

Minutes

PLANNING COMMISSION REGULAR MEETING
February 9, 2021 – 5:30 P.M.
Virtual Meeting

I. COMMISSION PRE-MEETING (Agenda discussion(s))

Beginning: 5:00 PM

Location: Virtual/Electronic

Members Present: Commissioner Solla-Yates, Chairman Mitchell, Commissioner Russell, Commissioner Stolzenberg, Commissioner Heaton, Commissioner Lahendro

Members Absent: Commissioner Dowell

Staff Present: Patrick Cory, Missy Creasy, Alex Ikefuna, Jeff Werner, Krissy Hammill, Ryan Davidson, Alex Ikefuna

Chair Mitchell called the meeting to order at 5:00pm and asked Commissioners if they planned to move any consent agenda items. It was noted that all items would remain on consent. Commissioner Solla-Yates asked if it is possible to answer the questions posed by Ms. Kathy Galvin concerning West Main. Ms. Krisy Hammill noted that she had not reviewed in detail but the project manager will be present this evening to assist with questions. She noted that discussions on the CIP are still underway. Commissioner Heaton noted additional questions on West Main that the project manager should be able to assist with. Commissioner Heaton noted that the Planning Commission should provide some guidance on specific projects for Council consideration and Chair Mitchell agreed.

Chair Mitchell communicated that for the CIP item, the staff report would be followed by public hearing comments and then questions and deliberation from the Commission. This is a bit different than the usual order.

Chair Mitchell discussed screensharing during the public meeting. He had recommended a compromise to allowing screensharing at any time but to have the Commission member ask the Chair and Commissioners if it was okay and for the Chair to direct the Meeting Host. Commissioner Stolzenberg noted that screensharing can assist with the meeting and feels that asking for permission slows down the meeting. He wanted to clarify the amount of time that Commissioners had during the question timeframe and the time for presenting. Commissioner Russell finds screensharing helpful for specific items and also noted that placing links into the chat box is helpful. It was determined that the group would begin with asking the group for permission and evaluate how that works.

Commissioner Solla-Yates had questions on the Housing Plan and Jennifer Koch noted that Sara from HR&A would be able to address once she is in the meeting. It was confirmed that the Planning Commission does not have to vote on the Housing plan this evening. This is an opportunity for the Commission to provide feedback that will be shared with Council at their meeting on February 16th at 4pm.

Commissioner Solla-Yates returned to CIP questions and asked if there were more funds for sidewalks, and is there staff to move the project forward. Ms. Hammill provided some background on the sidewalk

program and noted the GIS on-line tool is available to review project status. Commissioner Solla-Yates said he wants to be able to answer people when they ask about sidewalks.

II. COMMISSION REGULAR MEETING – Meeting called to order at 5:30 PM by the Chairman

Beginning: 5:30 PM

Location: Virtual/Electronic

A. COMMISSIONER’S REPORT

Commissioner Russell – I attended something related to the Fontaine smart scale project though I don't think it was actually the Fontaine Avenue Smart Scale meeting. It was a meeting of the LUPEC working group. LUPEC is the Land Use and Environmental Planning Committee. The Fontaine Smart Scale was discussed. Chairman Mitchell, I think you also attended that meeting. You may have understood more than what I took away from it. There was some discussion of design of the Fontaine Avenue streetscape. The question is to what degree the project could be before it would require another review by VDOT. It sounded like the group was going to be circling back to VDOT to get an idea about this and then have an idea to move forward. I went back and checked the timeline of when the Fontaine Avenue street streetscape goes before Council. The timeline previously proposed was January/February. Maybe they're making some tweaks to the design.

Commissioner Stolzenberg – I attended two meetings since we last met. PLACE still did not meet last month, It's still in a hiatus trying to figure out what that committee will become. It will be meeting later this month to talk about ways to pick up the pieces of the West Main streetscape. There were two meetings that did happen. One was the MPO Tech meeting. The big interesting thing is that they're doing bike and pedestrian counts at several intersections in advance of major intersection improvements to those places to see how they change over time. There was also talk about a second crossing of the Rivanna River near free bridge. We also had a TJPDC meeting. The Rent and Mortgage Relief Program has transitioned from one that's run through the PDCs through subcontracting nonprofits to one system for the whole state at applications.deval.us to sign up for the intake. It should be interesting to see how that changes maybe in some ways for the worse now that it's not being run through local nonprofits. The other event that happened at the TJPDC meeting was that we fired our executive director. We heard he was going to quit. We got rid of him. Christine Jacobs is the new Interim Executive Director TJPDC.

Commissioner Heaton – No Report

Commissioner Dowell – The Ridge Street Task Force met on January 27. During this meeting, we wrapped up some of the ideas that have been expressed about how to do some traffic calming in the neighborhood, and what was and what is not actually possible. One of the biggest things that we got out of the meeting was just as much as people want certain things in the neighborhood that it may not just be feasible from an engineer's point of view. One thing that was a hot topic was adding shelters to the bus stop shelters for our riders and even possibly adding an additional stop. The way that the roads are constructed is just Mission Impossible to even try to consider adding shelters in the neighborhood. We even looked at both sides of the road. Most of it is because it couldn't be ADA compliant. Some of it is because we start talking about getting into private property. At our next meeting next month, we will be finalizing what the committee plans to do with the final funds for the task force.

Commissioner Solla-Yates – The Housing Advisory Committee discussed meeting but chose not to. We need a housing coordinator to do our work. Looking forward to having a coordinator to do our work.

Commissioner Lahendro – I attended two meetings since our last Planning Commission meeting. The Board of Architectural Review met on January 20th. We had seven Certificate of Appropriateness applications. All seven were approved. There were no deferrals or rejections. The Tree Commission met February 2. We spent the first part of the meeting getting ready for the presentations we're expecting at our next meeting from NDS and Public Works and discussing good kinds of things that we want to talk about at that meeting. The Education and Advocacy Subcommittee reviewed initial planning for a neighborhood tree planting project that is tentatively planned for next fall if COVID allows. The Arbor Subcommittee reviewed its plans for a virtual Arbor Day celebration in April. Our Codes and Practices Subcommittee is preparing for updating the city's zoning ordinance by researching tree ordinances in other cities. We discussed the proposed CIP plan and its changes relative to the urban forest allocations. You will hear more about that later.

B. UNIVERSITY REPORT

Commissioner Palmer – No Report

C. CHAIR'S REPORT

Chairman Mitchell – The LUPEC group met twice in January. The other conversations were around Fontaine. Ms. Russell, the point you made three meetings back that we weren't thinking about Fontaine holistically was heard. We've got the water and sewage authority. We've got the county. We've got UVA and the city beginning to think about the things that we want to do with it. There were presentations made by all these stakeholders. Three or four things leap out at me that I just want to make sure that we're aware of. The Fontaine Research Park is going to grow from 580,000 Square gross square feet to 1.1 million gross square feet in the next 10 years. The Rivanna Water and Sewage Authority has mains running up and down Fontaine. They've got mains running through the Research Park. That's something we need to keep in mind as we do the improvements that we're looking at and as UVA does improvements that they're looking at. The Water Sewage Authority is looking to expand the footprint of the main and to do some improvements on the footprint as well. Kyle talked a little bit about the expense of running sidewalks all the way to the park. That's going to cost us about \$1.5 million. We don't have the money to do that. We're not likely to do that. As UVA continues to do the expansion and do the work that they're doing with the Research Park, it is likely that they might be able to help out a little bit with getting some of those sidewalks and infrastructure built. The point that Ms. Russell was making relates to where Fontaine meets the 29 and 250 bypass. What they're looking to do is work with the Department of Transportation to do some improvements in that area that will enhance the safety and increase the traffic footprint. One of the ideas that they're thinking about is a divergent diamond.

D. DEPARTMENT OF NDS

Ms. Creasy – There will be a PC work session on February 23 from 5:30-7:30 focused on the future land use map. Materials will be posted on Feb 16th. NDS has welcomed Allyson Finchum to the city in the role of ADA coordinator. We are in the recruitment process for Building official, GIS Analyst and Planner positions. Thank you to all the staff who have been taking on additional duties as we recruit for open positions. We have reached out to County staff concerning the rescheduling of a Joint Planning Commission work session and we are hoping to get that back on the calendar.

E. MATTERS TO BE PRESENTED BY THE PUBLIC NOT ON THE FORMAL AGENDA

No Comments from the Public

F. CONSENT AGENDA

1. Minutes – October 13, 2020 – Pre-Meeting and Regular Meeting
2. Entrance Corridor – Tigerwash – Long Street

Commissioner Solla-Yates moved to approve the Consent Agenda. (Second by Commissioner Lahendro). The Motion for item two is as follows: Having considered the standards set forth within the City’s Entrance Corridor Design Guidelines, I move to find that the proposed design for the TigerWash at 1315 Long Street is consistent with the Guidelines and compatible with the goals of this Entrance Corridor, and that the ERB approves the Certificate of Appropriateness application as submitted with the following conditions:

- **Exterior light fixtures shall have lamping that is dimmable. Additionally, the owner will address any reasonable public complaints about light glare by either dimming the lamp or replacing the lamps/fixtures.**
- **Landscaping Plan (L108) indicates *plants subject to change*. In the event of change, the number and location of new plantings shall not change, they must be similar to the approved in type (canopy and height at maturity), and consistent with the City’s Master Tree and Shrub lists.**

The motion was approved by a 7-0 vote.

The Chairman recessed the meeting until 6:00 PM and a quorum by City Council arrived.

III. JOINT MEETING OF COMMISSION AND COUNCIL

Vice-Mayor Magill called the City Council to order for the one public hearing.

