A regular meeting of the Board of Supervisors of Albemarle County, Virginia, was held on November 6, 2013, at 9:00 a.m., Lane Auditorium, County Office Building, McIntire Road, Charlottesville, Virginia.

PRESENT: Mr. Kenneth C. Boyd, Mr. William B. Craddock, Ms. Ann Mallek, Mr. Dennis S. Rooker, Mr. Duane E. Snow and Mr. Rodney S. Thomas.

ABSENT: None.

OFFICERS PRESENT: County Executive, Thomas C. Foley, County Attorney, Larry W. Davis, Clerk, Ella W. Jordan, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1. The meeting was called to order at 9:05 p.m., by the Chair, Ms. Mallek.

Agenda Item No. 2. Pledge of Allegiance.
Agenda Item No. 3. Moment of Silence.

Agenda Item No. 4. Adoption of Final Agenda.

Ms. Mallek said there is one additional item for the consent agenda (Item 7.5a), a Resolution of Support for Nelson County's Applications for VDOT Transportation Alternatives Grant Funds for The Blue Ridge Tunnel Project.

With no other additions, the final agenda was accepted.

Agenda Item No. 5. Brief Announcements by Board Members.

Ms. Mallek reported that November 15-24, 2013 is "Virginia Cider Week," which means the cideries throughout the region will be holding numerous events during the week.

Agenda Item No. 6. From the Public: Matters Not Listed for Public Hearing on the Agenda.

Mr. John Gooch, Executive Director for the Community Energy Conservation Program, stated that they are a nonprofit located on Broadway Street in Charlottesville with a satellite office in Staunton that provides weatherization assistance for low-income families in the counties of Albemarle, Fluvanna, Greene, Louisa, Nelson, Augusta, Highland and Rockingham, and the cities of Charlottesville, Harrisonburg, Staunton and Waynesboro. He said that they provide direct services to low-income families to improve energy efficiency in their homes. They do full energy audits, seal air leaks with insulation, caulking, and weather stripping; repair leaky duct systems; repair or replacing inefficient and unsafe heating systems; install carbon monoxide and smoke detectors; install energy efficient light bulbs; and replace non-efficient refrigerators. Mr. Gooch stated that they use the latest equipment as well as highly skilled workers to provide these services. He said they also manage a crisis program, whereby clients who do not have heat are referred by social services. He added that they weatherized 19 houses in Albemarle alone over the last year.

Ms. Mallek asked if they partner with LEAP. Mr. Gooch said they are looking for a LEAP representative to serve on the Community Energy Conservation Program's Board, and stated that there is plenty of work to be done for both.

Ms. Amy Gore, President of the Western Albemarle Parent-Teacher Organization, said that she has a child at Henley Middle School and one at Western Albemarle High School, with both getting home at 4:30 p.m. She explained that the Crozet Library closes at 5:00 p.m. on Wednesday, which means that her children have not been able to access it for books and high-speed internet use when needed. Ms. Gore encouraged the Board to address extension of hours in its budget, for her children and others who need to use the public library.

Ms. Jennie More, a member of the Crozet Community Advisory Council, said she is before the Board to request extended hours of operation at the Crozet Library. Ms. More said that everyone in the community would benefit from longer library hours, and it is evident to her that after speaking with community members and groups, people are spending more time in the new facility. She reported that when comparing September 2012 to September 2013, there was a 74% increase in circulation; in October 2012, circulation was 12,439 compared to October 2013 at 22,633 – an increase of 83%. Ms. More stated that the September door count for 2012 was 5,001 compared to September 2013 at 12,784 – and the count increased to 13,262 in October. She stated that Mr. Bill Schrader told her that the library fundraising committee has raised an estimated $1,030,555 in private support, and it is clear that the community has embraced having the library built and is making good use of the facility. Ms. More said that there are members of the community whose access is limited by the current hours, and if funding is approved to extend the hours, it will improve access to the library.

Ms. Antoinette Brewster addressed the Board, stating that 476 people showed up at an event at the Jefferson Theater opposing the proposed Trump golf course – and over 400 petition signatures have now been collected against the plan. Ms. Brewster said that the petition reads: "I, the undersigned, object to allowing a golf course in Albemarle County Tax Map 102-35C, because I believe the following: the property is under Virginia Outdoors Foundation conservation easement that limits commercial use on the property in perpetuity. Relaxing restrictions on conservation easements for commercial use could adversely affect conservation easements in our community and Virginia. A commercial golf course is not consistent with the Albemarle Comprehensive Plan or Agricultural/Forestal District designation. The golf course could negatively affect nearby agricultural activities. The golf course would negatively affect rural roads serving the site. The golf course would greatly increase the water use in the area. The golf course would create a negative impact on the neighborhood if tournaments and other ticketed events were allowed, and the golf course could bring excess lighting in an otherwise unspoiled rural area. The golf course could attract larger sized events – larger than those held routinely held in our community."

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Ms. Wendy Brown addressed the Board, stating that she has a conservation easement in the County that VOF holds and is very disturbed about what she is hearing in the community about the possibility of change in the use of an easement. Ms. Brown said that when she was deciding whether to put 235 acres under easement, one of the critical factors was that the land would be kept in easement in perpetuity for wildlife, her heir, and the overall sense of the community in the area in which it is located. She stated that when they put the property into easement, the language was described very carefully because it was being put in for perpetuity – and that language is the same as what was used for the VOF easement on the Trump's property. Ms. Brown said that the language clearly states "limited commercial activity" – such as holding a party – but not ongoing commercial activity. She stated that she is concerned as an easement owner that this will undermine the entire program, which allows Albemarle to have a community that draws others here to the beauty of the community. Ms. Brown said she hopes the Board will carefully consider the extreme damage that could be caused not just by this one property, but to the entire conservation easement program.

