

**LYNCHBURG CITY COUNCIL
PHYSICAL DEVELOPMENT COMMITTEE
MEETING HIGHLIGHTS
Monday, September 12, 2016
8:00 a.m.**

Members: Council Member Turner Perrow, Chair, Mayor Joan Foster, ex-officio, Council Member Treney Tweedy, Council Member Sterling Wilder, Council Member Randy Nelson, Council Member MaryJane Dolan

Staff Present: Bonnie Svrcek, Margaret Schmitt, Maggie Cossman, Gaynelle Hart, Marjette Upshur, Kent White, Lee Newland and Angie Shepard

Others Present: Bill Jamerson, Jamerson Real Estate; James Richards of Petty, Livingston, Dawson and Richards; Dick Shoew, Hopkins Brothers; Maynard Jones, retired Engineer; Bryant Hare, Hopkins Brothers all on behalf of Rosedale

Update on Priority Projects:

Mr. Newland gave an update on highlighted projects from the priority list:

- Timberlake Road/Logan's Lane Intersection- Proceeding with design; design to be completed December 2016; hope to bid shortly there after
- Midtown Connector- Punchlist work; a few items getting finished up
- Greenview Drive Phase 2- construction underway; a VDOT project; will be small traffic closures; trying to work at night to minimize traffic impact; checked with residents about this and have received positive responses
- Kemper Street Bridge/Interchange- will be moved off the list next month and is operational
- One Way Pairs @ 501/221- Smart Scale Application submittal- due end of this month
- Main Street Bridge- design is underway and design should be completed August of next year and hopefully bid after downtown project is finished
- Memorial Park-Lakeside Intersection- scheduled for completion in October 2016
- Odd Fellows Road-P3(Phase A and B1)- Construction is underway; VDOT project-road improvements in the 460-DMV-Post office area
- College Lake Dam- getting proposals from engineer to start working on the preliminary design; preliminary design should be done by December 2016
- Downtown Watermain Replacement & Streetscape- construction is underway and there will be an update in the meeting
- Liberty Mountain Drive-Phase 1- Construction underway; will be completed in October 2016
- Liberty Mountain Drive- Phase 2- Construction underway; slated for completion in April 2017
- City Stadium Renovations- Football/Soccer- no change since last month; under construction and should be done in October
- City Stadium Field & Parking Improvements- Baseball-has been bid and getting ready for construction after HillCats finish their season
- Community Market Parking Deck- Construction beginning January 2017; should be done end of May
- Wards Ferry Improvements at Heritage- in design; acquiring right of way; hope to have on same schedule as Timberlake Rd./Logan's Lane project

Mayor Foster complimented Mr. Newland on how the city is working within a small window of opportunity with the City Market project.

Council Member Perrow inquired about College Lake and a reallocation of funds for College Lake Dam to other resources but going forward with engineer. Mr. Newland indicated there are construction funds they are not quite ready to use yet and will get design underway. He does not think regulations will be changed enough to affect this. Council Member Perrow inquired about the Memorial Park-Lakeside Drive project being on schedule, which Mr. Newland indicated it was.

General Business:

1. ***Request to Waive Curb and Gutter Requirement- Lockwood Drive***— *Bill Jamerson with Jamerson Real Estate has submitted a request to waive the required Curb and Gutter (C&G) in front of an eight (8) lot subdivision. The current condition of Lockwood Dr. is an asphalt road with ditches to carry away the storm water. The rest of the roads in this area do not have C&G and the addition would concentrate the storm water flows. Staff met onsite with Mr. Jamerson and reviewed the conditions and does concur with the request. The area is over 88% developed excluding this parcel which would present an extremely limited potential for other developments extending the C&G. The ditches are well maintained and street is a low volume road. The topography is also a challenge as the C&G and sidewalks would create an embankment in front of the proposed homes. While onsite, several walkers were noticed along the road and Mr. Jamerson is in agreement that sidewalks are necessary and will install these with the subdivision. They will be installed behind the ditches to get the pedestrians further from the edge of the road and will be ADA Accessible.*

Mr. Newland introduced Mr. Bill Jamerson with Jamerson Real Estate. Mr. Newland explained that Mr. Jamerson is requesting to waive the Curb & Gutter requirement at his development on Lockwood Drive. There are currently no curb and gutter and no sidewalks on these streets. Rather than putting in curb and gutter, which may look out of place in that area, Mr. Jamerson is requesting a waiver on the C & G and would put in sidewalks. 88% of the lots have already been developed. Mr. Newland referred to the maps in the packet of the area. Mr. Newland displayed the area on the screen for PDC members (area off of Wood Road- Timberlake to Wood Road, Lockwood, Parkwood and Seven Oakes). Only 12% undeveloped not including the two areas that are C&G neighborhoods. One of those is Mr. Jamerson's. He displayed Mr. Jamerson's site on screen in lower corner, highlighted in red. Several photos of the area were displayed.