Beginning: 6:00 PM

Continuing: Until all public hearings are complete

Format: (i) Staff Report, (ii) Hearing, (iii) Commission Discussion and Recommendation

1. Charlottesville Capital Improvement Program FY2022-2026: Consideration of the proposed 5-year Capital Improvement Program in the areas of Affordable Housing, Education, Economic Development, Public Safety & Justice, Facilities Management, Transportation & Access, Parks & Recreation, Technology Infrastructure, Stormwater Initiatives and General Government Infrastructure. A copy of the proposed CIP is available for review at: <https://www.charlottesville.gov/171/Budget-Work-Sessions>

Kristy Hammill, Staff Report – We're here tonight to present you with the Capital Improvement Program. We're going to start off with a general description of what is a capital improvement program. It's essentially a five year financing plan that is put together on an annual basis for an official approval. Each year the Council formally adopts year one of the plan and years two through five remain a projection or a plan in the future. Projects that usually cost \$50,000 or more

are put into the CIP plan. They're generally non-recurring and non-operational. They are one and done types of things. They typically have a useful life of more than five years. Last week, we met with Council, and we presented this slide to Council. As we mentioned to Council and we will mention to you, we were very intentional to call this a draft. The draft five year plan that is put before you was an attempt to signify the idea that we have listened to Council. We've been talking about this at least through November about what the CIP would look like in a post COVID situation, but also moving forward. One of the things that we tried to do is to make sure that we are funding what we have heard Council say are top priorities. Education, transportation & access, and affordable housing are the top three categories over the next five years. This is a five year summary of totals. If you're interested in actually seeing the details behind it, you can find that at charlottesville.gov/budget. There's a work session tab that you can click on. You'll find documents throughout the budget development process there and further details that describe what's actually contained in these categories. As Chairman Mitchell highlighted for you, some of the big things here are that there were no additional dollars added for West Main. There was a \$50 million placeholder put in FY 2025 for the school reconfiguration project. As we have these work sessions, we typically talk about bits and pieces and isolation. The point of this slide here is to keep in mind that what we're talking about tonight are two very small slivers of the big pie that we call the city budget. One piece is the debt service that would be required to fund the CIP, and the cash contribution that is sent to the CIP to cash fund projects. When we look at the pie of the entire general fund budget, as we make these pieces get bigger, other pieces have to get smaller to maintain the full picture. Even though we talk about big dollars and big numbers here, it is just a small part of a lot of other things that we do to fund core services and other projects that aren't CIP related. One of the other things we frequently talk about when we talk about capital budget is selling bonds, our bond rating, and what the implications of that are on our bond rating. I wanted to take just a second to talk about this. The city is very fortunate to be AAA bond rated. We are actually one of only seven cities in the entire state that is rated AAA. That is the top rating that a locality can receive. I believe there are 18 localities in the state of Virginia that have a AAA rating. Seven are cities and we're one of those. What is a bond rating? It's basically an independent agency that comes in and rates us on things that are more than just our numbers. They look at our management policies, the economy, the financial part of it, and our outstanding debt. One of the things that they're trying to assess is our ability and our willingness to repay the debt. As we take on more debt, what are we willing to do to ensure that we're making those payments? The city has been AAA bond rated from Moody's since 1973, and Standard and Poor's since 1964. We have a long history of our AAA bond rating. One of the benefits of AAA bond rating is that it allows us to borrow money at the lowest possible rate because of our good credit. That means that we end up having more dollars that are available to go to capital projects instead of dollars that are being used to pay back interest. One of the other factors is that AAA bond rating is also attractive when we look to economic development prospects. I touched on these four factors that a rating agency focuses on when they come in to do this review: our economy, our demographics, our employer base, management, our policies, our procedures, and what do we do to make sure we achieve our budgetary targets and adherence to financial policies. Finally, what does our outstanding debt look like, when compared with what our future needs and obligations are? With this year and with our CIP process, we didn't have an opportunity to have much of a process, mostly because of the financial impacts of COVID. For FY21, we passed a budget that did not cash fund any projects. Many things were deferred with the budget last year. We went into this budget process, knowing that revenues are still down. We looked to this to be a level funding process. We started with the

plan that we put out for last year and asked departments for no more than one request if that was necessary. What came out of that is the draft that is before you. It is basically just a few highlighted changes, which we've already noted: West Main Street – there was \$4 million that was removed. There was \$100,000 deferred for new sidewalks because there are already available funds there. There were also funds for sidewalks and other smart scale and other projects that are happening. There were a few deferrals for things like traffic signs. We added \$500,000 back to paving and milling because there were a lot of deferrals that were required last year to that. This is an effort to try to catch up. Housing rehab dollars were deferred in FY21. Unfortunately, with this current draft, they are not in again. We are willing to look at the CAHF process, and applicants can apply for rehab through that competitive CIP process. Finally, with the Friendship Court project, the total dollars are not reduced. When we went back and spoke with the people managing that project, we were able to reallocate those dollars and spread them out. There was a reduction there. There was a request that was put in last year for a citywide fee study. Given the impacts of COVID, that was removed. Those are essentially the only changes that have happened from the draft that was put out in FY 21. That's essentially the only changes that have happened in the plan that we're proposing or have submitted here for consideration for FY22. With all of that, this was a slide that we also shared with Council in the work session last week. Again, this was a draft that tries to focus on Council's strategic priorities or key priorities. This draft does not attempt to speak to projects on any level in terms of is one better than the other. If the school reconfiguration is an important priority for Council, how could we best do that? Therefore, we added the \$50 million placeholder. The big key takeaway, as Chairman Mitchell noted is affordability. The plan as is, is not affordable without significant revenue enhancements. I can't say that enough. One of the scenarios that we put out last week talked about a scenario in which there was a 10 cent tax increase to make it affordable. There are other ways to do that. It will require perhaps some reallocations. One thing I want to stress here is that by reallocations, one of the reasons for not committing new funding to West Main is that if that is an option, it does not help with the affordability issue. It does help with a capacity issue. Those dollars could be reallocated to a different project, but they're already baked in the projection. Simply reallocating does not make this more affordable. We also talked about the future needs if the \$50 million stays in for schools. It will limit future CIP in terms of abilities to add new projects or new initiatives for quite some time, unless there's a bunch of cash that can be added. At any time you can add cash funded projects. The other thing is that even with the additional tax revenues that were put in there's a healthy fund balance in the debt service that we have been using to buy down some of these increases in debt service. With this plan, and even with a 10 cent tax increase, the current proposal would deplete all of those funds within the next six years. As we presented this draft to Council, not to make a value judgment or statement on any project, but to simply say, if this is how you want to move forward, what would be the recommendations? What did we put in the draft? The \$50 million is put in for the school reconfiguration project and for 2025, West Main Street, additional funding was removed, the 18 million that was previously approved and prior CIPs remains intact, and would be available. The scenario we presented looked at a property tax increase of roughly two cents per year beginning in FY23. The point here is that in order to make this affordable, not only do we need to look at revenue enhancements, but we need to start doing that now. We didn't want to do that in FY22. It is something that would need to be considered starting in FY23 if we're on the same timescale with the 2025. One of the options we also offered is in addition to tax rates, there are other things that we can do. The school formula would be one of those that could be considered. Once the project starts and if we move forward with this plan,

it's one thing to start or to budget for a million dollar project or \$10 million project and if it slides one way or the other, we have some room to adjust, especially when we're not spending all of our capacity. In this case scenario, we're looking to a scenario where we would be spending all of our capacity using up all of our debt service reserves, and that would mean that future Councils or Commissions would also be limited in what could be recommended or added to future CIP budgets for several years. That is essentially what we have put forward.

i. Public Hearing

Peter Krebs – I'm here to talk about the CIP and some complicated issues it contains. There are two capital projects that are garnering a lot of attention or I'll speak to two of them. West Main is a complicated project that has been in the works for a long time. In addition to making a safer and more pleasant on Main Street, it replaces water, sewer, and gas lines. Something needs to be done about West Main. That is not optional. We have to be real. They will be expensive, but it cannot be cheaper than the current plan. We don't know and the answer might be no. While we wait, I think the current proposed freeze on funding for West Main makes a lot of sense. You should avoid re-programming the funds allocated in previous years until we have a satisfactory answer to that question. I think what will make the most sense is to proceed with the two phases that are funded and look for alternatives to the other two. We'll have to give it some time. The other item that concerns me is the proposed new parking garage, which has not been subject to much if any public process and seems counterintuitive, given the times that we are in. Not many localities are investing in more parking right now. I'm not sure about our ambitious climate goals or our commitment to a healthy walkable community. I fought to keep the courthouses downtown. I speak all the time about shared wins with the county. We clearly must honor our commitments. I also think we can get much more value from our capital dollars and this prime marquis site. A much more creative mix is needed and frankly a more open design process that is more reflective of our values and our community goals. To summarize, I would love to see all four phases of West Main funded, but that might not be feasible. Some major work will need to be done. The memo I sent lays out some options. On the other hand, it would be very dismaying to spend \$10 million on a simple parking garage, which is counter to so many other things that we're working on. We need a more creative solution and a much better return on the investments and sacrifices that will be required.

Kathleen Galvin – I'm speaking mainly about West Main, but we'll talk a little bit about reconfiguration. The draft affordable housing strategy calls for more multifamily housing and densities that can drive down unit costs in locations close to transit and jobs. Before the automobiles, such densities from 17 to 34 dwelling units per acre, compact walkable areas, small lights, and low to mid-rise buildings were typical. Gross densities today are 1/10 of these historical norms due to sprawling large lot low density suburban development patterns enabled by the vast distances that can be crossed by automobiles. Transportation is now a prime contributor to greenhouse gases and human fatalities due to speeding. You can't go back to pre-war densities without going back to pre-war walkable street networks. We learned that lesson 20 years ago when the pedestrian oriented improvements for West Main were never implemented, even as its zoning was changed to spur more intense development and foot traffic. West Main Street today is one of the city's top 10 priority corridors for safety reasons. Since the pandemic crash fatalities are rising due to more reckless driving on emptier streets ill equipped to handle more bike and pedestrian traffic. Why would we abandon our commitment to improving West Main Street now when the

need is now more urgent, especially to those who can't afford cars and already suffer disproportionately from fatal crashes involving walking at 18.3% for black people versus 12.4% for white? How can higher densities be achieved without re-engineering our streets to accommodate more bike and pedestrian traffic? Our goals are within reach on West Main. It's been the product of countless meetings and is one of the at least 11 studies across 33 years. It does everything Peter Krebs says and more so in terms of accessibility, widening sidewalks, and making it multimodal. Since 2016, it has been awarded \$15 million in smart scale and revenue sharing funds for the first three phases. That's close to 40% of the total cost for all three phases. Do we turn down state money? If we do, how can we ever afford to re-engineer our streets to be less car dependent? Zero sum game is divisive. Like West Main, the reconfiguration plan is a long term capital project that transcends terms of office. Unlike West Main, which garnered state funds to drive down the city's \$49 million obligation across four phases, the school configuration plan is apparently paid in one \$50 million dollar phase with no grants or revenue sharing. Why hasn't this been broken down into phases, as first proposed by Maurice Jones years ago? Has the federal COVID-19 relief package been considered? Finally, failure to follow through has a cost? Please do not pit two initiatives that have been the product of extensive public engagement against each other at a time when the community cannot fully participate in the discussion due to COVID-19 restrictions. Please find a way to do both. Full disclosure, I voted for both as a school board member and as a councilor. Work with Chip Boyles, who knows infrastructure planning, municipal budgeting, and state politics. Give him time to assess these decisions before a final choice is made. Otherwise failing to stick to long term capital project priorities that have been thoughtfully incorporated into an organization's ongoing responsibilities for over eight years like West Main will mean that progress is rarely if ever achieved. This data by the 2017 efficiency study will also lead to frustration and disappointment on the part of elected officials, staff and the community. If a Council and Planning Commission continually fail to execute long term capital projects across different Council tenures, then how can we hope to ever promote stable government in accordance with norms within a work environment that empower city staff as per the commitments city council made to the public on January 14th 2021.