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Mr. Richard Spurzem said that he is a developer and asked the Board to reconsider the proffer policy it will be considering later in the meeting. Mr. Spurzem said that he owns 37 acres at the intersection of I-64 and US Route 250 at Pantops, which has been zoned for intensive development since the 1970s. He stated that he has an approved site plan for a shopping center called "Gazebo Plaza," which was intended to be a twin to Albemarle Square. Several years ago when he tried to rezone the property to a less intensive residential use, he encountered a stumbling block via the existing proffer policy that would have had him paying about $8 million. Mr. Spurzem said that no one wants the shopping center at this point, including him, and the proffer policy was a big barrier. He stated that the proffer policy may make sense in a new green field development whereby someone is taking some RA land and rezoning it for residential development and where roads and services need to be extended out to that development – but the proffer policy is really questionable in the development areas where services and roads already exist. He stated that the proffer policy only serves to raise the price of housing in the community and make it less affordable.

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Ms. Kathleen Klumpp said that she lives on Carter's Mountain Road and relies on the same groundwater supply as the Trump property. She said that during the severe drought of 2005, she temporary lost use of her well – and Ms. Patricia Kluge also had drought-related well problems and had to dig an emergency well to supply Albemarle House property. Ms. Klumpp said that she is very concerned the Board will not have the necessary information on the potential environmental impact of water usage by the proposed Trump golf course on surrounding properties, and on the current state of the aquifer in order to make a reasoned decision. She stated that what's lacking here is a Tier 4 groundwater assessment per the water ordinance in the County Code for any operation using more than 2,000 gallons per day. Ms. Klumpp said that Chief of Planning, David Benish, pointed out at the October 7 community meeting held at Trump's pavilion that aquifer testing would be done if indicated after the Planning Commission meeting, but to her it seems like trying to get the horse back in the barn after the gate has been opened.

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Ms. Helen Cauthen, President of the Central Virginia Partnership for Economic Development, thanked the Board for its work on economic vitality over the past several years. Ms. Cauthen said that she is before the Board to support establishment of an Economic Development Department for the County as a logical next step, stating that it will help them focus more on target markets.

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Ms. Sheryl Longnecker said that she lives in the area of the proposed Trump golf course and all the residents are concerned about the increased traffic the project will bring. She stated that the project will be a national draw that will add far too much congestion, and they would like to keep the area nice and quiet as it is now.

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Mr. Neil Williamson said that he works for the Free Enterprise Forum, a privately-funded public policy forum focused on central Virginia's local governments. He thanked Supervisor Craddock for serving on the Board during a difficult time. Mr. Williamson said that the Board invited him in May to present the Forum's cash proffer research entitled "Contradictory Consequences," and noted that he provided each Board member with an additional copy. He stated that this white paper explores how cash proffers "negatively impact economic advancement, create false hope, and hinder the implementation of community-supported comprehensive plans." Mr. Williamson said that after the Planning Commission recommended an adjusted cash proffer, the Board refused to consider the application with such amended cash proffers and asked the applicant to defer their request to allow it to consider the cash proffer in a larger setting. He stated that this action was in conflict with the Board's existing cash proffer plan that states: "This cash proffer must meet a reasonableness test, which requires the Board to determine for each rezoning whether the amount proffered is reasonably related to both the nature and extent of the potential impacts of the proposed development on public facilities."

Mr. Williamson said that the staff report suggests "hitting the snooze button" and maintaining the current six-year-old policy for another two years, and this is unacceptable. He stated that the Board has recently been approving special use permits with a review after just one year, and if one year is good enough for an SP, six years is long enough for reviewing cash proffers. Mr. Williamson stated that the Free Enterprise Forum requests that the Board review the cash proffer policy and resolve the negative economic development impacts at its earliest convenience.

Mr. Rooker asked Mr. Williamson to clarify his statement regarding the SP approvals, as most special use permits are granted for an indefinite period of time. Mr. Williamson explained that there were two festival SPs that had generated some Board concern over traffic impacts, and the Board asked the applicants to return after a year to see if new conditions needed to be imposed.

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Ms. Mary Dickens said that she owns property located at 605 East Rio Road. Ms. Dickens said she has asked for an extension on her federal taxes for sale of her property – which relates to the rezoning of her property for the "Lofts at Meadowcreek" – due to the death of her husband in 2010. Ms. Dickens said that she cannot give up on the rezoning before losing the sale. As an 83-year-old widow she should be able to sell her property and get an exemption before time runs out.

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Mr. Vito Cetta said that he is an architect and developer who has done many projects in the County over the past 15 years. Mr. Cetta said that almost all of his projects had cash proffers and they were modest, and during the housing boom they adopted a policy of tripling or quadrupling cash proffers – so now a single-family home is about $20,000. He stated that when the market fell apart in 2008, there weren't many developers moving forward with projects – and now that the economy is improving again, the cash proffer amount is so high there will be pressures on existing zoned properties but will never see developers take advantage of a proffer at a level of $20,000. Mr. Cetta said that when he comes before the Board with the Out of Bounds project, he is prepared to pay higher proffers because the product is much more expensive, but the Board should consider lowering the proffer amount and adjusting it periodically to reflect the economy.

