

JRB shutdown

New cabling to cause two 4-day closures

By Stephen Faleski Staff Writer

Two separate four-day shutdowns of the James River Bridge this fall and winter will be more than an inconvenience to Max Errico.

He's the owner of Carrollton's Napoli É Italian restaurant on Route 17, and expects – in his words – to "lose a lot of money" while the Virginia Department of Transportation

replaces the drawbridge's lift cables.

According to VDOT engineer Shannon Ternes, there are 80 2-inch-thick wire cables, 40 on each drawbridge tower, that are original to the 41-year-old bridge. They've been rated to be in "severe" condition since 2012.

"It's still safe to operate the bridge, but they are coming up on their service life," Ternes told Isle of Wight County supervisors on April 6.

A failure in even one of the cables, he said, could lead to an even longer shutdown of the bridge while VDOT undergoes a lengthy procurement process to get a replacement cable in place.

To head off the likelihood of a cable failing, VDOT plans to replace all 80 over the course of two four-day shutdowns, one for each tower. The first will occur sometime on or after Nov. 15.

Each closure would begin at 1 a.m. Friday and last through 5 p.m. the following Tuesday, during which time all four lanes of the bridge will be impassable.

VDOT hasn't narrowed down exactly when each closure will occur, stating only that the two shutdowns will occur sometime between the November date and Feb. 15.

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There will be at least two weeks between the first shutdown and the second.

Errico says a lot of his customers come from the Newport News side of the bridge, making the planned shutdowns "a big loss" for his business.

Isle of Wight County's emergency services will also be impacted. Brian Carroll, chief of the Isle of Wight Volunteer Rescue Squad, said his medics transport patients four to eight times per day to Riverside Regional Medical Center in Newport News.

The wait time between a 911 call and an ambulance arriving at a residence shouldn't be affected, but it may take longer to transport someone to an alternate hospital, Carroll said.

The closest alternative hospitals best equipped

to handle cardiac emergencies, he said, would be either Bon Secours' Maryview Medical Center in Portsmouth, an extra 10 minutes away, or an extra 17-minute drive to Sentara's Norfolk General Hospital.

Losing access to Riverside Regional "takes a Level 2 trauma center out of play for our county as well as parts of Surry," said Supervisor Joel Acree.

Riverside is set to break ground in July on a 50-bed Smithfield-area hospital, but it won't open until 2025. But deferring the work two years could "potentially complicate funding scenarios for other projects," Ternes said.

His purpose in briefing the supervisors seven months ahead of time, he said, is to allow first responders and other stakeholders to start making plans for the impending closure.

The November to February window, Ternes said, is intended to avoid impacts on summer travel and the peregrine falcons nesting on the bridge's north tower. VDOT is prohibited from disturbing the nest from Feb. 15 through July 15.

During the two shutdowns, traffic from Isle of Wight County headed toward Newport News will be detoured through Suffolk across the Godwin Bridge to the I-664 interchange and the Monitor-Merrimac Bridge-Tunnel. A VDOT traffic analysis projects the Godwin Bridge will be 31% over capacity during peak morning hours on weekdays and 35% over capacity during peak after-

noon hours, resulting in longer traffic queues from 5-10 a.m. and from 2-8 p.m. The I-664 interchange will exceed capacity by 55% in the morning and 34% in the afternoon. The Monitor-Merrimac Bridge-Tunnel will exceed capacity by 34% in the morning and 47% in the afternoon.

VDOT has already placed its orders for the manufacturing of the new cables, and expects to award the project contract in late August or September. The contractor will receive a 10% incentive to finish early and a 20% disincentive, or forfeiture, for finishing late.

The original two-lane James River Bridge opened in 1928. The current fourlane bridge dates to 1982.

Taxpayers balk at high reassessments

By Stephen Faleski Staff Writer

When former Isle of Wight County Supervisor Al Casteen received his reassessment notice in the mail last week, he was shocked to see his circa-1954, roughly 3,500-square-foot ranch home in Smithfield is now valued

at \$770,000 – a 55% increase from when it was last assessed in 2019.

