

Planning Commission Work Session

November 26, 2019 5:00 PM to 7:00 PM

NDS Conference Room

Members Present: Chairman Mitchell, Commissioners Lahendro, Solla-Yates, Heaton, Stolzenberg, Green

Staff Present: Patrick Cory, Missy Creasy, Lisa Robertson

The meeting was called to order by the chairman at 5:00 PM

1. Capital Improvement Process

Dr. Richardson, City Manager – This budget is our five year plan. We usually talk about projects in the capital budget that are \$50,000 or more. These are non-reoccurring or non-operational. They have useful lifespans over five years. We do have a tight timeframe in terms of getting all of the information from all of our departments and the community in terms of our plans with the end date in April. We have done some updates and some different changes in terms of our spending rates on existing projects. This year, I asked all of the departments to provide a list of projects that they consider essential and legally mandated or have implications in terms of health and environmental safety or security hazards. In FY 19 going into 20, there was a big jump in the number of capital projects. It jumped from \$23 million to \$35 million. FY 20 going into FY 21, we had to look at the overall funding and look at what we could budget. We can't exceed our projected revenues in terms of our expenditures. The transfer from the general fund is a little above 3%. That is a mandated policy that we have. That went to \$7.3 million. Our vendor fees have stayed the same. We have not gotten to our year end appropriations. We will get that at the end of December. In FY 20, we did a re-programming of existing CIP projects to be able to balance the budget for 20. For FY 2021, we had to do a lot of movement. I don't know if we will be able to maneuver that much. Our miscellaneous expense, going into FY 21, there is a jump. That includes our share with Albemarle County for the CATEC project, as well as \$650,000 for our revenue sharing for VDOT projects. I do want to speak about the bonds. When you go from \$22 million to \$26 million, our capacity is starting to lessen. If that number 22 was going in the other direction, we would be able to do more. We want to stay consistent. Over the years, there are a lot of projects that we may have in the queue that may need to get done. When your debt capacity starts to get closer to that end number, we want to take our time trying to get there, and not impact other things we need to get done throughout the city. We went from \$35.4 million to \$35.8 million going into FY 21. With the proposed expenditures, we tried to stay within the parameters of looking at improving our affordable housing, as well as maintaining funding levels for the school reconfiguration. The \$3 million difference in education is primarily the design work for the reconfiguration of the schools. Moving from the facilities from \$1.5 million to \$3.4 million. That is putting in additional money to take care of one of our recreation facilities. We are increasing the public safety \$3.7 million to \$4.9 million with the purchase of the fire apparatus, as well as the contribution of \$3 million dollar District Court. With transportation and access, there is the Belmont Bridge. The \$4.9 million is for the parking deck on Main Street, as

well as money for revenue sharing with VDOT. For Parks and Recreation, that was a reduction of over \$1.2 million. With CAHF, there is a slight increase. With Friendship Court, we looked at that overall and what was going to be spent. Going into FY 21, we went with that number that we were working with them to see what exactly was going to be spent. There is \$3 million with CRHA, but that money hasn't been spent. As we move within the fiscal year and the end of the fiscal year, if that money hasn't been spent, they may not need that additional \$3 million that was put in 21. With CRHA, there is \$18 million over the next five years. We were able to stretch that over the six year period. We may have to make adjustments moving forward, but right now that is where we are. With Economic Development, we didn't have any money in there last year. We put money in there this year for projects that we may go back and do some purchases in 21. Our storm water initiatives were neighborhood projects. With Information Technology Infrastructure, we are looking to streamline that. We have the IT Department speaking with the different departments about the different computer software.

Chairman Mitchell – With the storm water, you moved that out of the Capital and into the Operating Budget?

Dr. Richardson – No. We have a storm water utility. The \$50,000 was in the Capital Fund for years. Since we have a storm water utility, that money could be spent from that budget. The Senior Center is being built, and that was part of the \$600,000 contribution from the previous fiscal year. That outlines the dollars from \$35.4 million to \$35.8 million. We have provided the overall draft expenditures, moving forward in 21 and outlined to FY 25.