Matthew Gillikin – I wanted to talk a little bit about some of the things that I'd like to see you all consider as your priorities in this capital budget. One thing Miss Galvin didn't mention in her comments just now is that just two years ago, she told me in an email that this was going to be a \$30 million project to redo the West Main Streetscape. That was the project that was pitched. That's what Council voted on up until this past year. Suddenly, it's at least a \$50 to \$55 million project with an indefinite timeline. We have no timeline to the renovation of the Middle School if we decided to go in on West Main Streetscape. I think the pet projects actually do pit against each other. We only have so much money, as Ms. Hamill just told us. When you factor in other things like affordable housing and what we should be spending on that, we really have a conundrum. I personally would like to see money spent on schools and affordable housing for our capital projects. I have three small children, two of them are in elementary school right now. I'd like for them to go to a middle school that isn't falling apart at the seams. I really would like you all to rethink the recommendation of funding for the parking garage downtown. The current design is a disaster. According to the money, the numbers that I've been shown, by Christ Engel's budget projections, that parking garage on prime real estate and downtown won't turn a profit for 25 to 30 years. That is just irresponsible beyond measure and beyond belief. With West Main, let's scale it way back to something that works and is functional and fiscally responsible. In terms of

obligations to the county, there's a path where we need to put more parking there that doesn't seem environmentally responsible to me. Let's go back to the drawing board. I would encourage you all to not approve funding based on the current plan. One thing that I noticed that was rejected was to resurface the playgrounds in the city. I think that a couple \$100,000 has been proposed for that that was not put on the proposed CIP is actually money really, really well spent, both in terms of providing an amenity that lots of our families in the city use, but also for safety. Those surfaces, as they get worn out, over time become much more slippery. I've seen a lot of kids fall and get hurt. I'd suggest adding that back into the CIP as a couple \$100,000. It's not a huge investment, but it will have a big payoff.

Jeffrey Fogel – What I really want to talk about is taxes. Because I think that we really need to raise taxes and at a considerably higher rate than what is being proposed by staff. Not simply for capital projects but for operational expenses as well. We do not have enough money in the city to do what needs to be done. Secondly, we have an incredible opportunity here to make property taxes progressive. The CHAP program has to be fully funded and expanded so that people who cannot afford this increase in taxes will not have to be paying them. The richer people in our community who've gotten away with really low taxes will have to pick up the slack in order to provide the kinds of services that people in town expect. I would encourage you to increase the taxes twice as much as the staff offered. It's critical that we start to enhance and enforce the CHAP program and fully fund that program, increasing the income limits as well as the values of the houses so that the lower middle class is not harmed either. There are many, many rich people in this town who can afford to pay more taxes. We have the opportunity to make a progressive system that has not existed in this country. Most real estate taxes were set as you know, a flat rate. Those real estate taxes have traditionally been used to fund education. They became the most regressive form of taxation, because they're set at the same rate for rich people as they are set for poor people. We have that opportunity to change history and to supplement the monies that the city needs in order for its important capital improvements, as well as the important services that it wants to provide but can't because of a lack of operational expenses.

Peggy Van Yahres – I'm here to support the tree planting budget in this CIP. That's our first priority. I'd like to tell you a sad story about our trees in the city. Our forests are declining. I'm going to give you three quick illustrations of that. Since 2004, we have lost over 480 acres of trees in the city. Picture this, start on 250 north go down to the downtown mall in the south, go east to Meade Avenue and go west to McIntire Road. Think of that whole area. That's the area of trees we've lost. Number two, every year we remove more trees and these are large trees and of course they're small trees. Number three is the \$75,000 that is in the budget for tree planting won't even let us plant our community goal of 200 trees a year. Another thing I want to let you know is that the primary goal for the Tree Commission over the next number of years is to plant in our low canopy low income neighborhoods. These are our most vulnerable citizens. As a scientist pointed out, loss of shade and loss of trees is resulting in higher heat related issues and higher energy costs for these people. We're going to work with nonprofits. The City of Promise is going to help us reach out to the neighborhoods. That's an exciting project for us. We had asked for ash tree removal. We know you are under incredible budget constraints. We're not going to ask for that now. I want you to know that every single ash tree in this community over the next four years is going to die because of the emerald ash borer. In the city, we are treating our most important trees, and it's going to become a significant cost for the city. We'll have more to talk to you about that in

later years. We really would like some help planting trees in Star Hill, and 10th and Page. Those are our two lowest canopy neighborhoods. It's hard because we have to plant on private property. We think that we can have a conversation with you about how we can use staff or materials or websites to help us reach that goal. The second thing I'd like to talk to the Planning Commission about is there are two ways that you can help us with urban forest. One as you review development projects, look to save our existing trees. Another thing you can do is be careful about waiving front yard setbacks, if there's no front yards, there's no trees. We are just creating heat islands of the future.

Latonya Allen – I am a homebuyer through Habitat. I'm just here to emphasize the importance of affordable homeownership in our area. Here's a little bit of my story, I grew up in a single parent home. It was four of us. We lived in the projects for what seemed like a lifetime. We went from the projects to an apartment complex and never into a home. I never got to experience what it was like to actually live in or grow up in a home. I'm in a home that I own myself. My husband, on the other hand, his parents were able to have a home built from the ground up, which was awesome. In saying that, we have five kids of our own. The oldest is 14 and the youngest is seven months. What we always desired to do with having kids is to pass down something to our kids. Our own home would be amazing for us to just pass down to them and leave a legacy from our family to different generations to come. I'm just advocating on behalf of families who will come after me seeking this opportunity. Affordable housing is an issue in our city. I know that from experience that we just came from, a small two bedroom home, where we were forced out due to the asbestos we had in our basement. Going from that to where we are now which is a pretty penny to stay where we are now. Having five kids and a family of seven is hard. We make it but it is hard. This is not our home, but we're paying a lot for it. Affordable housing is always needed and needed even more and not just for the communities that have the money for it, but for communities like where we grew up. I'm pretty sure a lot of people don't want to stay on public housing for the rest of their life. We have to make housing affordable for moms who want to live comfortably and have kids growing up in a home and not subject to statistics that seem to carry a lot of kids that are living in an environment like that. I do want to say affordable housing would be a number one interest and I would love to see you all take part.

Ernest Poku – I applaud you for the good work you guys are doing. I've seen you guys do a very good job. I'm a homebuyer through Habitat for Humanity. My main objective is to see more people benefit from this housing. One thing that is killing us is the higher rent that we are paying. We still have children that we are taking care of. If we get a little lease on this low income housing, we can channel the rest of the money towards our children's education. We are willing and hard workers. I know people who are very, very hardworking. We are willing to do more. It doesn't matter if you guys can just increase the task so that we can get more money towards happier people to get low income housing. That will be very, very effective. I know you guys are doing a good job. My main aim is that you guys need to help us to come out to family a little bit more money towards housing. I think the development of Charlottesville has been pretty good. You see construction here and there. Let's extend our arms so that shows where we'll get nice landscaping and all kinds of stuff.

Anthony Haro – I'm the Director for Thomas Jefferson Area Coalition for the Homeless. Earlier today, a letter was sent from the Charlottesville-Albemarle Affordable Housing Coalition focusing

on affordable housing and this upcoming budget. I just wanted to talk a bit about the CAHF, the affordable housing fund. I want to call out the plan investment in the current redevelopment efforts at Friendship Court and CRHA, which is critical. We also want to support funding being available for the entire continuum of housing needs from homeless services to low income rentals to affordable homes, homeownership, and rehab. The current allocation of about \$800,000 from the CAHF for FY22 is a great start. It is not enough to cover the need for the other areas of the housing continuum that are needed to really address affordable housing in our community such as permanent supportive housing, affordable homeownership, and rehab efforts. There are some significant projects coming down the pike this year. Each of those realms have opportunities to leverage several millions of dollars of federal, state, local, government, philanthropic dollars, towards development. Having more flexibility in the CAHF to make those happen is important. One of those opportunities that I wanted to bring up and share with you all is something that TJAC has been a part of is a partnership to purchase and develop the Red Carpet Inn on Route 29. It's a really unique collaboration that addresses immediate needs for people experiencing homelessness to be able to have non-congregate shelter as it's called. It is essentially private rooms to shelter during this pandemic, which is a critical need. In the medium term, the existing structure will be able to provide shelter there, which is amazing. Development would occur for permanent supportive housing by Virginia Supportive Housing, which would provide about 80 units of permanent supportive housing and then further development would occur as well for affordable housing in general with affordable housing rentals on the site. It is a pretty amazing collaboration between different organizations. I just want to bring that up as one of the options that the CAHF can support. Having that flexibility in there is important to really try to address those other types of needs along the continuum of housing needs.

Donald Gathers – I'm just hopeful and prayerful that in this day and age and in a civilized society that we're not trying to decide or debate the necessity between streetscapes and schools. I hope that's not the point that we find ourselves at. Rather, we're talking about beautifying the street or actually putting money into our educational system. I would much rather that we not even entertain the discussion at this time about parking or what Main Street may look like or maybe envisioned in someone's dreams in the future. Because it won't matter if we don't invest in the schools. I believe that Mr. Krebs, the first speaker said something about a return on the investment. I can't find or think of a better return on investment than in schoolchildren. If we're looking for avenues and trying to decide where money should be spent, it certainly is not on streetscapes or street beautification or parking garages. We have too many other very large fish to fry. We can direct that money towards the school system. We can direct that money towards even more affordable housing. We can direct that money towards trying to solve the homelessness situation in our city that continues to plague us. If necessary, put some money towards feeding our citizens. The beautification of a street, building, or additional parking has to be way down the list of priorities, especially during a pandemic and especially when so many people in town are hurting.