Mr. Newland noted it is not a large development area. Mr. Newland explained this is a ribbon road (just a ribbon of blacktop) with no curb and gutter, just pavement. Mr. Newland recommended allowing the waiver and it will need sidewalks. Mr. Jamerson has agreed to put in sidewalks and stated this is all a single-family area.

Council Member Perrow inquired if the ditchline will run underneath the power easement. Mr. Jamerson stated the ditchline will run on the City right-of-way. Doesn't know yet exactly where center line of the road is, will have surveyed and may have to give the city more land in order to keep the sidewalk on City property. It will be set up edge of pavement, ditchline and sidewalk.

Council Member Perrow noted that from looking at the parcel map, he is worried about land locking the

three parcels in the back. Mr. Jamerson has an agreement with the adjacent property owner. The City has to have an easement for sewer. Mr. Jamerson stated he would give fifty feet of the right of way to the adjacent owner down Lockwood. Council Member Perrow inquired as to what the procedure is for this and Mr. Newland indicated that his understanding is that PDC makes the decision on this (not having to go to full Council). As a follow up, this does not have to go to full Council according to City Attorney Walter Erwin.

Council Member Nelson asked Mr. Jamerson about plans for development in the middle of the area and if the waiver would apply to future development. Mr. Jamerson expressed he did not have any plans for development right now. Mr. Newland noted that any new street would have Curb & Gutter on both sides.

PDC by consensus agreed to waive the Curb & Gutter on Lockwood Drive.

2. ***Rosedale Development (Golden Mile, LLC)***—*Golden Mile, LLC has requested the City assist with funding transportation improvements to Graves Mill Road, as well as the entrance and the internal “spine” road for the Rosedale development. Following the August 9, 2016 Finance Committee, staff was directed to negotiate further with Golden Mile, LLC to reach agreement that is more in alignment with City Council’s criteria of September 29, 2014. Council’s original conditions to consider road improvements were: 1) a time limit on the return period of 10 years; 2) connectivity to Breezewood Drive; and 3) participation by the City of no more than 50% of the cost of road improvements.*

Ms. Svrcek gave a staff report on Golden Mile, LLC who is requesting the city assist in funding with transportation improvements to Graves Mill Road as well as the entrance and internal spine road for the Rosedale development. Ms. Svrcek and Golden Mile, LLC’s representative, Jim Richards, met to discuss a compromise. Compromise was made on the term of the reimbursement from the 10 years identified by City Council and the 20 years proposed by Golden Mile, LLC. The compromise reimbursement period is proposed to be 15 years as noted on the “Comparison of Proposals” included with the PDC packet.

City staff met with representatives of Golden Mile, LLC to review a draft Smart Scale application as promised at the August 9, 2016 Finance Committee meeting. The City Manager and Golden Mile, LLC’s representative also discussed the possibility of supporting a Smart Scale application to Virginia Department of Transportation [VDOT] for only the Graves Mill Road improvements. City staff does not support such an application as the improvements, including those to Graves Mill Road, are not identified on any transportation improvement priority list.

Two proposals of Golden Mile, LLC have been outlined. The two major points of disagreement between staff’s recommendation and Golden Mile, LLC’s September 2, 2016 Proposal #2 are: First, is with the level of participation by the City in reimbursement for improvements to Graves Mill Road, entrance and “spine” road within the Rosedale complex. City staff recommends no more than 50% of only the cost of physical road construction activities. Golden Mile, LLC is proposing 100% of the costs as identified in the State Code Tax Increment Financing definition for capital costs. Second, is the issue of connectivity to Breezewood Drive, the City’s requirement for Golden Mile, LLC to acquire the dedicated right-of-way through the “Skinner Tract” for future connection to Breezewood Drive. Golden Mile, LLC has only provided a non-binding agreement with the owners of the “Skinner Tract” for an easement for a road or roadway up to 100 feet wide from the Rosedale property to Breezewood Drive.

