

# JCC raises ambulance fee, transfer tax

By TIM COOK Special to the Spirit

CHARLES TOWN – Jefferson County residents will pay an annual ambulance fee of \$38.50 next year while residents who sell their homes will pay more in property transfer taxes.

On a 3-2 vote, the Jefferson County Commission adopted two tax increases as they fashioned a \$25.4 million budget for the fiscal year that begins July 1.

The ambulance fee changes are projected to generate about \$70,000 more for the county while the transfer tax hike is expected to raise about \$175,000 more.

“You really can’t [only] cut your way to a balanced budget” every year, said Commission President Patsy Noland. “It might work this year, but eventually not in following years.”

Noland, a Democrat, joined Republican Jane Tabb and Ralph Lorenzetti, a Democrat, in voting for the tax increases. Republicans Josh Compton and Caleb Wayne Hudson voted no.

To avoid the tax increases, Compton advocated an across-the-board cut during a final round of trimming to county departments. His proposal would have excluded public safety departments.

The tax increases amount to a 10 percent bump up in ambulances fees for homeowners and renters, and a 25-cent increase to the transfer tax calculated at \$1.35 for every \$500 of a home’s sales value. (The Jefferson County’s overall transfer tax rates that includes county, state and other assessments will stand at \$7.10 per \$1,000 starting July 1.)

Commercial ambulance fees, which were raised last year when the JCC adopted a new four-tiered rate scale for businesses, will remain the same. The county gave a 0.7 percent cost-of-living pay raise totaling \$68,250 for all the

county’s 215 employees and a \$150,000 pool for merit raises.

Even with the tax increases, the JCC made \$2.3 million in cuts to general fund expenditure requests. The Jefferson County Emergency Services Agency asked for six new full-time paid emergency first-responder positions, but got only two. The Sheriff’s Office asked for six new cars and received two, and asked to hire two new deputies and received none. The county’s 911 communications center asked for six new dispatchers and received two.

In part to wean the county off its reliance on waning gambling revenues, the county’s seven fire departments will collectively get \$315,000 less from

the JCC than the \$665,000 they got this budget year.

New residential construction and rising property values should allow the county to collect about \$16 million in property tax revenues, about \$496,000 more than what was budgeted for the current fiscal year. Property taxes are projected to make up two-thirds of the county government’s overall revenues for the next budget year.

The anticipated increase in property tax revenues is expected to be partly offset by a continued decline in gambling tax revenues from the Hollywood Casino at Charles Town Races. The county is budgeting a \$138,300 drop-off in gambling revenue.

# HILL TOP HOUSE HOTEL ECONOMIC MODEL: Where We Are and Estimated Benefits



SWaN plans to rebuild the Hill Top House Hotel into a world-class destination that will stand for future generations as part of the rich history and legacy of Harpers Ferry. Beyond being a hotel, it will become an economic engine that will generate funds to preserve the town for at least the next 100 years. The model we are designing will bring prosperity to businesses and residents throughout Harpers Ferry, Bolivar, Jefferson County and the State of West Virginia.

When we began creating a vision for the original 184-room hotel site in 2008, it became clear that the town did not have ordinances in place to permit the project, so SWaN requested the town design an ordinance that would agree with the town’s goals. The Town Council voted unanimously to approve the assiduously created ordinance almost 10 years later in 2017. Town residents also asked for a smaller hotel, so we reduced the room count to approximately 130 in our 2018 Hill Top House Hotel Concept Design Plan. When the Planning Commission asked for more buffering and green space, we added two new buffer landscapes in the residential transition area and 6 percent more green space. We decreased surface parking, along with related lighting requirements.

Beginning in May 2018, the Harpers Ferry Planning Commission met weekly, rather than on its normal monthly schedule, to review the Hill Top House Hotel Concept Design Plan and subsequent Enhanced Landscape Plan. Concluding in October 2018, the Planning Commission forwarded their Statement of Conformity and Amendment to SWaN and the Town Council with an overall positive recommendation with a few suggestions; if built, the project would “likely” conform with the town’s comprehensive plan and ordinance objectives.

Currently, 30 percent of the schematic drawings for the hotel are complete. In order for SWaN

to proceed with developing a complete concept plan and, ultimately, submit a permit application to the Harpers Ferry Board of Zoning Appeals, we requested that the Town Council offer mutually acceptable terms for usage of public paved and paper streets.

To proceed further developing plans without an acceptable agreement for use of the streets from the Town Council does not seem fiscally prudent. Town Council is responsible only for working to find an acceptable agreement regarding public paved and paper streets. While no agreement has been reached, there are continuous requests, beyond Town Council’s statutory authority, for duplicative and unnecessary reports, and expert reviews, all of which delay the process and are expensive. SWaN proposed two options regarding the use of streets at the Feb. 11, 2019, Town Council meeting, neither of which were adopted.