Krisy Hammill, Office of Budget and Performance Management – This is bits and pieces of the full CIP. We can go back to it for questions. We have heard about three different pots of money. All of these accounts had existing balances. We spread out the funding in the future years to spend down these fund balances. They were bicycle and infrastructure. There is currently \$546,000 available. We reduced the funding in 21 and 22 to spend down those funds. We picked up an annual funding of \$200,000 beginning in FY 23 to FY 25. Of the current projects underway, there is \$405,000 allocated of that \$546,000 to be completed over the next two years. There is \$683,000 for new sidewalks. Funding for all five years was reduced to spend down those existing funds. Of that current allocation, \$250,000 are for sidewalks currently in design. \$433,000 is planned to be used as match for VDOT revenue sharing projects. We did include \$500,000 in new funding over the next five years. One million dollars is programmed, in addition to the new sidewalks, for ADA sidewalk improvements over the next five years. With Parks and Recreation, there is currently \$326,000 available in that account. We reduced the funding in 21, but we did pick up the annual funding in 22 and put that in the remaining four years to allow for spend down of those accounts.

Chairman Mitchell – The good news is that it's not as bad. The money is there and will be available to do the things that we want to do. We are using money that we haven't spent yet. We need to spend the money that we have.

Commissioner Green – It was a little shocking to see that the Planning Commission was not involved in this. In those meetings that we have had, this is a question that has come up. Some of that buildup for sidewalks and bicycles, was to acquire right of way. We had

enough funds to acquire right of way, especially in times when we were already doing the road. What is the plan now?

Dr. Richardson – I don't think that you won't have the funds. I think that you have the funds in there. There are funds available that haven't been spent. That money will be utilized for those things. In other budget years, we have to balance these budgets over the next five years to complete our capital projects budget. Things may change over time. Projects that were slated to be very important may not be that way in the next year. We will be able to move money around. What we had to do this fiscal year was not put money into areas that had fund balances. We had to spread it out to be able to fund those other things within the capital budget. Our revenues have to meet our expenditures.

Commissioner Green – It was explained that pot of money was there. If we have an opportunity to make those purchases, we are ready and have those funds available.

Dr. Richardson – The purpose was to build up those funds to be able to do that. If it got to a point where we could not afford other things these would have to stay out for a year. In FY 22, there may have been other projects. We are so strapped this year with our revenue.

Commissioner Green – Has there been any research for a cheaper way to do sidewalks if we sub-contract that work out?

Paul Oberdorfer, Deputy City Manager – Our in-house crews are doing spot repairs. They are working ahead of the paving program, doing ADA ramps. There just isn't enough contractor capacity right now with our on call contract. We are trying to build that with the contractors. We have to keep up with the ramps. In order to keep up with sidewalks and ramps, we are going to have to look at alternate means of delivery. Part of that is getting a third concrete crew in house. When you look at these spot repairs, the mobilization and traffic control can be quite expensive. Keeping it in house affords us the ability to do these smaller things that are not attractive to contractors. Contractors are doing the larger projects like 300 to 400 feet of sidewalk.

Commissioner Green – Does that go for the Streets That Work Program?

Paul Oberdorfer – We do have some capacity. We are looking at doing one of our first projects that is going to be funding by that. It is going to be in house. There is no contractor capacity available, and we can do it on overtime.

2. Public Comments

Jill Marks – Executive Director of McIntire Botanical Director – A parking lot and trails were part of the infrastructure plan approved by the city in 2015 – We are unable to begin construction until the funding is available.

Jason Halbert – Neighborhood asking for how things get cut – Need more transparency – Improve the neighborhood and sidewalks, especially along Stribling Avenue – Bike infrastructure program needs to be maintained – Need for a sidewalk budget every year – No need for a new fire truck.

Anthony Harra – Expressing support for the investment in affordable housing – Support for \$10 million for affordable housing infrastructure – Need for additional flexibility for projects in affordable housing – Asking to increase the funding to \$50 million over the next five years.

Peggy Van Yahres – Represent the Tree Commission – Appreciate the funding increase in the tree planting – We have a crisis with the Emerald Ash Bore – We have asked for \$50,000 to inoculate several trees – We are partnering with the Chamber to do a project in McIntire Park East – The focal point will be this stone terrace and recognition of community leaders.

Roxanne White – The master plan was approved in 2015 – Don't know how that money was spent – The trails have not been completed – A lot of the recreation projects have been put into the budget – Access to the natural areas have not been completed – Commitment to the master plan to McIntire Park has not been followed through by the city.

Peter Krebbs – Piedmont Environment Council – Talk about the bicycle infrastructure – Sidewalks and bike lanes are essential services – The city solely responsible for bike lanes and sidewalks – There is a pause in the funding for bike lanes and trails – The money is highly leveraged.

Emily Dreyfus – Work with Legal Aid – Residents of public housing are facing significant health and safety issues because of the aging properties and the lack of upkeep – Need to restore the \$3 million funding for affordable housing and infrastructure.