Council Member Perrow welcomed Jim Richards, Attorney for Golden Mile, LLC. Mr. Richards indicated this has been going on for so long now that the reimbursement concept is critical and is not economically feasible without the reimbursement piece. He indicated there was one more compromise before getting to this presented compromise. They had asked for 100%, the city was to keep 20% first half and 40% second half. After the last meeting, the next compromise was to come down to 15 years. Mr. Richards demonstrated on a map for PDC members the VDOT request, Graves Mill and the entrance. His clients have been encouraged by VDOT to submit this project for a Smart Scale application. VDOT says it has a good chance of success. It has a substantial road in there and is not a high density use but a lower density use.

He indicated two places where there is connection. The staff recommendation will not get this developed and he is not sure how they will get a dedicated right-of-way to the city. The Skinner tract has no idea how they want to develop it, so no reason for them to commit to a particular course of the road. The amount of reimbursement at 50% will not get this project done. The idea is to get the City to start collecting tax revenue as soon the road is done. The two proposals are one with VDOT and one without VDOT. If with VDOT, he feels it is a generous sharing arrangement. Given the risk, Golden Mile, LLC would actually be paying for the road, not the City. Mr. Richards expressed that VDOT is the better proposal.

Council Member Perrow indicated that he would not be at Tuesday night's City Council meeting. He is thinking of what the utility is to the city of the project and needs to differentiate as to what make this a worthy investment longterm ,what is equitable and concerned about the connectivity.

Council Member Wilder inquired for confirmation that the City is not recommending the project be submitted for the Smart Scale application, but that Rosedale is. Mr. Newland confirmed. He explained that the Smart Scale application is what used to be HB2 (House Bill 2) and is a transportation funding mechanism. The application process ranks and scores projects and decides whether funded or not. There are two separate sets of funds: either statewide level or locality (Lynchburg district). There was \$64 million available last year for the Lynchburg district and \$32 million this year, with statewide funds being much more. Regional projects go in to the statewide fund, local projects in to the local funds. Council Member Wilder asked if there is a prepared list for these projects to consider for Smart Scale. Ms. Hart stated there is a prioritization list and they look at congestion, safety, turn lanes, expressway interchanges, etc. to prioritize the projects the City is looking at. Currently have a draft CIP. Just three weeks ago, the City was told by VDOT to submit the 501/221 project for Smart Scale and not to submit a second project because there is limited funding. Discussion was had about the variety of projects that are on the priority list as well as a "wish list" for the City.

Council Member Perrow noted as a member of the MPO, they are looking to score projects on certain factors. There are some smaller projects with more benefit. The City has focused on the 501 project. Ms. Upshur indicated to PDC that there has been focus (with LRTAG) on the 501/Split Pair project. Council Member Tweedy inquired of Mr. Richards as to why VDOT has been encouraging Golden Mile, LLC to pursue this project for a Smart Scale application.

Mr. Richards deferred to the other representatives of the Rosedale development. Dick Shoew, Maynard Jones and Bryant Hare introduced themselves. Mr. Jones expressed he had met with Rick Youngblood for VDOT and was told they have a viable project. They submitted a draft to Rick. The feedback was positive. Mr. Hare, Hopkins Brother Development, indicated that at a meeting in April the former City Manager told them to go ahead with the process. Then about forty days ago, he heard they may be wasting their time. They are at 80% investment at this point and too much has been invested to stop.

Mayor Foster noted this is a dilemma. VDOT has encourages Rosedale to proceed. She questioned as to how much of VDOT funds are designated to our district. Mr. Newland noted that \$32 million is designated. This project cannot go to the state fund, only the district fund. The City will apply to both funds. The City is asking for \$20 to \$22 million for the 501/221 project. He also noted that there is some confusion with

the Rosedale Development project. The application states \$4 million, but after looking at it, he thinks it needs to be \$6 million. Mr. Richards noted that Golden Mile is willing to scale back their request to get this done.

Mayor Foster is concerned that if the City submits two applications, it may dilute the pot. Mr. Jones stated that the project will be evaluated on its own merits. Mr. Newland noted that there are criteria looked at in the Smart Scale application process to include safety, congestion, how the project is tied to a network, economic development, environmental issues, etc. This project does not present safety or congestion issues, but may have environmental concerns with the creek and may score well in economic development. It may not score well in other areas. Ms. Hart indicated that the criteria has changed on safety.

Council Member Perrow noted that the CTB (Commonwealth Transportation Board) supports the 501/Split Pair project.