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Mr. John Lowry, of the County's Economic Development Authority, addressed the Board, stating that the Board will be reviewing the Comprehensive Plan in the coming months and thanked them for their fairness in dealing with economic development. Mr. Lowery said that 27 years ago, a Supervisor said "We don't want economic development in this County," and with the updated Comp Plan and the reality of an economic development office, the Board has come a long way from the policies of the past. He stated that Albemarle is beginning to have an image of a business-friendly county, and recognition for that success needs to be given to the Board – with the challenge of striking a balance between competing interests of preservation and development now before them. Mr. Lowery said that while respecting the rural character of the County, there is surely room to allow the marketplace to provide its many benefits to citizens.

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Ms. Leslie Bowman, President of the Thomas Jefferson Foundation, thanked the Board for its thoughtful consideration of the Foundation's application to amend the Albemarle County Service Authority boundaries to include Monticello and its historic Jefferson properties. She stated that Monticello's water and sewer systems are aging, which is a problem that must be resolved. Ms. Bowman said that after conducting engineering studies of all possible solutions, they determined that connecting to public facilities is the only logical alternative to safely and adequately handle visitor and operational needs. She stated that this is also the only environmentally and historically responsible plan to manage the needs of 440,000 visitors at Monticello every year. This plan would also upgrade the fire protection for Monticello as well as Montalto and the Presidential Library at Kenwood. Ms. Bowman said that Monticello will pay all costs associated with this plan, so there would be no costs to the County, and this solution would not damage Jefferson's landscape and its unique and important archeological assets. She stated that this is an issue of immediate public health, safety and benefit – and Monticello drives $47 million into the local economy, with 440,000 people from around the world eating, drinking, shopping and lodging in the area.

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Mr. Frank Stoner said that he is a resident of 240 Chestnut Oak Lane, in the County, and works for Milestone Partners, a local development services firm. Mr. Stoner said that the current per-lot cash proffer policy is a one-size fits all approach to a complex problem, and no two rezonings are the same. He stated that the current cash proffer policy often fails to provide appropriate incentives to help the County achieve its long-term goals. While a $20,000 cash proffer might be reasonable for a $600,000, the policy would impose the same amount on a $300,000 house and a $15,000 cash proffer on a $220,000 condominium. Mr. Stoner said that the cash proffer policy in its current form has unintended consequences that make it harder to provide a broad range of housing choices that are affordable in the County, and several developments in the urban ring have opted out of rezoning. He stated that while in theory the Board has flexibility in all applications, the policy in practice has been quite ridged and the consequences are lost opportunities for better development. Mr. Stoner said that the current staff report fails to answer important questions or explore other options, and fails to distinguish specific sources and use of proffer funding to isolate the per-lot cash proffer impacts, fails to quantify the proffers that won't be collected because property owners are now "under water," fails to explore other options that may be more equitable and flexible, and the policy fails to note that other counties in Virginia are now dropping or amending their cash proffer policies. He emphasized that none of these things are mentioned in the report. They have learned over the past 10 years that residential growth doesn't pay for itself, but lack of residential growth doesn't pay either. The current proffer policy is not the answer. He added that if they work together, they can develop a more equitable and sustainable alternative.

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Mr. John Martin, a resident of Free Union, said that he was present to address the economic development program before the Board today – and particularly the benchmark counties, as it would be helpful to know the tax rate for each, their total budget, and whether the revenue for the economic development programs in those counties comes entirely from tax revenues or fees and charges. He said it would also be helpful to know the total percent of the budget for each of the counties of the cost for the economic development program, and it would be helpful to poll the benchmark counties to find out if they have some measure in place for measuring a return on investment to determine whether their programs are successful.

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Mr. Jeff Werner, of the Piedmont Environmental Council, said that he has never been to a meeting where a Supervisor has said they didn't want economic development in the community. Regarding the proffer issue, he said that eliminating them does not eliminate the need for improvements to address development impacts. He stated that eliminating proffers will not be free to Albemarle County unless the Board decides not to fund the necessary infrastructure. In this discussion the Board must tell the community exactly what the cost will be on them to make up the difference.

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Ms. Valerie Long addressed the Board, stating that the proffer issue and economic development items are closely related. With creation of an economic development program and office the Board can foster initiatives that could ultimately result in additional revenue for the County in the form of commercial tax revenue that might relieve the pressure on cash proffers and residential real estate taxes for school funding and other essential governmental services. Ms. Long asked the Board to support the economic development initiative and the cash proffer system. Mr. Stoner's comments summed it up well regarding some of the unintended consequences and incentives that are not quite in line with the County's goals for designated development areas. She added that she also supports the staff's suggestion of holding roundtables with people who work with the cash proffer policy on a daily basis.

Mr. Rooker said that many people who have studied this over the years have felt that impact fees are a fairer and better way to raise money to help defray the cost of development, and invited Ms. Long in her position with the Chamber of Commerce – and others in the business and development communities – to support legislative action to allow meaningful impact fees that might replace the proffer system.

Ms. Long stated that they have discussed that issue and currently don't have the authority to impose impact fees. She added that it would be beneficial to have a more in-depth discussion about impact fees in a setting that can allow for a good analysis of the pros and cons.