Cliff Fox – I would just ask that the city develop a fiscally responsible plan. As we're seeing with West Main and the schools, there hasn't been a coherent plan for reserves and replacement in place over the past decades. If it were, we wouldn't be here now.

ii. **Discussion and Recommendation**

Questions for Staff

Commissioner Russell – There has been a lot of talk about West Main. There were some questions going back and forth today about whether or not we would lose committed funds or have to pay back funds. I think we would want to avoid anything that requires us to pay something back. My picture question is: What would be the minimum that we could commit to, to meet obligations, retain matching funds? I am also questioning why the \$500,000 rehab is selected. I would think we would want to be putting everything we can into affordable housing.

There was a question that was asked that was specific to the project that Ms. Hammill couldn't answer. I don't have any questions.

Commissioner Stolzenberg – I would like to follow up on the question about revenue from e scooters and e bikes. When we approved that program to redirecting the revenue to bicycle and pedestrian improvements, staff, in an email, said that there was \$33,000 of revenue in that account from the previous fiscal year, which was lower than expected. The fees were waved for several months during COVID. My question is about the flip side of that. We have the revenue. Where is it going? I don't see it being put in the CIP revenue. I see sidewalks and bike infrastructure being reduced in funding.

Ryan Davidson, Budget Office – Those dollars do not specifically go into the CIP plan in this way. Since that money comes in on a regular basis throughout the fiscal year, we have created the appropriation so those funds as they come in are automatically deposited into this account. There is not a need to re-appropriate those funds every time we get a new check from those vendors. They are going into that pot on a regular basis.

Commissioner Stolzenberg – For bicycle infrastructure it is going to be \$150,000 this year. If we fund it at \$150,000 and \$33,000 comes in from this other source of revenue, does that mean there is \$183,000 available to be expended?

Mr. Davidson – That's correct.

Commissioner Stolzenberg – In the street milling and paving account, we see a big increase this year to \$1.5 million. It previously been projected for the entire 5 year CIP to be \$1.25 million. That amount has gone up significantly by \$250,000. It is more than what we are spending on those other programs. It is due to increased construction and material costs. What justifies the prioritization of that for the smoothest possible roads versus sacrificing some amount of ride quality in exchange for having safer roads that work better for all users?

Ms. Hammill – In the FY21 CIP, there was a total of \$7 million over the five years allocated for milling and paving. With this new version, it is up to \$7.5 million. Is that the number you were referencing?

Commissioner Stolzenberg – I have been referencing against the FY20 CIP.

Ms. Hammill – I don't have the FY20 in front of me. I can certainly pull it up. I don't think the 1.2 over five years was ever a correct number for milling and paving. You're comparing 7.5 to 6?

Commissioner Stolzenberg – I was thinking more \$1.25 million a year to \$1.5 million a year.

Ms. Hammill – There are costs associated with paving. The costs do increase annually. There have been some deferrals on those paving projects. In terms of maintenance, this is just an attempt to get back on schedule, to keep in touch, and keep on track with the scoring matrix that is currently being used. That's all I have as a response for that.

David Brown, Director of Public Works – In the previous budgets, the requests for the resurfacing was higher. Because of budgeting necessities, that was reduced. For the purpose of the increase, we are experiencing increased costs in our operational costs and construction costs. That's why you are seeing the increased request. It is to address those increased costs and expectations that we're going to encounter in the future.

Commissioner Stolzenberg – In light of those increased costs, what would be the consequences of dropping funding back down to previous levels given that a small drop in funding for this program means a significant increase in funding for these much smaller but very important programs for pedestrian infrastructure?

Mr. Brown – If you start reducing the costs or the amount that is being funded, what you end up doing is prolonging the inevitable. If we reduce the costs, we're not able to do the amount of work that we have programmed. That continuously builds. In the long run, that costs you more. You have put off that work. Our maintenance costs are going to increase. The general costs are going to increase. It is going to continue to build and build as you put off what work is scheduled. What we are trying to do is maintain a certain level of operational maintenance on our infrastructure. Keep in the mind that the roadways are multi-modal. If those road surfaces begin to deteriorate, we begin to get potholes and cracks, which does have an effect on bicycles.

Commissioner Stolzenberg – At our CIP work session last year, we talked about a pavement quality index. Have we seen deterioration in our pavement quality index?

Mr. Brown – We are planning to do an additional survey this spring. It is going to be an assessment of our pavement conditions. What you are referring to is a PCI, a Pavement Condition Index. We will be evaluating the conditions to see where we are right now.

Commissioner Heaton – I had a question about the state and federal funding of the entire West Main project. In the revenue side of the budget, are there connections between the specific parts of the improvements? When we apply to get state or federal funding for smart streets, is the application for that funding allocated to specific parts?

Ms. Hammill – We show, in many cases, federal and state offsetting revenue. In this case, the money that you see and are talking about related to West Main are strictly the city match that would be required for the state and federal money. It would be appropriated later once we are able to undergo those expenditures. You would have an appropriation that would go before Council

that would increase the expenditure budget and offset any increase in state and federal revenue for the project. The money that you see in this budget is strictly city money.

Commissioner Heaton – There’s no way for us to assess the consequences of withdrawing one part of the project. We don’t know what is tied to the state and federal funding.

Jeanette Janiczek, Project Manager – When the city submits a grant application, we have to identify what we are going to do with the funds. Revenue share is a little more open ended. That would be on Phase I only. There are no smart scale funds on it. We have more of an open door to re-scope that portion. Once we do a smart scale application, we’re identifying what phase we are going to apply, what the project limits are, and we identify what the benefits are that we hope to achieve with this funding. We do have smart scale and revenue sharing on Phase II and we have Phase III, which is just smart scale funding, no local funding. Transportation money cannot be used for undergrounding the power lines. It has to be the city.

Commissioner Solla-Yates – The University of Virginia mentioned giving \$5 million for West Main at one point. The University of Virginia, the largest land owner in the city, pays no property taxes. Other college towns do a payment in lieu of taxes. Here are the taxes you would have paid. We ask if you would pay a portion to help the city out. To my knowledge, we have never done that formally. Other localities do. I suggest that we could consider that. Have we considered asking the state for permission to do more kinds of revenue? I am thinking mansion taxes, parking taxes, and land value taxes.

Ms. Hammill – We do actually bill for a payment of lieu of taxes to UVA. There are states that actually require restrictions on what is eligible for that. Most of that property is actually in Albemarle County and not in the City of Charlottesville. We do get a small amount that is billed annually for what is eligible. Those are billed with property taxes. Regarding new taxes, that is more of a policy question that Council could consider.

Commissioner Lahendro – I am not aware of a small area plan that has high importance and priority at this point. Are the other commissioners aware of anything? NDS staff, is there something queued up that is of high importance that needs a small area plan.

Alex Ikefuna, NDS Director – There is none at this point.

Chairman Mitchell – What amount is budgeted?

Commissioner Lahendro - \$100,000 every year over the next five years.

Chairman Mitchell – My question is about the emerald ash. Staff sent out emails suggesting that the infestation would be dealt with using the Parks & Recreation operating budget. Does that cover everything or is it only the 32 trees?

Ms. Hammill – My understanding is that it does not cover it all. I think this is one of those programs where there is a lot of need. We are triaging the most critical and working from that standpoint given the limited funding.

Todd Brown, Director of Parks and Rec. – The amount of money that we have left over will take care of the most dangerous trees throughout the year.

Chairman Mitchell – What amount of money have you dedicated to that?

Mr. Brown, (Parks & Rec.) – That is hard to tell. It is between \$20,000 and \$30,000.

Chairman Mitchell – You have almost \$2 million in your lump sum account. I am wondering if we can use some of that lump sum money to help with this infestation.

Mr. Brown – It does also go towards our facilities needing improvements.

Chairman Mitchell – I think the Tree Commission is asking for \$50,000. You are going to be doing 32 trees using separate funds.

Commissioner Russell – I was hoping for more clarity on the question around housing not getting as much as funding as requested. The response from staff was that there were LITCH applications for new projects in 2021. Is that expected to change and increase in the future?

Brenda Kelly, Staff – The Charlottesville Redevelopment Housing Authority is already planning on not making a LITCH application this coming March. I don't know if they have any proposals for March 2022 yet. That will depend on if they start planning sometime this year to start looking at an application. However, they have requested \$15 million over a certain number of years. That's what we continually look at as we still allocate funding so that we can cover overall redevelopment projections. There are no specific proposed projects at this time to go forward. Crescent Hall and South First Street Phase I are proposed to start construction at any time. South First Street Phase II will probably start construction about this time next year. Right now, there aren't any proposed projects in the future planned. They are looking at all of their other sites. There is just nothing definite right now.

Commissioner Discussion

Commissioner Russell – Would it make sense to talk about these bigger ticket items? With the West Main project, I was thinking of coming up with a way to fund a minimal amount. I don't know what that would be that it doesn't completely kill the project. I am not entirely clear on what would be gained by walking away from it. Is it possible to find a solution? Chip Boyles does have a lot of experience in managing budgets and working with VDOT smart scale funds.

Chairman Mitchell – We definitely need to move forward with Phase I and Phase III. Those are funded. If we could downsize the parking deck to the minimum to meet the needs of our commitment to the County, we could then move those funds into West Main. Then leverage these smart scale funding to do a little bit of what you are suggesting.

Commissioner Heaton – I like the conversation beginning with revenue. That’s the smart place for us to convalesce around. If we can agree on that much, then we can say there is nothing to be gained by putting that off the table.

Chairman Mitchell – What specifically do you mean?

Commissioner Heaton – With the smart scale funding from the state in Phases I and III, I think there is not a lot to be gained by completely wiping off improvements that need to be made that have residual benefit to the community long into the future. I mentioned the undergrounding. Undergrounding helps everything, such as pedestrians and bicycles. It may not be part of the smart scale funding. If you’re spending that kind of money and doing that renovation work, you underground it while you have torn up the street. Let’s talk about the things that we should do while we’re doing this project. Pick the ones that help the most and find a way to fund it through the city. I like your idea of downscaling the parking garage and using those funds. Let’s talk about what we think is most important that is not included in the smart scale funding.