Mr. Richards stated that Golden Mile, LLC would resubmit the applications with only those improvements at the entrance.

Council Member Nelson surmised that Mr. Youngblood (VDOT) said the project had merit, but doesn't necessarily mean it can hold weight with other projects. The City's conflict is putting both applications in to compete with each other. Rosedale has potential benefit, but doesn't address any problems right now. If not funded, will the project go on? Discussion needs to be had then about what happens.

Council Member Perrow suggested endorsing the 501/Split Pair project and looking at what other avenues could be used. Could VDOT Revenue Sharing play in to this?

Mr. Newland explained that with Revenue Sharing it is paid for up front and then reimbursed by VDOT. The Smart Scale is not reimbursed. It goes in to the VDOT six year plan and it becomes the City's project to build, follow NEPA (National Environmental Policy Act), and all federal rules and requirements.

PDC members expressed concern about getting this project approved as a Smart Scale.

Council Member Perrow inquired if the project is still viable. Mr. Richards noted that it is if with one of the two proposals.

Mr. Jones stated this is going back about four years with this project. They set out on design on this with Tom Martin, City Planner. They worked with the City to make it connected and came in to the working with the City. They were looking at a long term approach. They went through Zoning working on this. Mr. Hare indicated this is a 60 acre project and opens up another 100 acres that is land locked. Mr. Richards expressed that Golden Mile, LLC is building this for the future.

Council Member Perrow reiterated the two proposals being: the City pays 100% of the improvements, keeps 50% of the new tax revenues with 15 years for full reimbursement or the City pays 100% of the improvements with reimbursement at 80%/20% (City keeps 20%) of the new tax revenues until half of the costs are reimbursed and thereafter 60%/40% (City keeps 40%) or new tax revenues. Mr. Richards stated that the developer takes 100% of the risk.

Council Member Wilder inquired of Ms. Svrcek as to what City staff recommends. Ms. Svrcek stated they recommend 50% of the actual construction costs, not soft costs.

Council Member Perrow discussed with Ms. Svrcek about a possible closed session to discuss the negotiable percentages.

Mr. Jones discussed that there are plans on the development for a conference center. There are not

commercial commitments yet. But, if this project proceeds, the commitments will come. This unfolds so much potential.

Council Member Wilder inquired of Ms. Uphur if Economic Development has a position on this. Ms. Uphur stated certainly want large tracts of land to be developed. PDC members indicated this seems like a worthwhile project, it's now a matter of how to get there.

Council Member Nelson notes that he was initially concerned but this could open up some possibilities for the tracts that opens those areas. Strategically speaking for the City, this is a major development. Whether soft costs are included or not, it only really changes when that 50% completion is reached. The City doesn't really have any risks for the total deal, just when the 50% is actually reached.

Council Member Dolan notes this is a good project for the City, but is concerned about the connectivity issue.

Council Member Perrow asked for a closed session after the PDC meeting.

3. Update on Downtown-

Ms. Cossman shared that they are currently doing hardscape and paving, brick areas, tanning of the concrete, and the scoring pattern is different at different areas and crosswalks. They met with English who is putting out extra crews on site as of today (Church/7th Street and 5th Street/Church).

Council Member Perrow reminded the members that the project was behind due to open basements that were found. Ms. Cossman indicated that Church Street is anticipated to open back up by the end of the calendar year, but she will have a better update by the next meeting.

4. VDOT Grant Awards

Mr. Newland shared the award of two grants. \$168K for the Transportation Alternative Program. They will continue with the Safe Routes to School program and put sidewalks on Stoneridge Street. This is an 80/20 grant with \$42,000 in City Match. A \$510K was awarded in a Highway grant (federal grant) for signal and pedestrian improvements along Rivermont Avenue from Link Road to Bedford Avenue.

Roll Call:

Walter Erwin, City Attorney, joined the PDC meeting. Council Member Perrow inquired if the agenda was amended, if a closed session meeting could be held. Mr. Erwin expressed that a closed session meeting could take place. Council Member Perrow amended the agenda to include a closed session meeting. Council Member Tweedy motioned to amend the agenda for a closed session meeting with Council Member Wilder seconding that motion. Mr. Erwin stated a closed meeting with council and staff would be held with a motion made to certify to closed session by Council Member Tweedy and seconded by Council Member Wilder. All members were in favor.

A closed session meeting was held.

Next meeting: Tuesday, October 11, 2016