Mr. Rooker said that to take the position of not having growth pay for its costs in some fashion is not going to be a palatable solution to the community. If there are impact fees, there is not a negative effect on the growth area because there is no incentive to go to the rural area – so a lot of the arguments with proffers are diminished with impact fees, except that there is still a charge.

There being no further comments, the Chair closed this portion of the meeting, and moved to the next agenda item.

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Agenda Item No. 7. Consent Agenda. **Motion** was offered by Mr. Rooker, **seconded** by Ms. Mallek, to pull item 7.1, to approve the items 7.2 through 7.5a, and to accept Items 7.6 through 7.12 for information. (**Note:** Discussions on individual items are included with that agenda item.) Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

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Item No. 7.1. Approval of Minutes: July 3 and July 25, 2013.

Ms. Mallek had not read the portion of the minutes of July 3, 2013.

Mr. Craddock had not read the minutes of July 25, 2013.

By the above-recorded vote, the minutes were pulled and carried forward to the next meeting.

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Item No. 7.2. Blue Ridge Juvenile Detention Commission Service Agreement Amendment.

The executive summary states that Albemarle County provides juvenile detention services in partnership with the counties of Culpeper, Fluvanna and Greene and the City of Charlottesville through membership in the Blue Ridge Juvenile Detention Commission. The Commission was created on July 1, 1999 pursuant to a Service Agreement between Albemarle, Fluvanna, Greene and Charlottesville, which was later amended in July, 2007 to include Culpeper.

Since the creation of the Commission, and in accordance with the Agreement, the method of determining the proportionate share of operating costs for each member jurisdiction in any given budget year has been determined by each member's usage in the previous year. Members pre-pay the expected share of costs at the beginning of each fiscal year and then reconcile actual costs at the end of the fiscal year based on actual usage during the year. Some Members, therefore, are required to make supplemental appropriations at the end of the year.

At its meeting on August 8, 2013, the Blue Ridge Juvenile Detention Commission agreed to propose an amendment to the Service Agreement to change the method of determining annual member contributions. Specifically, the Commission proposes to amend the Agreement to require that future Member contributions for operating costs be based on each Member's respective aggregate usage percentage during the preceding three years. This rolling three-year average budgeting method will eliminate year-end reconciliations. This broader methodology should also have the practical effect of lessening dramatic funding changes for Members in any one fiscal year due to spikes or dips in utilization of the facility.

The amendment to the Service Agreement does not specifically alter the cost of operating the Juvenile Detention Center or any Member's contribution rate. The amendment is expected to result in less dramatic changes in the County's contribution in any given budget year which would allow for more reliable financial planning.

Staff recommends that the Board adopt the attached Resolution to Amend and Readopt Article 1, and Sections 3.7 and 4.1 of the Service Agreement for the Blue Ridge Juvenile Detention Commission.

By the above-recorded vote, the Board adopted the following Resolution to Amend and Readopt Article 1, and Sections 3.7 and 4.1 of the Service Agreement for the Blue Ridge Juvenile Detention Commission:

A RESOLUTION TO AMEND AND READOPT
ARTICLE 1, AND SECTIONS 3.7 AND 4.1
OF THE SERVICE AGREEMENT FOR
THE BLUE RIDGE JUVENILE DETENTION COMMISSION

WHEREAS, the Counties of Albemarle, Culpeper, Fluvanna and Greene and the City of Charlottesville (the "Member Jurisdictions") have previously created the Blue Ridge Juvenile Detention Commission (the "Commission") and adopted an agreement dated July 1, 1999, and amended July 2, 2007 (the "Service Agreement") that established their respective rights and obligations regarding the juvenile detention center financed, constructed and operated by the Commission; and

WHEREAS, the method prescribed by the Service Agreement for allocation of the operating costs of the detention center has required each Member Jurisdiction to prepay a share of those costs at the beginning of each Fiscal Year based on its usage in the preceding year, with that payment then being adjusted at the end of the Fiscal Year to reflect the percentage actually used by each member; and

WHEREAS, each year that method has caused some Member Jurisdictions to have to make supplemental year-end appropriations to cover their obligations to the Commission; and

WHEREAS, declining numbers of juvenile offenders detained at the juvenile detention center have caused the numbers detained from the Member Jurisdictions to fluctuate more from year to year, making budgeting more difficult and increasing the likelihood that some Member Jurisdictions will have to make such supplemental appropriations; and

WHEREAS, viewed over a longer time the relative usage of the Member Jurisdictions tends to be more stable; and

WHEREAS, the Member Jurisdictions wish to amend the Service Agreement to base the Member Jurisdictions' future relative annual contributions to operating costs on their respective aggregate percentages of usage during the preceding three years, without making subsequent annual year-end adjustments based on actual usage;

NOW, THEREFORE, BE IT RESOLVED, by the Blue Ridge Juvenile Detention Commission, the Boards of Supervisors of Albemarle, Culpeper, Fluvanna and Greene Counties and the Council of the City of Charlottesville that:

1. The Service Agreement is amended by amending existing Sections 3.7 and 4.1, as follows:

Section 3.7 <u>Annual Budget</u> On or before each December 1, the Commission shall provide to each Member Jurisdiction the Commission's Annual Budget for the next Fiscal Year, including any proposed capital projects. For each Fiscal Year in which the Detention Center will be in operation, or in which Obligations will be outstanding, such Annual Budget shall set forth the Annual Member Operating Charge, for each Member Jurisdiction, which shall be based upon that Member Jurisdiction's respective percentage of the total usage of the Detention Center by all Member Jurisdictions during the preceding three Fiscal Years. The Commission agrees to set such Annual Member Operating Charges, that are sufficient to generate revenue adequate to pay Net Expenses and to fund any required reserves attributable to the care, maintenance and subsistence of Detainees. The Commission further agrees to revise such Annual Member Operating Charges as necessary to offset any non-payment by a Member Jurisdiction or unanticipated material decrease in revenue from the Commonwealth. The Commission also agrees to set, and to revise immediately as necessary to reflect any failure of a Member Jurisdiction to pay in accordance with the provisions of Section 4.1, Annual Member Debt Service Charges for Culpeper, Fluvanna and Greene, likewise based on their respective shares of all Member Jurisdictions' total usage of the Detention Center during the three immediately preceding Fiscal Years in amounts sufficient to repay their respective shares of the debt service prepaid by Albemarle and Charlottesville on the Commission's outstanding Obligations as described in Section 4.1 (a) below.

Within ten days of any revision to the Annual Member Operating or Debt Service Charges the Commission shall notify each Member Jurisdiction of such revision. Any such revision to the Annual Member Operating or Debt Service Charges will be based on factors affecting the Detention Center's revenues or expenditures, including but not limited to changes in assumed or actual occupancy levels, operating expenses, State operating or capital cost reimbursement, and any nonpayment of Annual Member Operating or Debt Service Charges by any Member Jurisdiction or other jurisdiction housing Detainees at the Detention Center. The Commission shall promptly provide copies of any amendments to its Annual Budget to each Member Jurisdiction.

Section 4.1. Payments from Member Jurisdictions.

(a) The objective of this Agreement is to provide the Commission, in each Fiscal Year in which the Detention Center is in operation, with sufficient revenues to fund fully the Commission's Expenses for such year. The Member Jurisdictions have agreed that the operating cost portion of such Expenses will be shared among them in proportion to their respective three prior Fiscal Years' usage of the Detention Center, and to that end have agreed to pay the Annual Member Operating and Debt Service Charges, as described in Sections 3.7 and 4.1(c), for the detainees they commit to the Commission's custody. The Member Jurisdictions have further agreed that the debt service portion of the Commission's expenses will be allocated among the Member Jurisdictions except Albemarle and Charlottesville by billing Culpeper, Fluvanna and Greene the Annual Member Debt Service Charge based on their respective percentages of all Member Jurisdictions' total usage of the Detention Center during the immediately preceding three Fiscal Years. Albemarle and Charlottesville agree, however, that their share of the debt service will be calculated by applying the payments of Culpeper, Fluvanna and Greene as credits against the debt service Albemarle and Charlottesville have prepaid as set forth in the next paragraph below, crediting 50% to Albemarle and 50% to Charlottesville. Notwithstanding the foregoing, no Member Jurisdiction's Annual Member Debt Service Charge shall be less than five percent of total debt service, (the equivalent of usage of 5% of the Detention Center's rated capacity of 40 beds.)

To facilitate issuance of the Commission's obligations at the most favorable interest rate, Albemarle and Charlottesville have further agreed to prepay 100% of each Commission debt service payment (divided equally between them) before it becomes due, and thereafter to receive credits, also applied equally, for the Annual Member Debt Service Charges received from other Member Jurisdictions, all in the manner described in Section 4.1(e) below. The net result shall be that Albemarle and Charlottesville each shall pay 50% of the debt service on the Commission's obligations not paid by the other Member Jurisdictions. This Agreement with respect to debt service allocation shall apply to all obligations issued to fund pre-opening and financing expenses, capitalized interest, required initial reserves for operations and debt service, land acquisition, design, construction and equipment of the Detention Center.

(b) Beginning July 1 2014, the Commission shall establish in its Annual Budget for the Fiscal Year, Annual Member Operating Charges for the care, maintenance, transportation and subsistence of Detainees from Member Jurisdictions equal in the aggregate to the Commission's Projected Net Expenses. Annual Member Operating Charges shall be determined by multiplying Projected Net Expenses (excluding debt service and related payments on Obligations, but including any required deposits to a repair or replacement reserve fund related to such Obligations) for such Fiscal Year by the ratio of each Member Jurisdiction's Detainee Days to the Commission's total Member Jurisdiction Detainee Days during the preceding three Fiscal Years. The Annual Member Debt Service Charges shall be determined as set forth in paragraph 4.1(a) above.

(c) The Annual Member Operating Charges shall be collected in quarterly installments in advance of each quarter of each Fiscal Year. Such amounts shall be invoiced by the Commission to each Member Jurisdiction by the first day of each quarter of each Fiscal Year and shall be payable no later than the last day of the first month of each quarter.

(d) The Annual Member Debt Service Charges shall be collected in advance for each quarter of each Fiscal Year. Such amounts shall be invoiced by the Commission to each Member

Jurisdiction by the first day of each quarter of each Fiscal Year and shall be payable no later than the last day of the first month of each quarter. Such advance payments shall be subject to annual adjustments based upon actual usage after the end of each Fiscal Year, as described in Section 4.1(e) below.

(e) Notwithstanding the foregoing paragraph, the prepayments due from Albemarle and Charlottesville in each quarter shall be calculated to total in the aggregate 100% of one quarter of the Commission's annual debt service, allocated 50% to Albemarle and 50% to Charlottesville. The quarterly payments received by the Commission in each quarter from Culpeper, Fluvanna and Greene shall be applied equally against the next quarterly payments due from Albemarle and Charlottesville.