Commissioner Stolzenberg – I was hoping to get staff’s input on this \$10 million commitment that our consultants are talking about with the affordable housing plan. It seems that in the budget office’s budget projections that there is a ‘hard stop’ to any bond issuances after 2027 even with the tax increase. We have maxed out our entire bondable capacity. With just what we are projecting here, any new programs for affordable housing or otherwise, are going to be off the table. We’re about \$5.5 million to \$6 million a year in this CIP. Does staff think \$10 million a year outlandish? What would be needed to make that happen?

Ms. Hammill – I do want caution you about ‘hard stops’ especially when you talk about debt capacity. As we talked with Council last week in the work session and as we displayed that debt table, there are a lot of moving parts. There are a lot of things that could be subject to change in terms of timing. I do think you’re correct that the big idea here is that with this current CIP plan, it does make our bonding capacity and future CIPs strapped. If you’re talking about adding new money for affordable housing in a scenario, which we are putting forth a proposal that plans to spend all of your capacity, you are correct. There isn’t room to do that for a while. When we talk about the \$10 million number, it’s not just what is in the CIP. There are other programs and things that are being funded throughout various budgets in the city. There is a large portion in the general fund as well as the CIP, which is the biggest contribution. There are a lot of affordable housing opportunities, such as the Friendship Court opportunity that is in the CIP that is not bond funded at all and can’t be for certain reasons. There is always the opportunity to fund future things with cash, should that opportunity arise.

Commissioner Stolzenberg – We have a problem in the city. It’s evident in some of these plans. We think about everything in a vacuum. We talk about these hard decisions and all these different things we want out of a project. We just say “yes please. I’ll take it all.” I think that’s what happened with the streetscape project and why it went from a \$30 million project to a \$50 million project. We said we want to make the streets have wider sidewalks and be safer for bikes and pedestrians. But then we said “we don’t want to get rid of any parking.” We want to have a nice new park. We want fancy pavers on the street. I don’t know if you guys have read the Value Engineering Study that was presented to staff last week. It is appalling. You’ve got half a million

dollars in there for rocks; literally just a boulder that sliced into pieces for decorative purposes. You've got a half million dollars for custom concrete benches that look incredibly uncomfortable, where you could have bought regular benches for like \$20,000. I think with the streetscape, we really need to get back to what's important. With Phase III, let's do the whole thing. We're probably going to get state funding for everything, which is wonderful. We got lucky with smart scale this year. The Culpeper District got a lot because there was more money in the pot. For Phase I, you've got to focus on what's important. We do want to close that slip lane that's incredibly dangerous at Ridge and Main. We could use some wider sidewalks. Once you close the slip lane, you have space. We're going to remove the statue. There's no need to so heavily program that park space now, while we're budget trapped. The funding isn't dependent on that sort of thing. On the whole project, the sila cells and the undergrounding are luxuries. None of these are necessities. I think it's important to address the safety of West Main. I think we can do that for a much more limited cost without allocating any new funding for it and possibly while reclaiming some existing funding. We've assembled a working group with some PLACE members, BPAC, members, and some BAR members. We haven't really met yet. We're waiting on Council to make a call. I think we make some tactical improvements in order to increase safety, so we can fit that in with the rest of the stuff ongoing. There will need to be a capital investment to fix that intersection. There's another smart scale project for Ridge Street improvements that just got approved that it can slot into as well. I really don't like the overall \$50 million project for all those fancy bells and whistles and beautiful designs. It looks great. There are tradeoffs. I think it's also important to recognize the problem with the streetscape. We're spending all of our money on improving safety for mostly aesthetics for one street. It doesn't even get you a protected bike lane. By removing some of that money, I would hope to see that we have vacant infrastructure on other streets like across the city, we've got sidewalks that are completely missing that drop out every half block. In our FY20 plan, we had \$2 million in the five year CIP for new sidewalks. We had 400,000 a year. We've now dropped it down to 600,000 for the whole thing. We're not even going to fund it at all for two years. I think that's problematic. On affordable housing, I think it's a similar deal. We have designs. We engage the community and there's no sense. There's no explanation or tradeoffs presented to people. With the Friendship Court vision plan it's a great plan. I think it's really important to have the community decide what they want. I don't think the Friendship Court community would say "we want exactly this plan, even if it means wiping out all of the funding for affordable housing anywhere else in the city." I think it's important to make sure that we're maximizing the available federal LITCH funding and other funding that we can get for that sort of thing. Make sure that we're planning this and designing it in a way that doesn't eat up the entire budget. It's \$288,000 a unit for Friendship Court for Phase I. That seems high to me. That's probably why they needed so much in external subsidies. I think we have that problem across the whole city. I think we should defund the small area plan account. There are no plans planned. There's a bunch of money sitting in it that could probably be pulled out. I think the same is true for the Economic Development Fund account. There have been no recent expenditures. There's literally \$1.5 million in cash just sitting in an account doing nothing.

Commissioner Solla-Yates – I'd like to see increases in funding for the Charlottesville affordable housing fund, increased funding for tree planting, and providing more funding for a central parts of West Main to best use matching funds for, health, safety, and cost risk prevention. I was thinking about delaying funding on small area plans until Cville Plans is complete. Delaying

funding on SIA improvements until Cville Plans is complete. Delay funding on the garage, the courthouse, and East High by one year. Reduce funding on the garage.

Chairman Mitchell – Why wouldn't you downsize the parking garage project just to meet the basic needs and move that money into other things?

Commissioner Solla-Yates – I am suggesting doing both.

Chairman Mitchell – If we move the money out, how does that effect the timeline that we have agreed to with the County?

Chris Engel, Office of Economic Development – It likely would. There is \$2 million that was committed last year. The garage has not been designed. There was a conceptual design done. We won't have a firm cost until the garage is designed and the contractor is on board. To maintain the schedule that the Memorandum of Understanding lays out is November of 2023, there's really no time for the process to be delayed. We're not sure when money would go out. The \$2 million that was allocated last year would likely not be enough.

Commissioner Lahendro – I am fine with delaying or cutting from this year's allocation to West Main Street. I think Travis with the Southern Environmental Law Center laid out some very good points regarding the money that has been allocated, has been granted, how we move forward, and look at options. It seems to me that we're not going to solve that here. I would certainly recommend those issues be addressed by staff before the City Council presentation so that Council can make an informed decision. To say that cells are a luxury in the West Main plan is to ignore the fact that the Planning Commission has already cut back the setback next to nothing along West Main. We want to have trees along West Main. The cells are there to allow the trees to be put in West Main. You can't have both. They're not a luxury.

Commissioner Dowell – I think that it would be essential to not break that commitment but to reduce the funding for the parking garage to the bare minimum to meet that commitment. We have to talk about revenue, income, and earnings. I heard Mr. Fogel mention a possibility of having appropriated tax allocations based on the amount of the property. Is that something as a city that we could actually implement?

Chairman Mitchell – We are actually going to have to increase the taxes over the five years up to ten cents. That is going to happen. What Mr. Fogel is suggesting is that we may need to double that.

Commissioner Dowell – I am aware that we're going to have to raise taxes. As Mr. Fogel mentioned in his public comment, not only just raising taxes but to be able to raise taxes where it is appropriated based on income. Is that something as a city we could implement?

Ms. Hammill – I don't know if I can respond to that. From my limited knowledge of real estate assessments, there's not a way that we do that. The assessments have to be comparable to similar properties. I don't think that's an option. I would defer to anyone else on staff who would have more to add to that.

Councilor Payne – Unfortunately, under the state law, the state government explicitly lays out what taxes we can levy. They're all regressive. We do not have the legal authority to base taxes based on income, value of land, or value of property. It is a huge problem because I would agree. That's really the fundamental solution. I know that is something the other councilors have been advocating to get into our legislative packet and to lobby the General Assembly to make those changes. At this point, the General Assembly has not been favorable to that. With the CHAP Program, there are strict limits on the value of the property that can qualify. There are strict limits set by the state in terms of who can qualify and the amount of subsidy.

Mayor Walker – The value of the property is the most restrictive. We have ways we could go within the law to ensure lower income citizens receive the grant relief from the CHAP Program. When I first got here, we were still giving out \$525 and \$375 as the grants. We're up to 81 \$25,000. Those making \$25,000 or less don't pay any real estate taxes. Those making \$25,001 to \$35,000 receive \$1000. Those making \$35,001 to \$45,000 receive \$750. Those making \$45,001 to \$55,000 receive \$500. We can expand all of those categories at this time. Last year, we didn't make any changes. This year, I have sent in two additional proposals, which would take the changes we did make last year. That's one proposal. That is something that we will have to discuss during the budget cycle. We do need to get values up. A lot of families are experiencing that. They're going to be priced out if we don't figure out how to advocate for the legislative changes and work with the parameters that we can control and increase those subsidies.

Commissioner Dowell – Staff said that we cannot fund every project. At some point, we're going to have to figure out how we're going to increase our revenues. We're talking about taking things out. We rarely have the conversation of how we are ever going to get the projects done and how we are ever going to move forward. I do have a hard time trying to debate in this forum tonight. Do I want to finish West Main Street? Or do I want to invest in funding into our education system? Safety and education are both high priorities. I was trying to look at them on the flip side of both of them needing to be funded and what can we do to increase revenues to fund those. Let's work on that. One way to ease that dollar amount is to reduce the funding of the parking garage to the bare minimum to meet our commitment.

Chairman Mitchell – With the school system, we need to leave the money there. With the small area plans, let's take back the money there and put it elsewhere. I would downsize the parking garage to the absolute minimum and put that money back into the budget. With the money put back into the budget, I would send it to affordable housing and Phase II and Phase IV. I would move that additional money into West Main Street. I would go after the smart scale funding to get as much done as we can get done. I am not sure that I agree with defunding Economic Development. Hopefully by the end of the year, everyone will be vaccinated and we will get the Downtown Mall and other parts of the city up and running. We're going to need to have the infrastructure to get back up and running.

Councilor Snook – I will admit my own ignorance. When the budget document that we receive talks about a project balance, there is actually cash sitting someplace. There isn't cash sitting someplace. It is a series of paper transactions.

Ms. Hammill – The conversation that we had relates to bondable versus cash projects. If it is a cash funded project, there is actually cash for that. If it is a bondable project and we don't sell bonds until the project is underway, there is no cash until we sell the bonds. In the strategic investment account, there is money there. As we talk about these other things like the CRHA project and the school reconfiguration and since they are bond funded projects, it really does not save in the long run in terms of phases and funding in phases. We are selling the bonds at the time of the project. There was a question about \$1.5 million that was put in for CRHA, should that timing switch around and we needed to sell bonds earlier or later, we could.