Juan Diego Wade – Work on the preschool at Walker – Representing the School Board – Support for the reconfiguration of the schools.

Sean Stockholm – Don't need to tear down the Lucky Seven for the garage – There is enough parking in the city – The money can be used for pedestrian and bike lanes.

Navarre Bartz – Reiterate the previous comments regarding bike and pedestrian infrastructure – Bike and pedestrian is very important – Most of the prioritized projects have not seen much headway.

3. Commissioner Questions and Comments

Chairman Mitchell – Do we have any flexibility to do more fundraising through bonds? More bonds for redevelopment? Are we in danger of losing our AAA rating?

Dr. Richardson – We are not in danger. The danger is when we reach our full capacity. The capacity is starting to shrink. We are trying to get all of the projects in without raising taxes or decreasing services. We are talking about affordability in terms of the cost of additional debt on what we have now.

Chairman Mitchell – When you have more debt, you have more debt to pay off. That reduces the ability to spend operating funds. We do want to protect our debt level. What was the reason for the jump from 2019 to 2020 with the CIP?

Krisy Hammill – That was primarily the commitment to affordable housing.

Commissioner Stolzenberg – With these roofing projects, are you also working the solar installations into that?

Paul Oberdorfer – There is a program in place. We have taken a vacation from solar installation and part of that is waiting for the PPA to be accessible and use as a tool. The other piece of that is trying to get money together. Over time we will have enough funds to do a large scale installation.

Commissioner Stolzenberg – Are we running out of places to put solar panels?

Paul Oberdorfer – A lot of that is the age of the roof. There are roofs that are going to be replaced, and we don't want to put solar panels on roofs that are going to be replaced in the future.

Commissioner Stolzenberg – Where is money from parking going?

Krisy Hammill – \$1.2 million did go back into the general fund. The plan is to build up a fund balance in the parking fund. All of the net revenue is going back into the general fund. When we set up the parking fund, all of those were general fund revenues. If we funneled it just to the parking fund, there was a net hole in the general fund in terms of revenue. There is a plan to eventually make the parking self-sufficient. We have to make up those revenues in the general fund.

Commissioner Stolzenberg – When you say self-sufficient, do you mean revenue producing?

Krisy Hammill – The parking fund is accumulating the revenues, paying its own expenses. The net of that is going back to the general fund. Over time, that net going back to the general fund, the plan is to reduce that, so that it stays within the parking fund. As these new parking structures come online, those new expenses and operating expenses, the parking fees will support the operations.

Commissioner Stolzenberg – In the long run, we hope to break even?

Paul Oberdorfer – Over time, the fees that we anticipate will pay for maintenance, re-capitalization, and whatever needs to be done with the garage over that period of time.

Krisy Hammill – There is not enough parking revenue to support the debt we will issue. It's still being funded through the general fund debt payments.

Commissioner Solla-Yates – What is different about this year?

Commissioner Green – State code 15.2-2239 says the local planning commission is to prepare and submit an annual capital improvement programs to governing bodies. The planning commission goals are to help guide the CIP program. We have always had a member from the planning commission, as a part of the review, for transparency leading up to this particular meeting. What is different is we weren't invited.

Commissioner Solla-Yates – Why?

Dr. Richardson – I don't have an answer for you.

Commissioner Green – It was for transparency for us to be a part of this, knowing that the planning commission goals, based off the comprehensive plan and the goals of hearing from the public. We still, as this non-governing body, present it to Council. There has always been a member of this commission to serve during those meetings prior to this presentation.

Commission Solla-Yates – Why is the commitment to housing smaller?

Dr. Richardson – I would not say smaller. It is still the same. It is just spread out over a period of time.

Commissioner Solla-Yates – What has changed?

Dr. Richardson – The commitment is still the same.

Commissioner Stolzenberg – The current agreement with the county is 90 off street spots in addition to the 15 on street spots. Have we explored alternatives to a parking structure on the site?

Paul Oberdorfer – We have explored surface lots, the Market Street Garage, and on street parking. The agreement is very specific to deliver in a timeframe that is pretty short.

Commissioner Stolzenberg – Do we have to build a parking structure?

Paul Oberdorfer – It's not about timing. It's about what is promised in the agreement, which is 90 spots in a parking structure. The model that was put before the administration was to have first level retail and three levels of parking that would accommodate 90 parking spaces, with an additional gross of 210 additional spaces.

Commissioner Stolzenberg – The bulk of the structure would be non-obligated parking?

Paul Oberdorfer – That would be correct.

Commissioner Stolzenberg – When we purchased the Lucky Seven and Guadalajara land, how was that money accounted for?