(f) Except for the payment of the Annual Member Operating and Debt Service Charges attributable to the Detainees whom it has actually committed to the Commission, the obligation of each Member Jurisdiction to pay Annual Member Operating and Debt Service Charges shall be subject to and contingent upon appropriations being made for such purposes by the governing body of such Member Jurisdiction. Those governing bodies hereby direct their respective chief executive officers to include in their annual budget and appropriation requests to the governing bodies funds sufficient to pay such Annual Member Operating and Debt Service Charges expected to come due during the Fiscal Year for which such budgets are applicable.

(g) The Commission shall notify all Member Jurisdictions not later than 30 days after any payment due date if a Member Jurisdiction fails to pay any charge when due, and shall pursue with diligence the collection of such past due amount. If not paid when due, the charge shall bear interest at a rate determined by the Commission until paid; however, this provision shall not apply in instances where Applicable Law prescribes some other due date or late payment charge. The notice shall include a statement of the Commission's intention to adjust the remaining payments due during the Fiscal Year (and thereafter if such default is not cured) from all non-defaulting Members and shall state the amount of the adjusted charge. The adjustment shall be based upon a reallocation of Annual Member Operating and Debt Service Charges to all non-defaulting Members. Upon payment in full of the amount in arrears by the defaulting Member Jurisdiction, the Commission shall readjust Annual Member Charges to pre-default levels and credit all non-defaulting Members in the appropriate amount for any excess payments previously made at the default adjusted rate. The Commission shall make other adjustments as may be necessary to the Annual Member Charges during the Fiscal Year to meet Expenses and to comply with any covenants entered into in connection with any Obligations.

2. These amended sections shall be effective for the Fiscal Year beginning July 1, 2014.

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Item No. 7.3. FY 2013 Budget Amendment and Appropriations.

The executive summary states that the Virginia Code § 15.2-2507 provides that any locality may amend its budget to adjust the aggregate amount to be appropriated during the fiscal year as shown in the currently adopted budget; provided, however, any such amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be accomplished by first publishing a notice of a meeting and holding a public hearing before amending the budget. The Code section applies to all County funds, i.e., General Fund, Capital Funds, E911, School Self-Sustaining, etc.

The total increase to the FY 13 budget due to the appropriation itemized below is $32,500.00. A budget amendment public hearing is not required because the amount of the cumulative appropriations does not exceed one percent of the currently adopted budget.

This request involves the approval of two (2) appropriations as follows:

- One (1) appropriation (#2013008) to appropriate funding to reconcile over-expenditures totaling $36,909.26 in the Clerk of the Circuit Court's budget. This appropriation will not increase the total budget; and
- One (1) appropriation (#2013113) to appropriate $32,500.00 for two school division grants that were received and expended in FY 13.

Staff recommends approval of appropriations #2013008 and #2013113 to provide funds for local government and school division grants and expenditures as described in Attachment A.

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Appropriation #2014050			**$5,928.71**
Source:	Local Revenue	$3,156.35	
	School Self-Sustaining Fund fund Balance	$2,772.36	

These requests are to appropriate School Division funding approved by the School Board on September 12, 2013:

- This request is to re-appropriate $2,772.36 in various Shannon Foundation Grants that had an unexpended fund balance at the end of FY 13.

- This request is to appropriate $2,500.00 in a State Farm grant to be used for the driver education program.

- This request is to appropriate $656.35 in miscellaneous revenue received by the Academic Resource Center (ARC). These funds will be used for textbooks.

Appropriation #2014051 **$50,000.00**

Source: Capital Fund fund balance $50,000.00

This request is to appropriate $50,000.00 of Capital Fund fund balance for the Ivy Fire Station Maintenance Account to fund a contingency maintenance account for the County's share of the annual repairs and maintenance of the Ivy Fire Station as required by the terms of the sublease approved by the Board on April 4, 2012. According to the terms of the sublease, the County must fund a maintenance account with a balance of $50,000.00 within 30 days of the Commencement Date and on each anniversary of the Commencement Date. This funding was initially established in FY 13 utilizing one-time monies. This request ensures this contingency account remains available in FY 14 pursuant to the sublease requirement.

Appropriation #2014052 **$953.33**

Source: Special Revenue Fund Balance $ 953.33

This request is to appropriate $953.33 in donations received in a previous fiscal year for the Police Department. The donations will primarily provide for police operating supplies, including those for the K-9 program.

Appropriation #2014053 **$10,000.00**

Source: Special Revenue Fund Balance $ 10,000.00

This request is to appropriate the funds from a called letter of credit to an expenditure account so that the County can return performance bond funding to the bank.

The developer White Gables Charlottesville, LC provided a performance bond to the County for the development of White Gables Condominiums Phase 1 and / or Phase 2 covering the water protection - erosion & sediment control improvements. The bond totaled $10,000.00 and was secured by a letter of credit from Wells Fargo Bank (formerly known as Wachovia Bank). The County called the letter of credit securing the bond in August 2010.

The developer completed the improvements and the County must return the unspent funds to the bank pursuant to the terms and conditions of the letter of credit.

Appropriation #2014054 **$106,251.22**

Source: Donations $ 26,840.00
Comm. Public Charter School Fund fund Bal. $ 79,411.22

This request is to appropriate School Division funding approved by the School Board on October 10, 2013:

This request is to appropriate $26,840.00 in donations received by the Community Public Charter School to be used for staff development, payroll, benefits, and educational materials. In addition, this request is to appropriate funds from the Community Public Charter Fund's fund balance in the amount of $79,411.22 that can be used in FY14.

