



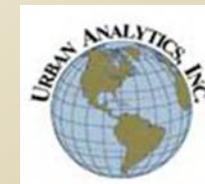
Fiscal and Socioeconomic Analysis of Conserved Land on Virginia's Eastern Shore and in the Lower Chickahominy

Presentation to: 2018 Virginia Coastal Partners Workshop

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Virginia's Eastern Shore



Virginia Eastern Shore Conservation Lands

147,000 acres Conserved on VA Eastern Shore (excluding AFD's)

Center for Regional Analysis, George Mason University, & Urban Analytics, Inc.





Virginia's Eastern Shore

ISSUE - Concerns about potential negative economic impact of conservation lands:

- Does conserving land reduce real estate tax revenue and inhibit the local economy?

RESPONSE - Conservation partners worked with Virginia Coastal Zone Management Program to properly study the economic impact of conservation.

Assignment

- Conduct research to better understand how land conservation programs and practices in Virginia's Eastern Shore have an effect on local economic conditions
- Conduct an economic and fiscal analysis to measure and quantify the impact of conservation land on the "bottom-line" of the budgets of Accomack and Northampton Counties

Maps of the Study Area

Figure 2-1

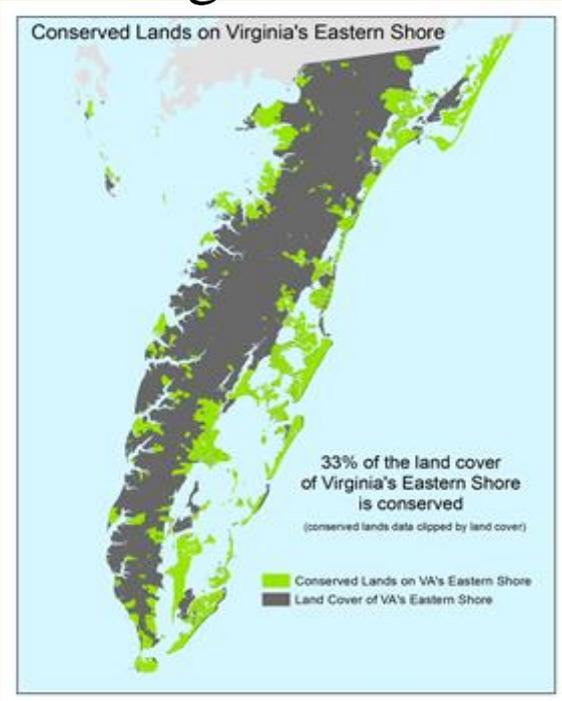


Figure 2-2

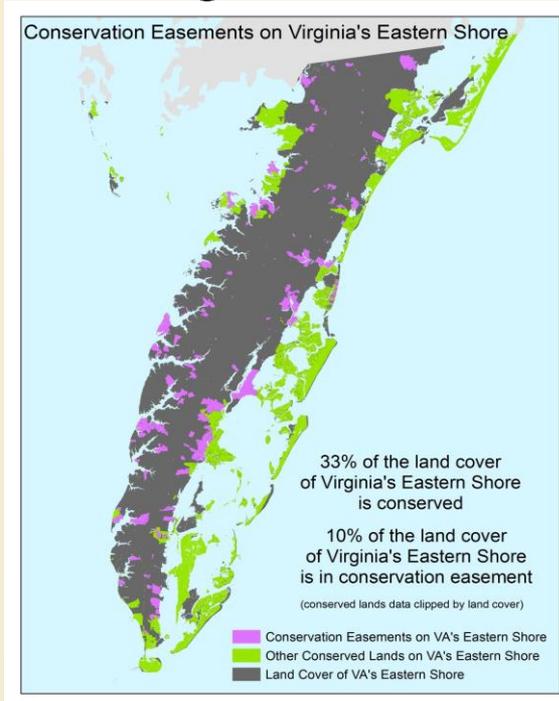
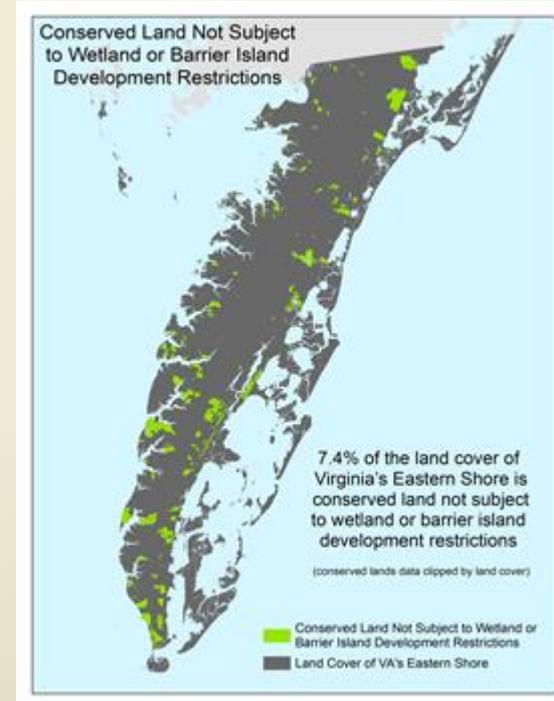