The following requests of SWaN were made by Town Council at the Feb. 11, 2019 meeting:

- a payment of \$10,800 to cover fees and expenses for professional experts, as well as the planning consultant hired by Harpers Ferry Mayor Wayne Bishop,
- a letter and a map outlining SWaN’s request,
- an appraisal of the public and paper streets and what the streets are worth to the project,
- a financial offer,
- a fiscal impact statement regarding what taxes will be generated from the project and potential benefits and costs to existing merchants, and
- a letter from the State Fire Marshal’s Office.

Upon receipt of the Town Council request, SWaN ordered a fiscal impact statement from Ernst & Young at a significant additional cost. The fiscal impact report will take at least four weeks to be received by SWaN and may need more revision because this iteratively affects architecture and investability of the project.

SWaN continues to refine

the dynamic economic model for the Hill Top House Hotel project in concert with Interstate Hotels to find the right mix and number of rooms to ensure a financially viable project. Because Interstate is an expert in trends emerging around the best hotel experience, and because Hill Top programming has a unique combination of corporate retreats, wellness experiences and creative encounters to enable ideas, the mix and type of rooms are being evaluated. Therefore, current tax estimates are best guesses for the Hill Top concept plan and will continue to be narrowed once the design documents proceed (with the development of a mutually acceptable street-use agreement).

Our current concept plan, on which we are basing this economic model, estimates approximately 130 rooms in the hotel structure and auxiliary buildings. The plan also includes a three-meal-a-day restaurant, a fine dining restaurant, lobby bar, rooftop terrace and wine cellar. The number of restaurant seats is yet to be determined.

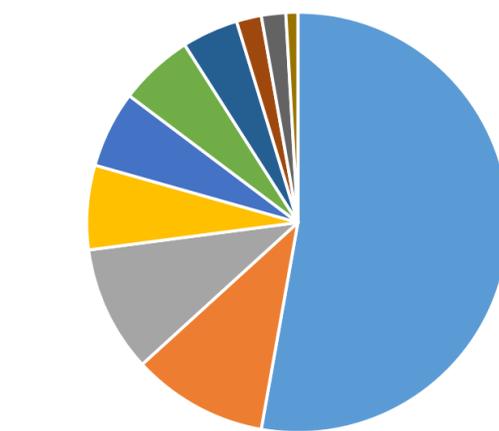
With design and operations’ groups melding together in the near future, the economic model is still very dynamic. We can only estimate and give best-guess revenues toward the municipalities, county and state.

When creating an economic model, the study estimates three types of economic effects related to hotel construction and operations:

■ **Direct effects** include the jobs, income and operating expenditures of the hotel, as well as the on-site construction contractors.

■ **Indirect (supplier) economic effects** are the result of the hotel’s purchases from local suppliers (e.g., technology, furniture, stationary, utilities, etc.) and the subsequent rounds of supplier purchases in the state and county economies.

■ **Induced (employee spending) economic contributions** are related to employee household spending. Hotel employees and employees



As shown in the employment pie chart, services related to tourism create more than 50% of jobs within 100 miles of the Hill Top project.

Source: ESRI

- Services
- Public Administration
- Retail Trade
- Construction
- Finance/Insurance/Real Estate
- Manufacturing
- Transportation/Utilities
- Wholesale Trade
- Information
- Agriculture/Mining

of the hotel’s suppliers use a portion of their incomes to purchase goods and services from businesses in Jefferson County as well as other parts of West Virginia. These transactions will have a ripple effect of supporting employment at businesses such as retailers, restaurants and service companies.

With those outlined economic effects, after completion, the Hill Top House Hotel will bring many benefits, such as jobs and supplier benefits to many local residents during construction and through opening into ongoing hotel operations. We also estimate approximately \$750,000 in revenue per year to the Town when the hotel becomes operational. The Town will continue to benefit in years to come through a 1-percent Business and Occupation Tax, a 5-percent Hotel Motel tax and a 6-percent State Sales tax (a portion of which also

will come back to the county and to Harpers Ferry).

Taxes created by the Hill Top House Hotel may be used to improve antiquated water and sewer infrastructure for the Bolivar-Harpers Ferry peninsula, improve the stormwater management system and restore or replace crumbling roads and sidewalks.

We believe a rebuilt Hill Top House Hotel will revitalize Harpers Ferry and provide for more year-round stays. Additional guests will mean an increased customer base to shop, eat and enjoy local entertainment. With the addition of Hill Top events, corporate retreats and a new cooking school, tourists will have a reason to visit Harpers Ferry all year.

SWaN looks forward to bringing year-round prosperity to the tourism industry in the Eastern Panhandle.

To stay informed on the progress of the Hill Top House Hotel moving forward, to ask questions and to receive special news updates, please sign up at [www.hilltophousehotel.com](http://www.hilltophousehotel.com)



HILL TOP HOUSE HOTEL  
HARPERS FERRY, WV