Under the 2023 valuation, Casteen can expect to pay roughly \$1,200 more in real estate tax, even if the county follows through with current plans to lower its tax rate.

"This is absurd," Casteen said. State law requires counties reassess real estate values every four years. According to Gerald Gwaltney, Isle of Wight County's commissioner of the revenue, residential, commercial, agricultural and industrial property values in Isle of Wight have collectively increased 28% on average since 2019. Single-family homes went up 34%.

Apartments and other multifamily housing, which are valued based on monthly rent, went up

Casteen isn't the only homeowner experiencing sticker shock.

er experiencing sticker shock.
Organizers of a May 17 citizens
group forum with Gwaltney had
asked attendees to sign in and
note the percentage their homes
had increased. One person, from
Smithfield, noted his home went

up 105%. Another, from the town of Windsor, listed 51%.

Susan Craig, who purchased her three-bedroom Zuni home of just under 2,800 square feet in 2021, said her valuation rose 44%. Frank White, another Zuni resident, said his was more in line with the aver-

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age, at 35.3%.

How were the assessments calculated?

According to Gwaltney, the reassessment process begins a year in advance, in this case 2022, with the county soliciting bids and choosing a third-party appraiser to perform the reassessment. For the past seven reassessments, going back to 2002, the county has awarded the job to Daleville-based Wampler Eanes. Wampler, Gwaltney said, is one of only four firms in the state certified by the Virginia Department of Taxation to perform a "mass appraisal" of the county's roughly 21,000 individual lots.

In mass appraisals, he explained, assessors don't look at each individual home to decide its value, but rather the recent sales that have occurred in 181 defined "neighborhoods" within the county. The Gatling Pointe development just outside Smithfield, for example, is divided by Battery Park Road into Gatling Pointe North and Gatling Pointe South. Gatling Pointe North's homes are older than the ones in Gatling Pointe South, and include waterfront properties. As such, the two halves of the same development are considered different neighborhoods for assessment purposes.

Though according to census data, the number of housing units in Isle of Wight increased 12.4% from 2010 to 2020, compared to the state's 7.6% housing growth rate, the number of available homes on the market statewide has fallen significantly over the past four years, Gwaltney said.

In 2019, there were over 30,000 homes on the market across Virginia. As of late 2022, there were fewer than 8,000. Last month, there were only 108 homes on the market countywide when assessors completed their work.

"Supply and demand drives so much," Gwaltney said.

The cost of construction materials, which has surged since 2020 when COVID-19 pandemic-linked supply chain issues emerged, is another factor. When builders are using more expensive materials, they need to sell homes for a higher price to meet their profit margins.

"Those sales are going to drive the value of your property," Gwaltney said.

Should prospective buyers get into a bidding war over a home on the market, a sale above asking price will drive reassessment valuations even higher.

According to land transfers recorded last month at the Isle of Wight County Courthouse, and county data, 69% of the 49 homes sold in April went for above their 2023 assessed value. Just over 18% of the sale prices exceeded their assessments by 10% or higher.

ments by 10% or higher. Craig noted she'd been outbid roughly 20 times on homes in the county before finding her Zuni residence.

"We were being outbid by \$50,000 to \$60,000 every time" she said

time," she said. While most of the housing growth Isle of Wight has seen over the past decade has been in the county's northern end, homes in rural areas like Zuni and Carrsville on the county's southern end saw the largest average increase in residential values, at 42%. The value of agricultural land in the southern end went up 18%, double the 9% increase farmland in the northern end saw.

"People are moving here and they're willing to pay a little bit more for a piece of God's country," Gwaltney said.

According to Jay Hassell, a Smithfield area Realtor, the 2019 valuations have averaged 20% to 25% below market value over the past four years. The 28% average countywide increase among all types of property comes as no surprise to him.

"Even the assessments that increased 40% to 50% or more aren't all without cause," Hassell said. "Many of the homeowners I've spoken with are quietly happy to see the appreciation, if only it didn't come with the tax implications. For those residents wanting to sell, the assessment is very welcomed."