Councilor Snook – It clarifies something to a greater extent than you had last week.

Councilor Hill – I have heard the small area plans come up a lot. I know last summer when it was being discussed if the Grady and Preston intersection was going to be considered for smart scale, we heard loud and clear from the community that there wasn't any meaningful engagement on that process. That would have to proceed getting to the smart scale funding. I know one of the ways to do that was to propose having a small area planning process in advance of getting to that smart scale funding. What was proposed in the smart scale funding was not a design that the neighborhood got behind. There was not a whole lot of support for that. That doesn't mean this is the direction that this needs to go. We're going to do a lot of meaningful engagement to get there.

Chairman Mitchell – Do we want to get too deep before we get the deliverable from the consultants that are helping to rewrite the comp plan?

Councilor Hill – I want to make sure that is on everyone's radar. It was a project that the neighborhood had tremendous feedback on at the last time.

Vice-Mayor Magill – What is considered to be the least amount necessary for the garage? I don't know if that includes areas for the businesses on the ground floor. I keep hearing people talking about moving forward with the garage bare minimum. I think that needs to have a specific definition.

Mr. Engel – That's a good question I can't provide an answer for at the moment. The \$10 million estimate was derived from the concept. The engineer and consultants helped with that estimate. It is the by right envelope with three stories and ground floor retail. I don't know the bare minimum exactly. That would have to be relooked at to figure out what the cost would be. The \$10 million is based on the by right conceptual design of a 300 space, three story garage, and 10,000 square feet of commercial space.

Vice-Mayor Magill – I wanted to know from the Planning Commission what they mean by bare minimum.

Chairman Mitchell – I don't think we know what bare minimum means. We don't need to spend \$8 million to give the County the number of parking spaces they need. I do think that there are creative ways to meet our commitment without spending that amount of money.

Commissioner Russell – What I understood in the immediate, in terms of meeting our obligation, there could be a way in providing the 90 spaces in the other garage, while also figuring out a better use of the space. Commissioner Stolzenberg has talked about some good ideas. That’s what I meant by bare minimum in meeting our obligations.

Commissioner Stolzenberg – From the start, I have been an advocate of meeting the commitment we made to the County with a 90 space parking podium on that site. This concept we are going for now is 3.5 times as much parking as we promised to the County, which gets us to three stories of parking. Any additional structure above that has to be concrete and steel construction, which is very expensive. If you get it down to one or two stories of a parking podium, which could get us to 200 parking spaces depending on the configuration. What I would envision would be a one or two story parking podium with a stick built structure on top that could be housing. You could easily fit 160 apartments on that site. You could do it with federal funds and loans that don’t cost the City anything. The clock has been run out to the point that we could possibly do that plan and hit every deadline in that MOA. We would have to pivot in the near term. Other options would include building the podium now with preparing to build the stick structure on top. It is going to cost less than what the white paper envisioned. The third option would be going to the County and asking them if they are willing to kick the deadline a year given that COVID happened and we have 100s of spaces available in the Market Street garage every day. We have always had 100s of spaces available in the Water Street garage. My expectation is that they would be perfectly fine with taking 100 spaces in the Market Street garage to buy a little bit of time so we can give them the 90 spaces we originally agreed to for the site. I think the most important thing is that you build two stories at most of parking so that a stick built structure is possible. There is going to be some parking demand for any structure you put on top. There would have to be a zoning waiver or an expansion of the urban core parking zone. We have been talking about revenue. We have been talking about it in terms of raising taxes. Ms. Galvin raised a good point earlier. When we talk about lessening the street scape and density, the revenue is supposed to come from the additional development of that enabled from adding a bunch of housing, which solves our housing problem, which stops the rising of assessments, and we get all of that additional money as a city. We can do that by building housing on the garage site. For West Main, we down zoned the whole thing. That didn’t make a whole lot of sense. We have to accept building more productive uses on our land and not wasting this \$5.4 million on this parcel with a three story garage and nothing else.

Councilor Payne – Technically, the least expensive option would be the County exercising their option to either revert back ownership to existing surface lot or have 100 spaces in the existing garage. That is technically the least expensive option. If we’re talking about a more productive use of the site, it is not going to help us in the short term on the affordability question. It would still be a better use. It is not going to make an impact on the affordability. I don’t think there is a need for any structure there that we can meet the agreement building as few spaces as possible. I certainly understand all of details. There is certainly a deep and wonderful absurdity about coming up with the \$10 million plan to provide 90 spaces when there is a lot that already has 67 spaces. I would caution the importance of us honestly confronting the budget picture. Even if we cut West Main, the parking garage, and raise the real estate tax by 10 cents over the next 5 years if school reconfiguration is \$100 million rather than \$50 million, we’re still not there at all. Even if we’re cutting these projects and raising taxes by 10%, that means that the debt service fund is completely depleted that there's no room for new CIP projects, and there's no room in our general fund. That's

going to be a huge challenge because we have so many deferred investments in our departments. We're talking about these CIP priorities. If we haven't invested in departments to give them the resources and staff they need to execute these plans, we haven't really done a whole lot. I think that's the situation we're in. I think it's just a much more difficult budget reality that I think Council or the community has really fully dived into yet in terms of thinking through what really are the trade-offs? Even if we're cutting West Main, assuming school reconfiguration at \$50 million, cutting the parking garage, and a 10 cent real estate tax, that means no new affordable housing CIP investments, no new significant general fund expenditures, or investments in departments and staff positions. I think it is a much more difficult conversation than I think we've yet gotten to as councilors and community. I just want to caution about that.

Mayor Walker – If I can just follow up with what Councilor Payne just said. Part of what we haven't done well that we need to do is look at the money that we are spending. We don't know how efficiently that money is being spent. A year or so ago, part of the feedback was that there was money that the housing fund had funded for over a decade. I think it was between 10 or \$12 million that they received in that timeframe. We can't point to what we have to show for that 10 to \$12 million investment. I don't have my notes in front of me, but I know it was in that range. Part of what we have to get a better handle on are the individuals that we're giving the money to and whether they are doing what they say they're doing. We need to make sure that we fully understand where the money is being spent. We don't know that. I remember Jeff Levine, the last time he was before us, he said that the 600 West Main Street apartments were supposed to be affordable and they were empty. As we are approving SUPs, there are empty apartments. Apparently they can say they're going to build them and then not fill them. How do we know it's empty? Who is checking on that other than him saying that? How do we know that? In terms of building our way out of this, if you look just back historically, there have been a lot of units built. Even looking in the sixth street neighborhood, there are people buying those old homes, knocking them down. Then there are newer homes in those spaces. There are barber shops where people used to live and people native to the community like native black people. A black owned business that we funded through the CIC is now an Architect Firm, I think it is Red Clay. All this is happening on Sixth Street. There's a new development that's coming up there based on what a friend told me who was asked to sell their property. It's Holly's property where they just want to build new apartment units. They won't be affordable housing. I don't think we're at a space where we can talk about building our way out of this, I don't think we ever had the conversation around the schools where we thought we would be able to do rehab or reconfiguration or build new buildings without an increase in revenue from somewhere. Until we get that information, we won't know what that is. Until the experts come back and tell us what the possibilities are, we won't know that. We have a lot of money going to a lot of different spaces. We don't have a good handle on it. It is normal and those are the organizations we've been giving money to. We are sitting here having these conversations. I think West Main and that stretch have been presented over and over. It is what has been proposed versus what is the bare minimum for that. It's something that we have to think really hard about especially when we're going to get this plan back that we need to invest \$10 million a year in housing to even stabilize the community. We're not quite sure what that even means or whether we can make those commitments. There's a lot of things that are going to enter these discussions. If we max out or if we go into these discussions thinking that we can do it without raising taxes, if we are not a little bit more creative about how to make sure the money that we're currently using is more efficient, and to track those housing developments to make sure

that we're they're actually even affordable by any standard. Hopefully by standard, we can agree that we are going to base things on here. We're not going to be able to fix any of this.

Commission Recommendation Discussion – Commissioner Solla-Yates did start with the recommendation and motion. The following is the discussion leading up to the motion being voted on and passed. The motion with recommendations was placed in the Zoom Chatroom.

Mr. Ikefuna – Did I hear say not funding the small area plan? Are you also recommending shifting the existing money in the account?

Commissioner Solla-Yates – That is in the current motion. Does that make sense to you?

Mr. Ikefuna – Delaying funding makes a lot of sense. Shifting the existing funds into the account is problematic.

Commissioner Solla-Yates – Can you explain why?

Mr. Ikefuna – I think it is a bad idea. We have some minor commitments that we need to fulfill. Not funding it this year is understandable. Trying to shift the existing balance might be a problem.

Commissioner Solla-Yates – Would the word “some” be better?

Mr. Ikefuna – Yes. I think we need some room so we can negotiate that with the Project Office.

Commissioner Stolzenberg – I have some concern about the courthouse. That is actually underway. I don't think we should mess with those funds.

Commissioner Heaton – I think using the word “some” will allow us the wiggle room we need.

Commissioner Solla-Yates – I can change to “some” on that.

Commissioner Stolzenberg – I don't think we should mess with the courthouse at all. I am not sure that it really helps us to move funding for bondable projects given that we already have a large but not authorized account.

Ms. Hammill – When you say “move,” are you talking about moving it to a different account?

Commissioner Stolzenberg – A different year.

Ms. Hammill – Yeah, you're correct. It is still baked into the five year plan. Any of the projections and affordabilities we talked about do not change the picture that much.

Commissioner Russell – I am confused about delaying funding in Economic Development. What is the actual impact if the \$150,000 is not funded?

Commissioner Stolzenberg – Since we haven't spent anything in a decade, it is probably minimal.

Mr. Engel – Staff would recommend putting in some every year. In the past years, it has been typically more than that. It is not the end of the world if \$150,000 doesn't go in this year. There is a pot available for any needs that might come up over the next year. There could be some given the current economic situation. It does lead to a precedent and you might continue to leave it out.

Commissioner Stolzenberg – Phase III is paid for. Phase IV is well into the future. I would say hold off on Phase II and better allocate the funds already committed for Phase I to remove unnecessary features and focus on essential safety improvements that enable that revenue sharing. For Phase II, down scope it possible while maintaining that smart scale award.

Chairman Mitchell – I would not mess with Phases I and III. I agree with the wording used by Commissioner Solla-Yates. It gives Council a lot of flexibility. It buys us time as well.