Paul Oberdorfer – The \$10 million was for design and construction of the deck

Commissioner Stolzenberg – This is a big line item on the CIP budget. It would have been best to have Rick here at this meeting.

Commissioner Lahendro – I had a question about the Smith Aquatic Center. There has been a lot of money spent, and I am surprised to see it again on the CIP budget. Is there a staff person that can speak about the problems?

Paul Oberdorfer – There were a lot of systems that were cutting edge technology. They had a lot of maintenance issues with the systems. When the systems were designed, they were designed for operation outside of the summer months. The facility was supposed to be closed down during the summer. When you think about the capacity of the cooling system, it was designed for a lower level in the system in the summertime to make up for all that humidity and hot temperatures. Over time, there has been a circle of find and fix between different units as they were identified. There wasn't a unified plan in addressing

or modeling the building itself to find out engineering wise what the capacity issues were. When we brought on our new facility maintenance manager, he got a mechanical engineering firm on board. He did a third party analysis. We have a high degree of accuracy in what needs to be done in the mechanical system. That is what the \$1.5 million will be covering.

Commissioner Heaton – When you talk about pausing a budget, I am not familiar with that term. When you say pause, is the mechanism clear on how to un-pause it?

Dr. Richardson – We may be able to come back with funding in the future for those specific projects.

Commissioner Heaton – I would just suggest that when groups are invested in planning, it's made clear to them how to get an un-pause. Otherwise, any planning that they are trying to do will stop until they know the mechanism.

Commissioner Green – We are pausing something that we are spending a lot of money on, and we don't have everything in place as part of that plan. This is in a specific area, for equity reasons, we are trying to finish that park's master plan. It is a definite pause for the next five years. How do we pick that back up? Are we behind?

Commissioner Heaton – I understand the fiscal reasons why you have to make the budget work. If you have to do that, I think that it needs to be accompanied with specific instructions to the constituency groups.

Dr. Richardson – Right now it is unfunded. We can only stretch as far as our revenue will allow us in terms of expenditures. We are doing what we can afford.

Commissioner Stolzenberg – If you are going to cut the balance to zero this year, can you spread out the balance so that there is money for the out years?

Dr. Richardson – It could done like that. It is an option. What we are doing right now is making sure that we can afford it. There are other options such as raising taxes, keeping the tax rate the same, decreasing services and programs, or staff reductions.

Commissioner Stolzenberg – We zeroed out the street milling and paving for this year and bumped it up to \$2 million for FY 23 and beyond. Why do we need an additional million for street milling and paving?

Paul Oberdorfer – We just completed a network wide assessment of the pavements. The firm that conducted the assessment came up with a PCI rating for us. Using micro-paver, we forecasted what we would need in expenditures to keep our PCI at where we wanted and another for where we wanted to be. The 'where we want to be' model is \$2.3 million. That's to get the pavements where we need them to be and maintain them. It's a model based on what we need.

Commissioner Stolzenberg – Is the goal to be at the current level or above the current level?

Paul Oberdorfer – We are slightly below our target number. We zeroed out this first year because of a couple reasons. The first reason was that we didn't know what the data was until just recently. The other reason is trying to get a program in place. Something

that is sophisticated, strategic, and deliverable takes a year to get ramped up. The more resurfacing that we do, the more ADA ramps have to have corrections. There is a limited number of contractors. These are all things that we have to weight and balance to try to get the program to be successful. As we evaluate these assets, you will see where the needle slides as we do annual inspections. If you want to syphon the money off, it does come with a future cost. That cost is devaluing the program. You will have to catch up in the future, and it's going to cost more in the future.

Commissioner Stolzenberg – Is poor road quality something that the city receives complaints about?

Paul Oberdorfer – We are slightly below average.

Chairman Mitchell – There are three big items that have raised eyebrows. One is the Belmont Bridge. The other is the parking structure. The other is the \$4 million dollars for West Main Street. What are you going to do with that \$4 million for West Main Street?

Commissioner Green – We have a West Main Street streetscape plan.

Ms. Creasy – Its multiple streetscape upgrades. It's a four phase project that will improve streetscaping, looking at changing the parking, bike lanes, sidewalks, and undergrounding the utilities.

Commissioner Green – We also have smart scale funding for that project, and we have not used that money.

Chairman Mitchell – Who is the constituent for that \$4 million? Who benefits for that money being spent there?

Commissioner Green – The whole idea behind West Main Street streetscape project was to bring life to the street and connectivity between the downtown and University. It was about adding places along West Main Street. Some of it was removing parking to add more pedestrian connectivity and better bike lanes.