The 2023 values represent what Hassell calls the "near pinnacle" of the market. What's unknown, Hassell said, is whether the real estate market will remain as hot over the next four years.

Among the factors that drove the market up in 2021 through 2023 was extremely low interest rates, Hassell said. According to Freddie Mac, a government-controlled company that buys residential mortgages to provide money for the U.S. housing market, a borrower could get a 30-year fixedrate mortgage in mid-2021 at roughly 2.8% interest. As of May 18, that same 30-year mortgage would carry a 6.39% interest rate.

"The question is, as interest rates increase and the home values potentially drop, will taxpayers be paying an inflated assessment over the next four years?" Hassell said.

Is there any relief?

Isle of Wight County supervisors are set to vote in June on the tax rates for the coming 2023-24 fiscal year, which begins July 1. The most recent proposal, as of May 11, calls for lowering the real estate tax rate from 85 cents per \$100 of assessed property value to 71 cents. Even with the roughly 19% rate decrease, the county is expecting roughly \$3.7 million in additional real estate revenue from the new assessments.

A so-called "revenue-neutral" rate of 66 cents would eliminate the revenue gain and result in the county taking in roughly the same amount of real estate taxes it received for the 2022-23 fiscal year. But even that wouldn't guarantee every homeowner pays the same amount of taxes as he or she did last year.

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Board of Supervisors Chairman William McCarty explained at a recent budget meeting that what's considered the "neutral" rate, "is not neutral to the

taxpayer," but rather to the

cumulative amount of real estate revenue the county would receive.

Each reassessment costs roughly \$500,000. The supervisors, Gwaltney noted, have the authority under state law to call for a new reassessment by majority vote if they believe the assessed values to be erroneous. Were the 2023 results to be challenged, the state Department of Taxation would conduct its own sales study.

Such a challenge hasn't happened in Isle of Wight since the late 1980s. According to a July 26, 1989, edition of The Smithfield Times, state assessors of the day, despite the challenge, found Isle of Wight's assessment to be within 85% of fair market value.

County residents ages 65 and up, or who are totally disabled, can apply for a credit of up to \$1,000 on their real estate tax bills if they have a maximum household income of \$54,600 and a maximum net worth, excluding their house and one acre, of \$228,596. Applicants must meet both financial criteria to qualify. The supervisors are considering a proposal to increase the amount of relief to \$2,000.

Homeowners can also challenge their assessments by using one of three methods.

They have until 5 p.m. on May 26 to request an administrative review, which entails sending a letter, appraisal and photos of their home either by email to IsleofWightreassessment2023@gmail.com to by mail to Isle of Wight County Reassessment Office, P.O. Box 685, Daleville, VA 24083.

Starting July 1 and continuing through June 30, 2024, homeowners can appeal to the county's Board of Equalization by visiting 17090 Monument Circle, Suite 113, submitting an application in writing to P.O. Box 114, Isle of Wight, VA 23397, faxing an application to 757-356-9731 or emailing reassessment@isleofwightus.net.

The third option available to taxpayers is petitioning the Isle of Wight County Circuit Court for a review. State law allows this option July 1 of this year through June 30, 2027.

In each method, the burden is on the taxpayer to prove that an assessment is erroneous, ideally by researching sales of neighborhood homes of a similar age and size.

As of May 15, 134 county residents had applied for an administrative review, according to Gwaltney. During the 2019 assessment, which saw single-family homes rise in value by a countywide 5% average, roughly 500 residents filed appeals using the three available methods.

Casteen, despite balking at the valuation of his home, isn't planning on contesting it. He said when he last tried going through the appeal process in the mid-2000s, his valuation ended up getting raised an additional \$20,000.

Hassell said his firm, Countryside Real Estate, is offering home evaluation reports at no cost to taxpayers looking to appeal their assessments.

IW eyes short-term rental rules

By Stephen Faleski Staff Writer

When Dan Milton left the Air Force in June and moved with his wife and two sons back to North

Shore Drive where he'd grown up, he found that the secluded neighborhood he remembered had changed.