The mission of the Community Public Charter School is to provide an alternative and innovative learning environment, using the arts, to help children in grades six through eight learn in ways that match their learning styles; developing the whole child intellectually, emotionally, physically, and socially. Seeking to serve students who have not succeeded in school, the program will close their achievement gap by offering a balance of literacy tutorials and an arts-infused curriculum.

By the above-recorded vote, the Board approved Appropriations #2013008 and #2013113 to provide funds for local government and school division grants and expenditures.

COUNTY OF ALBEMARLE			
APPROPRIATION SUMMARY			
APP#	**ACCOUNT**	**AMOUNT**	**DESCRIPTION**
2013108	4-1000-21060-421060-800101-1002	22,329.80	Machinery Equipment & Replacement
2013108	4-1000-21060-421060-332100-1002	10,501.96	Maint. Contract - Equipment
2013108	4-1000-21060-421060-331100-1002	4,077.50	R&M Equipment - Office
2013108	4-1000-99900-499000-999990-9999	-36,909.26	Reserve for Contingencies
2013113	3-3217-63217-324000-240296-6599	27,500.00	Project Graduation Revenue
2013113	4-3217-63217-461101-160300-6599	19,972.13	Stipends
2013113	4-3217-63217-461101-210000-6599	1,527.87	FICA
2013113	4-3217-43217-461101-600220-6599	1,000.00	Student Snacks/Meals
2013113	4-3217-43217-461101-601300-6599	5,000.00	Ed/Rec Supplies
2013113	3-3907-63907-318000-189900-6599	5,000.00	Computer Replacement Fund
2013113	4-3907-63907-461114-132100-6301	4,645.00	Salaries - PT Teacher
2013113	4-3907-63907-461114-210000-6301	355.00	FICA
TOTAL		**65,000.00**	

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Item No. 7.4. FY 2014 Budget Amendment and Appropriations.

The executive summary states that the Virginia Code § 15.2-2507 provides that any locality may amend its budget to adjust the aggregate amount to be appropriated during the fiscal year as shown in the currently adopted budget; provided, however, any such amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be accomplished by first publishing a notice of a meeting and holding a public hearing before amending the budget. The Code section applies to all County funds, i.e., General Fund, Capital Funds, E911, School Self-Sustaining, etc.

The total increase to the FY 14 budget due to the appropriation itemized below is $173,133.26. A budget amendment public hearing is not required because the amount of the cumulative appropriations does not exceed one percent of the currently adopted budget.

This request involves the approval of five (5) appropriations as follows:

- One (1) appropriation (#2014050) to appropriate $5,928.71 for various school division programs;
- One (1) appropriation (#2014051) to appropriate $50,000.00 for the Ivy Fire Station Maintenance Account as required by the terms of the sublease;
- One (1) appropriation (#2014052) to appropriate $953.33 in donations to the Police Department;
- One (1) appropriation (#2014053) to appropriate $10,000.00 for the White Gables bond default; and
- One (1) appropriation (#2014054) to appropriate $106,251.22 for the Community Public Charter School.

Staff recommends approval of appropriations #2014050, #2014051, #2014052, #2014053, and #2014054 for various school division and general government projects and programs as described in Attachment A.

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<u>Appropriation #2014050 $5,928.71</u>

Source:	Local Revenue	$3,156.35
	School Self-Sustaining Fund fund Balance	$2,772.36

These requests are to appropriate School Division funding approved by the School Board on September 12, 2013:

- This request is to re-appropriate $2,772.36 in various Shannon Foundation Grants that had an unexpended fund balance at the end of FY 13.

- This request is to appropriate $2,500.00 in a State Farm grant to be used for the driver education program.

- This request is to appropriate $656.35 in miscellaneous revenue received by the Academic Resource Center (ARC). These funds will be used for textbooks.

<u>Appropriation #2014051 $50,000.00</u>

Source:	Capital Fund fund balance	$50,000.00

This request is to appropriate $50,000.00 of Capital Fund fund balance for the Ivy Fire Station Maintenance Account to fund a contingency maintenance account for the County's share of the annual repairs and maintenance of the Ivy Fire Station as required by the terms of the sublease approved by the Board on April 4, 2012. According to the terms of the sublease, the County must fund a maintenance account with a balance of $50,000.00 within 30 days of the Commencement Date and on each anniversary of the Commencement Date. This funding was initially established in FY 13 utilizing one-time monies. This request ensures this contingency account remains available in FY 14 pursuant to the sublease requirement.

<u>Appropriation #2014052 $953.33</u>

Source:	Special Revenue Fund Balance	$ 953.33

This request is to appropriate $953.33 in donations received in a previous fiscal year for the Police Department. The donations will primarily provide for police operating supplies, including those for the K-9 program.

<u>Appropriation #2014053 $10,000.00</u>

Source:	Special Revenue Fund Balance	$ 10,000.00

This request is to appropriate the funds from a called letter of credit to an expenditure account so that the County can return performance bond funding to the bank.

The developer White Gables Charlottesville, LC provided a performance bond to the County for the development of White Gables Condominiums Phase 1 and / or Phase 2 covering the water protection - erosion & sediment control improvements. The bond totaled $10,000.00 and was secured by a letter of credit from Wells Fargo Bank (formerly known as Wachovia Bank). The County called the letter of credit securing the bond in August 2010.