Figure 2-3



The Economic Impacts of Direct Organization Spending, 2016

Description	Impact
Output (economic activity)	\$ 21,876,000
Value Added (gross regional product)	\$ 8,755,000
Labor Income (salaries, wages, benefits)	\$ 6,374,000
Jobs (headcount)	226
Local Taxes	\$ 355,000
State Taxes	\$ 329,000

Sources: Organization data, IMPLAN, Center for Regional Analysis

The Economic Impacts of Aquaculture Industries, 2016

Description	Impact
Output (economic activity)	\$ 156,703,000
Value Added (gross regional product)	\$ 114,432,000
Labor Income (salaries, wages, benefits)	\$ 32,349,000
Jobs (headcount)	635
Local Taxes	\$ 3,720,000
State Taxes	\$ 2,930,000

Sources: JobsEQ, IMPLAN, Center for Regional Analysis

The Economic Impacts of Visitor Spending, 2016

Description	Impact
Output (economic activity)	\$ 51,375,000
Value Added (gross regional product)	\$ 26,348,000
Labor Income (salaries, wages, benefits)	\$ 12,464,000
Jobs (headcount)	655
Local Taxes	\$ 2,193,000
State Taxes	\$ 1,396,000

Sources: Virginia Tourism, JobsEQ, IMPLAN, Center for Regional Analysis

FMV v. Land-Use Value Conservation Easements, Eastern Shore of Virginia

	2016 Estimated Real Estate Taxes		2016 Estimated Real Estate Taxes	
	Northampton County		Accomack County	
Total Parcel Numbers	162		181	
Total Number of Acres	12,554.41		17,682.60	
Total Building Value	\$ 11,365,600	\$ 94,334.48	\$ 14,482,000	\$ 88,340.20
Total Fair Market Value (FMV) of Land	\$ 61,683,200	\$ 511,970.56	\$ 48,263,500	\$ 294,407.35
Total Use Value of Land	\$ 27,513,200	\$ 228,359.56	\$ 35,297,100	\$ 215,312.31
Difference between FMV and Use Value	\$ 34,170,000	\$ 283,611.00	\$ 12,966,400	\$ 79,095.04
Estimated Property Taxes Paid		\$ 322,694.04		\$ 303,652.51
<i>(Total Building Value + Total Use Value)</i>				
Estimated Property Taxes Foregone		\$ (283,611.00)		\$ (79,095.04)

Source - Raw Data: Northampton County, Virginia Commissioner of the Revenue's Office; Accomack County, Virginia Assessors Office.

Source - Table Construction: The Center for Regional Analysis, Schar School of Policy and Government, George Mason University; Urban Analytics, Inc.

Value of Tax-Exempt Properties Eastern Shore of Virginia

Center for Regional Analysis, George Mason University, &
Urban Analytics, Inc.

<i>Exempt/Immune Classification</i>	Tax Year Ending December 31st	
	2015	2015
	Northampton County	Accomack County
Governmental		
710-Federal	\$ 28,058,300	\$ 424,171,600
720-State	\$ 40,637,000	\$ 19,542,200
730-Regional	\$ -	\$ 268,100
740-Local	\$ 123,008,500	\$ 55,508,000
750-Multiple	\$ -	\$ -
Sub-Total:	\$ 191,703,800	\$ 499,489,900
Non-Governmental		
760-Religious	\$ 22,839,300	\$ 65,178,500
770-Charitable	\$ -	\$ 18,610,400
780-Educational	\$ 7,482,600	\$ 75,301,900
790-All Other	\$ 341,665,500	\$ 24,741,600
Sub-Total:	\$ 371,987,400	\$ 183,832,400
Total:	\$ 563,691,200	\$ 683,322,300
<i>% of Total to all Real Estate in County</i>	19.82%	15.78%

Source - Raw Data: Northampton County, Virginia Assessor's Office; State of Virginia, Department of Taxation; Accomack County, Virginia Assessors Office.
Source - Table Construction: The Center for Regional Analysis, Schar School of Policy and Government, George Mason University; Urban Analytics, Inc.