Six houses down the street from his sits a four-bedroom - illegally, according to Isle of Wight County officials - into a whole-house short-term rental.

residence that's been converted

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"The Hawaiian Hideaway," as its Airbnb listing dubs the home, boasts private beach access, parking for seven vehicles and lodging for up to 15 overnight guests for \$572 per night.'

Milton contends the rental's presence has "ruined the neighborhood." Kevin Brown, however, who owns the rental property, alleges Milton to have been the aggressor in several interactions with renters.

Milton says a summer wedding drew hundreds of people to the neighborhood.

Brown acknowledges having hosted what he termed two "very small" weddings, and contends he's ceased renting it as a wedding venue after being told by county officials that he lacked permits to operate an event center.

"I'm not trying to break the law," Brown told the Times.

Milton has now joined with a group of his neighbors who are pushing back against a proposed zoning ordinance change that would legalize and regulate short-term rentals.

Isle of Wight County's Planning Commission, on Oct. 24, voted to advance the ordinance to the Board of Supervisors with their unanimous recommendation that the change be approved.

Smithfield changed its zoning ordinance in 2020 to allow homeowners the option of leasing their residences through services like Airbnb. The county's ordinance currently allows the rental of up to two bedrooms to two unrelated people in owner-occupied homes, but doesn't define whole-house short-term rentals as an authorized use, effectively making Airbnb rentals illegal outside the town's limits.

The proposed ordinance changes would define a short-term rental as a feebased stay of less than 30 days, and cap the number of overnight guests age 18 and up at two per bedroom. The maximum number

of occupants in a rental home at any given time would be capped at twice the maximum number of allowed overnight guests. Only the maximum number of overnight guests would be allowed between the hours of 10 p.m. and 7 a.m.

The Planning Commission had discussed an earlier version of the ordinance changes roughly 18 months ago, which at the time had proposed allowing shortterm rentals "by right" in rural agricultural and rural residential zoning. The wording would have allowed owners of homes with the specified zoning to operate as short-term rentals without needing approval from the Planning Commission or Board of Supervisors.

The version of the ordinance the planners voted on Oct. 24 to send to the supervisors with their unanimous recommendation for approval struck the "by right" language and will instead require a conditional use permit for all short-term rentals regardless of zoning. The commissioners cited the opposition from Milton and two other North Shore Drive residents for making the change.

"It's not somewhere where we're accustomed to having new folks coming in every weekend, or every other weekend, and you just don't ever know who's next door," Larry Morris, who lives adjacent to the rental, told the commissioners during the public hearing they held on the ordinance ahead of the vote.

"There isn't a feeling of safety anymore," Milton told the commissioners.

Brown, who did not attend the hearing, told the Times by phone on Oct. 27 that he has put renters through a vetting process prior to agreeing to let them stay at the property.

"No one is being harmed," Brown said. "If anything, it's harm coming from (Milton) toward these people who've done nothing wrong."

According to County Attorney Bobby Jones, the North Shore Drive rental has already received three notices citing violations of the county's existing ordinances. Amy Ring, the county's director of community development, contends the owners of the rental have constructed several structures on the property in violation of Virginia's Chesapeake Bay Preservation Act, and has also operated the house as an event center without a permit.

According to Jones, event centers are not permitted in "neighborhood conservation," the zoning designation for the houses on North Shore Drive, nor does the zoning ordinance specify a process for obtaining an event center permit in neighborhood conservation zoning.

"It's not a permitted use, period, and there is enforcement action going on as we speak," Jones said.

The county, however, has been holding off enforcing its current de facto prohibition against short-term rentals until the Board of Supervisors votes to either adopt a process for legalizing them or maintain the ban by rejecting the proposed ordinance changes.

"We have a growing list of these types of uses throughout the county," Ring said.

Brown, however, contends the county has been "very vague" on its position toward short-term rentals, and has advised him to continue operating until such time as an ordinance is developed.

He contends short-term rentals like his can bring in tax revenue for the county while drawing additional customers to Smithfield's numerous restaurants.

"It can be a great thing for an area," Brown said.

Brown acknowledged having erected a gazebo and private hot tub at the rental. He added he's willing to do what's necessary to come into compliance with county requirements.