Chairman Mitchell – It is earmarked to spend next year.

Dr. Richardson – That is the plan. Hopefully, the project will move forward in FY 21 and FY 22.

Commissioner Green – Some of it could not be taken out because we have the smart scale funding from federal grants.

Commissioner Stolzenberg – Don't we have a \$17 million fund balance?

Ms. Creasy – The first part is going to be the undergrounding of the utilities. Funding has to be available for that. You have to do phase 1 and phase 2 utilities at the same time for financial reasons. The phases can happen after that.

Commissioner Stolzenberg – Is the undergrounding part of West Main Street?

Ms. Creasy – Part of it is considered a betterment. It would be good to have someone give a report.

Commissioner Green – Do you have a specific project for this blight remediation?

Commissioner Stolzenberg – I asked staff last week about that. Staff said that it was to put money into the account. If there is a property that is problematic, the city can send out a crew and the work. Bill them for it and refill the fund.

Commissioner Green – I am going to bring up Darden Towe Park. There is no evidence that we are putting lights at that park. It needs to go through a special use permit. There is not even an application. We keep putting money in this.

Krisy Hammill – The reason that was put in last year and this year was because it was an agreement with the county that they match the same.

Commissioner Green – That has to go through a process.

Commissioner Solla-Yates – Some things that I would like to see include scenarios pushing back the big items. I would also like to see some options in growing the pie, so we don't have to build a CIP on the dais.

Commissioner Heaton – We can ask that before it comes to the dais that staff bring more than one option.

Krisy Hammill – It would be nice to know what recommendations you are making for the other options.

Commissioner Lahendro – The CIP budget comes to the Planning Commission to get an idea of what the priorities are for the Planning Commission. We have not had the opportunity to guide the process or provide the things that we are most interested in.

Chairman Mitchell – There are two things that are going to be driving the conversation. One will be West Main Street and the other will be the parking structure. A couple of other things that are going to drive the conversation are Tonsler Park and the other is the McIntire Park master plan. The other thing is going to be redevelopment.

Commissioner Stolzenberg – The last thing that we did not discuss was TARA, the downtown assessment.

Paul Oberdorfer – In October 2018, I provided an update to Council about the threat and risk assessment. We looked at the security around the mall and mall crossings. The first piece of that is going to be public engagement. From the public engagement piece will be the engineering piece to get to 30% to form what the final cost will be. We won't know what that is going to look like until we go through the public engagement piece.

Dr. Richardson – The Planning Commission does have input on this. This is something that the City Manager has to prepare for the council. This is my first budget, and I have had good guidance from those in the budget department.

4. Planning Commission Training

Lisa Robertson led a training in discussing how the Commissioners interact with each, interactions on social media, meeting with developers, talking about different

applications, working as a unit, keeping self-interests out of decisions, and voicing opinions on social media

Communications with groups and individuals

- The operating guidelines were developed in May, 2017.
- There are a number of public service guidelines.
- Need to be approachable and listen to everyone that approaches you.
- Need to listen to the applicant and those in the public.
- Need to involve staff if it effects the agency's business.
- Meetings should be in a public place, such as in City Hall conference room.
- There followed a discussion regarding the communications with groups and individuals.
- Chairman Mitchell mentioned that he had meetings with stakeholders, not developers. He did feel that he could speak with those stakeholders.
- There was a conversation about opinions expressed on social media about applications, applicants, and projects.
- Chairman Mitchell did bring up that the Planning Commission is an interpretive body.
- Commissioner Stolzenberg did bring up that he would not come to a conclusion about the project or application before the meeting.
- Commissioner Heaton did mention that commissioners are members of the public and part of the public.
- Commissioner Green did bring up that the Planning Commission is the liaison between the public and council. Stewards and recommendation to the Council
- Commissioner Green did bring up that the Planning Commission is providing technical advice regarding interpretation of the Comprehensive Plan.
- The Planning Commission is governed by state law and act as a body.
- Commissioner Lahendro did bring up that he has tried to be impartial.
- Commissioner Solla-Yates did mention the power of social media reaching those that cannot attend the Planning Commission meetings.

Additional Language in the Guidelines

- Not express an opinion until all of the information has been gathered at the dais.
- Shouldn't go on social media and give an opinion about applications prior to the meeting at the dais.

Commissioners Mitchell and Stolzenberg will work with the City Attorney's office on Planning Commission on developing operating guidelines. The guidelines will have to be unanimously approved by the full commission.

Meeting was adjourned at 7:20 PM