Commissioner Solla-Yates – Can we do a straw poll?

Commissioner Stolzenberg – For the more controversial things, have individual amendments to the motion and vote on those.

Commissioner Solla-Yates – I would suggest taking that last part off and keep it to provide more funding for essential parts of West Main.

Commissioner Stolzenberg – I would suggest maintaining already allocated funds for West Main in order to address safety improvements and maximize matching funds, while minimizing unnecessary aesthetic features.

Commissioner Heaton – I am concerned about who decides on unnecessary aesthetic features.

Commissioner Russell – If we're going along with keeping the positive in, I like having health, safety, and risk prevention. I like leaving it open ended.

Commissioner Heaton – I have concern about undergrounding. That is not merely aesthetic. It completely transforms the streetscape. It opens so many possibilities.

Motion by Commissioner Solla-Yates - Recommend approval with the following changes:

- **Delay funding on Small Area Plans until Cville Plans is complete and reassign some existing funds.**
- **Delay funding on SIA improvements until Cville Plans is complete.**
- **Delay some funding on garage and East High by one year. Reduce funding on garage. Fulfill County commitment and allow time to look at additional options. Adjust garage funding to an appropriate level to pursue a re-scoped, more productive garage project that fulfills the commitment to the county and maximizes the value of the site.**
- **Delay funding on economic development.**
- **Increase funding for Charlottesville Affordable Housing Fund and recommend diversifying portfolio.**
- **Increase funding for tree planting and pursue external donations.**

- **Provide more funding for essential parts of West Main to best use matching funds for health, safety, and cost and risk prevention.**
 - **Increase funding for new sidewalks.**
- Motion was seconded by Commissioner Russell. Motion passed 7-0.**

Meeting was recessed by the Chairman for five minutes.

IV. Commission's Action Items

1. Entrance Corridor – Comprehensive Sign Plan Request – 916 East High Street (**Deferred by the Applicant**)
2. Cville Plans Together – Housing Plan Concept Review

Jennifer Koch, Cville Plans Together – We've spoken with you several times about the recommendations in the affordable housing plan. Tonight, our intent is not to go through the entire plan. We want to talk through some of the main revisions that the team has made since December based on public comment, Council, Planning Commission, and staff feedback. On the agenda, there was also a link to the public engagement summary from November and December from that comment period that really fed into some of the changes we'll be discussing. There was also a list of these revisions we'll be walking through with page numbers. Our presentation tonight is largely pulled directly from the affordable housing plan. We're speaking with Council next week at the 4pm report session for the meeting. We'll be sharing the same presentation with them at that point. Our goal tonight is to hear from you if there are specific items you would like us to share with Council as they consider this plan and things you want them to think about as we look to move forward with this.

Sarah Kirk, HR&A – We're really going to focus on key changes between the final draft that we have released now, that's in the packet, and the public draft that was released in November. We have the draft plan that was available for public input. We conducted a lot of engagement around that public comment period that was from November 3rd through December 2nd. Following that, we spent a lot of time making revisions. We got a lot of great input and feedback about the plan and have been working closely with the city to make sure that, not only are we addressing all of those major comments that were received but the plan continues to be in line with where the city needs to be. This final plan has been revised and we're presenting the changes here. We will be presenting to Council next week. The hope is that it will then advance to a Council vote for endorsement. There were a lot of small typo type errors for betting fixes. We're not going to talk about that. What we want to talk about is where there were some substantive changes in the plan between the public draft and the final draft. The larger changes included clarifying and strengthening the draft to really better align the contents of the plan with its intended outcomes. There were some places where the intent of the language that was being used or the intent of the recommendations weren't really clear. We've clarified language to make sure that we're both being explicit about what the recommendation is and how it will be implemented by the city. We've added expanded homeownership tools. One of the things that we heard pretty clearly was that we needed to be really thinking more broadly about opportunities for homeownership. In addition, we've added some additional detail about how the plan can serve vulnerable populations, as well as address energy costs as part of housing affordability. The major addition here: nothing new in terms of content. We've added an implementation summary to the executive summary that really

just provides a three page snapshot of the implementation steps that would be needed over time for each of the recommendations and the likely impacts of that. In terms of the clarified language, there were a few key areas where it became very clear that we needed to be a little bit more explicit and a little bit clearer about what the plan was recommending and why. That includes making a clearer distinction about the link between racial equity and homeownership and being a lot clearer about the specific ways in which the plan would help Charlottesville to advance racial equity. In addition, we got a little bit more specific and a little bit clearer about opportunities for regional collaboration. Previously, both of those pieces lived within each individual recommendation. That's still the case. What we've done is we've put new content in the introduction that speaks at the holistic level across the whole plan. How are we really thinking about racial equity and opportunities for regional collaboration? Nothing really changing in terms of the actual recommendations. What we've done is gathered all of that and put it in one place, so it can be seen a lot more clearly. We've also heard that we needed to be a little bit clearer about what exactly was included in the funding commitment from the city. We've worked really closely with the city to make sure that we're messaging that as clearly as possible and have made some revisions to the way that we're talking about that in order to be very clear about what what's included, and where. There was a small clarification about what we mean when we talk about developments that receive city assistance. Throughout this plan, what we've done is we've put the pages from the plan here and talked about what's new and what's different. I'm not going to try to present all of the content to this. In the upper right hand corner, we've added this new page to the introduction. After we've introduced the guiding principle of racial equity that really highlights the critical strategy is to advance racial equity. We've gathered up all of those bits of information that were in all of the recommendations separately and put them in one place. The key areas that we're focusing on advancing racial equity are around home ownership. We talked about some of the expanded tools there. Around governance, we talked about the importance of having governance structures that are inclusive of community voices and reflect the diversity of Charlottesville and around metrics. That's another one we're talking about a little bit more explicitly here. We talked about it in the funding section. Key to the successful implementation of the plan will be ensuring that affordable housing programs are accessible and able to be used by all residents, including [] residents and including a broad diversity of Charlottesville residents. We've talked about that a little bit more clearly here. For regional collaboration, we've added this new page that highlights those opportunities for regional collaboration. In this case, we do talk about regional collaboration with the broader metropolitan region. We focused most explicitly here on opportunities to collaborate with Albemarle County to replicate some of the recommendations within the urban ring, as well as opportunities for collaboration with the University. That was one thing that we heard that was not addressed as explicitly as it could be. We wanted to really clarify where we see those opportunities here. In terms of funding, this page most clearly explains when we say \$10 million, what are we talking about? It is really \$7 million of direct subsidy. Most of it would be going either through the CAHF or other allocations. \$2 million of that is tax relief that the city has already allocated. The city does need to be spending funds on administration of these various housing programs. We wanted to capture that here. Another thing that we really wanted to do when we clarified how we talked about the funding commitment to the city is to be really explicit about the fact that the city has already made really substantial commitments to funding for housing projects. We've outlined those here. This is what gets the city pretty close to meeting that \$10 million dollar commitment over the next five years. That's something that we wanted to be very clear about. This is not additive. We want to recognize the fact that the city has already committed funds to these very significant projects. That's part of what we're recommending. What we're talking about is sustaining that level of funding beyond those

particular projects. We've really just tried to provide a lot more context in the funding section; just to talk about the scale of commitment and what's included in it. One way that we've done that is to add this comparison of the direct subsidy funding. That is \$7 million a year or \$70 million over 10 years that we're looking for Charlottesville to commit to. That represents about \$140 per capita per year. When you look at other cities that have recently made big investments in direct subsidy for affordable housing, that's a pretty high number. Washington DC is higher, but Washington DC is obviously a very different kind of city. When we looked at places like Richmond and Raleigh that have made really big commitments to affordable housing recently. When you look at it per capita, it's really only about \$35 per capita. That \$70 million in direct subsidy funding is a really significant amount of funding. We wanted it to be very clear that was a big commitment from the city. This is actually a revision of what was in the draft previously. What we're trying to do is make it a little bit clearer. There are a lot of different funding sources that the city could tap to support and sustain that commitment to funding over time. The city will really need to start early to identify which of those are the most feasible in terms of the potential to generate revenue, whether it's legal in Virginia and thinking about the equity impacts of particular funding. Some taxes are regressive. Others are progressive. We want to make sure that we're not taxing low income residents in order to pay for affordable housing. That's really the key focus of the clarified slide about the potential for new funding sources in Charlottesville. It is a smaller change for developments receiving city assistance. We've just clarified city assistance. We are qualifying projects that either received funding directly as subsidy or indirectly through infrastructure improvements. That's what we mean when we talk about housing developments that receive city assistance or city funding. The second section of major edits to the draft was in expanding homeownership tools. We did make some changes to the existing tools, but we've also added several new homeownership tools to the final draft. Those include employer assisted down-payment assistance. We talked about that in great detail. We had previously recommended down-payment assistance funded through the city. We're now talking about opportunities for the city to work with major employers, including the University, to encourage them to develop their own down-payment assistance programs. We talked about section eight voucher to homeownership program. Helping people who receive section eight vouchers to get into a rent to own situation to build assets. We've talked about some flexible mortgage tools including using a local mortgage pool with individual development accounts to help people access more flexible funding for homeownership. Those three recommendations are here in the summary page, I will go through them, but I'm not going to spend a ton of time on them, I would encourage you to take a look. We can spend more time on it later if there are questions. Those three are captured here. We've also reorganized each of the subsidy tools to be a little bit clearer about the different categories. This is the larger homeownership subsidy piece. We're encouraging the city to encourage and work with major regional employers to develop down-payment assistance programs as a benefit for employees. Working with CRHA to create the option of access to homeownership for voucher users. Partnering with lenders and nonprofits, including potentially CDFIs to help homeowners succeed in homeownership through the local mortgage pool and individual development accounts. I'm not going to spend a ton of time on this. It's basically much like all of the other recommendations. We've provided a case study. We talked about the context for the tool and its potential impacts as well as the implementation needs. Another new page here for the section eight tool: we talked about the context and recommended changes. The key here is that CRHA is in charge of the section eight voucher program. This is really about the city encouraging CRHA to create this program, supporting that, and potentially identifying ways to link that with other homeownership programs. With the action steps in the implementation, this is led by the CRHA. There's a role that the city can play in supporting the success of the program. With the