Tax-Exempt Foregone Tax Revenues to Eastern Shore of Virginia

<i>Exempt/Immune Classification</i>	Tax Year Ending December 31st	
	2015 Northampton County	2015 Accomack County
Governmental		
710-Federal	\$ 190,936.73	\$ 2,420,164.63
720-State	\$ 276,534.79	\$ 113,414.25
730-Regional	\$ -	\$ 1,554.98
740-Local	\$ 837,072.84	\$ 305,505.81
750-Multiple	\$ -	\$ -
Sub-Total:	\$ 1,304,544.36	\$ 2,840,639.67
Non-Governmental		
760-Religious	\$ 155,421.44	\$ 368,744.73
770-Charitable	\$ -	\$ 103,018.09
780-Educational	\$ 50,919.09	\$ 425,595.16
790-All Other	\$ 2,325,033.73	\$ 142,645.53
Sub-Total:	\$ 2,531,374.26	\$ 1,040,003.51
Total:	\$ 3,835,918.62	\$ 3,880,643.18

Bottom Line – Eastern Shore

- For every \$1.00 spent in Northampton County annually to provide public services to support land with conservation easements, revenues to Northampton County were estimated to be \$1.15.
- For every \$1.00 spent in Accomack County annually to provide public services to support land with conservation easements, revenues to Accomack County were estimated to be \$2.38.

Summary of Economic Impact Analysis, 2018

Lower Chickahominy

<u>Description</u>	<u>Economic Output</u>	<u>Gross Regional Product</u>	<u>Jobs</u>	<u>Labor Income</u>
Direct Businesses	\$ 8,369,000	\$ 4,376,000	118	\$ 2,486,000
Non-Direct Businesses*	\$ 24,326,000	\$ 12,370,000	195	\$ 6,469,000

* Governor's Land at Two Rivers, including property operations, marina, and Two Rivers Country Club. *Sources* : Business-provided data, RefUSA, IMPLAN, Center for Regional Analysis.

Real Estate Revenue – Conservation Easements Lower Chickahominy

<u>County</u>	<u>Estimated Assessment Value of Conservation Easements</u>	<u>Estimated Real Estate Taxes in Tax Year 2018</u>
Charles City County	<i>not available</i>	<i>not available</i>
James City County	\$ 87,020,138	\$ 730,969
New Kent County	\$ 3,580,100	\$ 29,679

Source : Center for Regional Analysis, George Mason University; Urban Analytics, Inc.

Net Fiscal Impact – Conservation Easements

FYE 2017 – Lower Chickahominy

<u>Jurisdiction</u>	<u>Findings</u>
Charles City County	
Revenues	\$ 1.28
Expenditures	\$ 1.00
James City County	
Revenues	\$ 1.53
Expenditures	\$ 1.00
New Kent County	
Revenues	\$ 1.21
Expenditures	\$ 1.00

Source: Center for Regional Analysis, Schar School of Policy and Government, George Mason University; Urban Analytics, Inc.

Baseline Forecast over 20 Years: 2016 – 2036

Eastern Shore of Virginia (in 000s of 2016 \$)

	2016	2021	2026	2031	2036
<i>Northampton County</i>	<u>Actual</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<u>Summary</u>					
Total Projected Revenues	\$ 29,387	\$29,553	\$29,700	\$29,798	\$29,790
Total Projected Expenditures	\$ 28,152	\$28,268	\$28,364	\$28,411	\$28,354
Net Projected Surplus (Deficit)	\$ 1,235	\$ 1,285	\$ 1,336	\$ 1,387	\$ 1,436

	2016	2021	2026	2031	2036
<i>Accomack County</i>	<u>Actual</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
<u>Summary</u>					
Total Projected Revenues	\$ 48,917	\$50,635	\$52,322	\$53,908	\$55,348
Total Projected Expenditures	\$ 48,567	\$49,835	\$51,072	\$52,211	\$53,165
Net Projected Surplus (Deficit)	\$ 350	\$ 800	\$ 1,250	\$ 1,697	\$ 2,183

Note: Projections are based on 2016 per capita and per job baseline service level multipliers.

Source:

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Urban Analytics, Inc.

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