virginia (pop. 7,500), is seeking a responsible professional to coordinate activities related to business development, expansion, recruitment, and retention. The successful applicant will establish and maintain effective and cooperative relationships with the existing business community and the general public. Work involves the production of confidential, comprehensive and customized proposals using a variety of media. Comfort with financial analysis and understanding of spreadsheets is required; expertise preferred. The individual maintains a comprehensive research library on competitive business assistance programs, economic trends, demographics, labor, etc. The individual serves as the staff liaison for the Ashland Economic Development Authority and other economic development organizations. Strong knowledge of organization building and management is needed to form and maintain relationships with businesses, volunteer organizations, private developers, and elected officials. The position requires graduation from an accredited college or university with a major in economics, public administration, business, marketing, statistics, or closely related discipline. A Master's degree and/or Certified Economic Developer (CEd) designation are preferred, but not required. Three to five years of relevant experience is required. Hiring range for the position is \$66,513 to \$75,000 DOQ/DOE.

The ideal candidate will be ethical, respectful, approachable, trustworthy, apolitical, and committed to service. He/she will be adaptable to changing needs, build partnerships and collaboration across agencies and organizations that have similar objectives, while seeking to enhance the Town's ability to meet community needs. They must be able to show fairness as well as patience, humility, and a sense of humor while dealing with customers and co-workers.

Please respond with a resume, cover letter, and Town of Ashland application to wcornwell@ashlandva.gov. (Please note that a Town of Ashland application, available here, must be submitted in order to be considered.) Open until filled. Informational inquires may be made to the Department of Planning & Community Development at (804)798-1073 or namos@ashlandva.gov. Mail completed applications to:

Town of Ashland Human Resources
c/o Wanda Cornwell
121 Thompson Street
P. O. Box 1600
Ashland, VA 23005

The Town of Ashland has been awarded the Richmond Times Dispatch Top Workplace Award for the last seven years.

The Town of Ashland is an Equal Opportunity Employer

ATTACHMENT B

**APPROVED Minutes of the King William County Economic Development Authority
Regular Meeting of November 9, 2022**