local mortgage pool, we talk in a little bit more detail. We spend some time defining the terms that we're using here and outline some recommended changes about how these new mortgage tools could be structured to help to reduce barriers to homeownership. We provide a case study from the self-help credit union that outlines how these programs can have impacts as well as the implementation needs and how this could align with guiding principles. This model really just helps to further illustrate how this model can help to reduce barriers to homeownership and the way in which partners such as lenders can work with the city and nonprofits to coordinate access to this program. A smaller area of changes, but I think a really crucial one is that we've added some additional detail about vulnerable populations, including seniors and adults with disabilities and how they can be served through some of the recommended programs. We've also talked a little bit more clearly about the link between housing costs and energy costs, as well as again making a clear link between the programs in the plan and ways to support energy efficiency. We've also been a little bit clearer there. This is something we've talked about with the Planning Commission in the past, as well as with the steering committee. There are a lot of topics that are adjacent to and directly related to housing affordability that really fall outside the scope of an affordable housing plan. Those would include things like income. We talked about that and acknowledge the limitations of the affordable housing plan and addressing all of those things that relate to housing affordability. Here, we're summarizing the key housing challenges. We've added this paragraph at the bottom that really acknowledges transportation costs, income, energy costs, environmental quality, and a lot of other factors that are closely tied to housing affordability. The affordable housing plan does not make recommendations to address these challenges directly. We do talk a little bit about energy costs, but it's not a key focus of the plan. These items will be addressed further in the comprehensive plan as well as in the Climate Action Plan. So we just wanted to acknowledge that there are limitations to what an affordable housing plan can do. One of the places where we've called out the opportunity for energy efficiency and energy savings a little bit more explicitly as in the Acquisition Fund. The city has the potential to use the Acquisition Fund to make investments in building energy retrofits such as weatherization, appliance efficiency, and other things that can not only preserve the long term affordability of the housing but make sure that you're passing on energy cost savings to residents. Owner occupied rehabilitation assistance is another place where we've made a clear link both to the potential for owner occupied rehab assistance to help reduce energy costs by making weatherization improvements and retrofits. Owner occupied rehab is a really important tool to address the needs of elderly residents who want to remain in their homes but may need to make adjustments or accommodations in order to do so safely as well as for people living with disabilities who may require special accommodations or modifications to their homes. Here is how this relates to a comprehensive approach. We've made that same link. The final major change that we wanted to highlight was the addition of this three page implementation summary. We've got a snapshot of the implementation steps and timing for recommended actions, as well as a summary of the anticipated impacts. This is a new page. It really talks about the potential timeline for implementation. For the governance and funding recommendations, it talks about key steps that would need to be taken within six months, within 18 months, and within three to five years. This is really talking about how to move immediately, the longer term implementation needs over the next couple of years, and then longer term opportunities to continue to build on those initial recommendations and those initial changes. This is a continuation of the same concept. We've expanded it for each of the tools chapters in talking about how the key six months changes are the land use. A lot of the land use changes are going to begin to be accomplished over the next six months through the Cville Plans Together process. It will be finished within that 18 month timeframe. We've identified most of those changes that would be made within that 18 month horizon. We've identified some opportunities for

longer term changes over time. This snapshot of impact is the executive summary. It is a duplicate of a page that was in the funding section. That was a slightly modified page, but very similar to what was in the public draft. We've repeated it here in the executive summary because we thought it provided a really good snapshot of the impact of the recommended changes. Not really new content here but it's new to the executive summary. That's really what we have in terms of a summary of those larger, substantive changes to the draft. There were other changes and tweaks mainly throughout. In terms of the key places where things have changed around the language and around how we're explaining certain concepts, and things that have been added. Those are the key ones.

Chairman Mitchell – There was a bullet midway through where you spoke to rent control. We can't do that without going through the state. Are there other cities in Virginia that have implemented rent control?

Ms. Kirk – To my knowledge, there aren't other places in Virginia. The recommendation is really about working with other places in Virginia to advocate at the state level for that to be allowed. With tenant's rights, we know that Charlottesville is very limited in what it can do. Throughout the tenant's rights recommendation sections, the recommendations are exclusively focused on where the city can use the funding it is already putting into the housing projects to strengthen tenant protections. How the city can put funding in to help reduce or mitigate evictions and what issues can the city be advocating for at the state level to open up new opportunities to support tenant's rights over the long term. With the tenant's rights section, we have been very thoughtful and tried to be very careful about not recommending anything that is not possible and really focusing on what the city can do to advance tenant's rights and tenant protections in the near term. We are all thinking about some tools you might want to have available in the longer term and how to advocate for those.

Commissioner Solla-Yates – I have been studying Berkley history. They are similar to us in size and academic influence. They used to have rent control until the state shut it down.

Chairman Mitchell – What is the experience of places like Berkley with rent control? How do we keep the owners of these rent control units motivated to do upkeep they need to do?

Ms. Kirk – There are certainly challenges. We didn't do detailed case studies about the right model that Charlottesville might want to approach. We're not recommending that you pursue rent control in the near term. As affordability continues to be a challenge, thinking about additional tools that might help advance that. There are places like New York that have rent control. There are rules when units turn over and the rents can be increased. It is a program that has been in place for a long time. I am not prepared to speak in detail about rent control because we're not recommending rent control.

Ms. Koch – To give you the next steps with this, we are going to present to Council. We will present a similar presentation next week prior to the regular Council meeting. On March 1st, we will go back to Council. That would be the time scheduled for Council to potentially endorse or approve of this concept. We want to make sure there is agreement around these larger concepts before we incorporate them fully into the draft comprehensive plan. Once we have received endorsement or approval of this plan, we will be incorporating it into the comprehensive plan along with the other revisions we will be making. We are also meeting with you on the 23rd of this month to talk about the future land use map. Part of that will be talking about the land use recommendations from the affordable housing plan.

There will be a larger round of community engagement around the comprehensive plan in March or early April. That will be looking at how we incorporated the affordable housing plan. For the affordable housing plan piece, it is those next two meetings with Council. Our goal tonight is to see if there are specific things that you might want us to bring up or flag for Council for their review.

Commissioner Stolzenberg – I wanted to address some concerns that the HAC Policy Subcommittee brought forward at their meeting. Specifically, it was with the soft density provisions. I spoke with some of the stakeholders involved afterwards. Their concern is that they want to keep single family zoning by right. They also want to end exclusionary zoning in single family areas. There would be additional advantages given to affordable housing built in those exclusionary neighborhoods. That could be accomplished by adjusting setbacks or massing limits or parking requirements within those zones in ways that wouldn't apply to market rate housing. It is similar to Cambridge's affordable housing overlay. It is something to consider as we move forward.

Ms. Kirk – We definitely did hear those comments. The specifics of the rezoning changes should be left to the zoning code rewrite. There is a recommendation to develop an inclusionary zoning policy. That recommendation does focus on multi-family. There is the potential if it was determined that was the correct avenue to make those kinds of changes. We see that as an implementation need and not a strategic recommendation.

Commissioner Solla-Yates – Inclusionary Zoning and multifamily versus all new development?

Ms. Kirk – Should the IZ Policy apply to all new development or should it apply to multifamily? It is a good point. It is left up to the design of the program. When we say “as a portion of all new development,” that doesn't necessarily mean a portion of each new development. The intention is that there will be new development and some of it will be affordable. There should be a policy in place to determine how much, how affordable, and where. We can talk about ways to clarify that language. I think there is room for design of that particular program to figure out the right mechanism to do that.

Commissioner Solla-Yates – As written, it is not clear to me.

Ms. Kirk – Clarification and things like that are perfectly fine if it makes sense to pass along to Council. We want this to be clear.

Commissioner Russell – The community engagement summary document states one of the high points are stating concerns from the public. There are concerns about potential impacts of land use recommendations on certain communities including concerns about potential displacement. I don't think that the summary captured accurately what showed up a lot in the meetings and also in some of the subsequent notes about the questions from the public about the risk of demolitions in neighborhoods and specifically with demolitions followed by larger single-family, high end, and non-affordable housing being built. I am seeing this happen in my neighborhood. If an affordability requirement is not tied to these land use changes that is what we will continue to see. I really want to urge those listening to be mindful of that. How do we ensure that what we are doing is not working against what we are trying to achieve? For the land use map, I am interested in understanding what the criteria will be for finding those areas that are appropriate for the soft zoning and up-zoning. How will the historic districts come into that? If we're talking about historic districts, are we talking about ones

that are nationally recognized as historic but not under local protection? I think under the subsidy slide, you should consider adding the rehabilitation tax credit as a possible avenue which homeowners can take advantage of efforts to rehabilitate their house.

Ms. Koch – I noted your comments about the community engagement summary. We're happy to make clarifications in that if anything was not accurately represented. I noted your comments for the land use discussion on the 23rd.

If there are no further general comments, we did also provide specific land use recommendations that you would like to discuss when we get to the 23rd.

Commissioner Lahendro – How are you planning for the upcoming work session to proceed? Are the consultants coming in with a recommended land use plan based upon your study and your research with the city over the last year? Or are you coming in with a bunch of markers and a plain map and expecting the Planning Commission “to have at it?”

Ms. Koch – We have heard what you have done and we have looked at that extensively. We will have a series of existing conditions. We will talk about the existing small area plans that have been in place that are not necessarily incorporated into zoning now. We will talk about the affordable housing plan and how this might feed into this plan. We will present a framework concept to discuss.

Commissioner Solla-Yates – We have a legacy of exclusionary zoning. Don't take for granted those plans are good and helpful and meaningful. A lot of those are based on racial bias and are not helpful moving forward.

Commissioner Stolzenberg – I want to toss in one more thing as a potential strategy. Former councilor Galvin referred to it as a synthetic TIF. You take some of the incremental revenue that comes from the new construction under these new by right rules and earmark straight into the Affordable Housing Fund. You are better aligning the incentives. As those new developments go up, we get extra tax revenue from that additional construction and more expensive improvements from more homes and automatically direct that into the Affordable Housing Fund.

Ms. Koch – That was brought up in one of the webinars.

Ms. Kirk – The idea of a synthetic TIF has been brought up a couple of times. At the end of the day, it is still general funds. It is a nice way to talk about how we can fund affordable housing. It is still general funds. That is one of the sources that we talked about. If that is something that has great traction in terms of being able to allocate and pass that particular part of general funds, that is something that can be pursued. It is not a different funding source.

Commissioner Stolzenberg – That is true. Any Council can take it out. In watching the Council budget process, the power of defaults is very important. When the money is automatically put into one pot and they have to explicitly move it into another one, they become more likely to leave it in that pot.

V. Adjournment The meeting was adjourned at 9:21 PM.