The developer completed the improvements and the County must return the unspent funds to the bank pursuant to the terms and conditions of the letter of credit.

Appropriation #2014054			**$106,251.22**
Source:	Donations	$ 26,840.00	
	Comm. Public Charter School Fund fund Bal.	$ 79,411.22	

This request is to appropriate School Division funding approved by the School Board on October 10, 2013:

This request is to appropriate $26,840.00 in donations received by the Community Public Charter School to be used for staff development, payroll, benefits, and educational materials. In addition, this request is to appropriate funds from the Community Public Charter Fund's fund balance in the amount of $79,411.22 that can be used in FY14.

The mission of the Community Public Charter School is to provide an alternative and innovative learning environment, using the arts, to help children in grades six through eight learn in ways that match their learning styles; developing the whole child intellectually, emotionally, physically, and socially. Seeking to serve students who have not succeeded in school, the program will close their achievement gap by offering a balance of literacy tutorials and an arts-infused curriculum.

By the above-recorded vote, the Board approved appropriations #2014050, #2014051, #2014052, #2014053, and #2014054 for various school division and general government projects and programs.

COUNTY OF ALBEMARLE			
APPROPRIATION SUMMARY			
APP#	**ACCOUNT**	**AMOUNT**	**DESCRIPTION**
2014050	3-3502-63502-315000-510100-6599	2,772.36	Use of Fund Balance
2014050	4-3502-63502-460601-601300-6599	2,772.36	Ed/Rec Supplies
2014050	3-3305-63305-318000-189900-6599	2,500.00	State Farm Grant
2014050	4-3305-63305-461144-601300-6301	833.34	Ed/Rec Supplies
2014050	4-3305-63305-461144-601300-6302	833.33	Ed/Rec Supplies
2014050	4-3305-63305-461144-601300-6304	833.33	Ed/Rec Supplies
2014050	3-3909-63909-318000-189900-6599	656.35	Misc. Revenue
2014050	4-3909-63909-461101-602000-6599	656.35	Textbooks
2014051		50,000.00	R&M Ivy Fire Station
2014051	3-9010-51000-351000-510100-9999	50,000.00	Approp Fund Balance
2014052	3-8405-51000-351000-510100-9999	953.33	App Fund Balance
2014052	4-8405-93010-493010-930009-9999	953.33	Trs to General Fund
2014052	3-1000-51000-351000-512008-9999	953.33	Trs. From Contribution Fund
2014052	4-1000-31013-431010-110000-1003	33.33	Salaries
2014052	4-1000-31013-431010-601310-1003	125.00	Canine Equipment/Supplies
2014052	4-1000-31013-431010-601000-1003	795.00	Police Supplies
2014053	3-9015-51000-351000-510100-9999	10,000.00	App fund balance
2014053	4-9015-91000-491000-940082-9999	10,000.00	White Gables
2014054	3-3380-63380-318100-181080-6599	26,840.00	Community Public Charter School Donations
2014054	3-3380-63380-351000-510100-6599	79,411.22	Fund Balance
2014054	4-3380-63380-461101-112100-6280	59,145.50	Salaries-Teacher
2014054	4-3380-63380-461101-132100-6280	21,179.70	P/T Wages - Teacher
2014054	4-3380-63380-461101-210000-6280	6,146.31	FICA
2014054	4-3380-63380-461101-221000-6280	7,552.88	VRS
2014054	4-3380-63380-461101-231000-6280	7,217.00	Health Insurance
2014054	4-3380-63380-461101-232000-6280	266.00	Dental Insurance
2014054	4-3380-63380-461101-241000-6280	703.83	Group Life Insurance
2014054	4-3380-63380-461101-312700-6280	3,840.00	Professional Service Consultants
2014054	4-3380-63380-461101-601300-6280	200.00	Ed/Rec Supplies
TOTAL		**348,173.18**	

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Item No. 7.5. Set public hearing on proposed Ordinance to establish an Auxiliary Police Force.

The executive summary states that Virginia Code § 15.2-1731 enables localities to establish, equip and maintain auxiliary police forces that have all the powers, authority and immunities of full-time law-enforcement officers if such forces have met specific training requirements (See Attachment A). Auxiliary police officers are non-paid volunteers who would "further preservation of the public peace, safety and good order of the community" by performing duties to assist in the delivery of police services to the community. They would not be permitted to carry or use a firearm while serving as an auxiliary police officer unless specific firearms training requirements have been met.

The Police Department wishes to establish an Auxiliary Police Force to enhance law enforcement services in the County as part of Phase I of the Geo-Policing effort.

A proposed ordinance giving the County's Chief of Police the authority to establish an Auxiliary Police Force is attached (Attachment B), as well as the Police Department's General Orders for Auxiliary Police Officers (Attachment C).

The primary function of an Auxiliary Police Force would be to augment the Department's patrol and administrative resources, especially during large pre-planned events or in situations that tend to overburden the normal operations of the Department. As part of the Geo-Policing Program, Auxiliary Police Officers would be utilized to support community outreach and crime prevention efforts.

Following are some of the duties Auxiliary Police Officers would perform:

1. Augment police staffing at community festivals, parades, concerts, street fairs and park patrols;
2. Augment police staffing for traffic control during large events;
3. Assist with crime prevention activities, such as Home Security Surveys and House Checks;
4. Assist with parking enforcement;
5. Provide limited support for patrol activities; and
6. Observe and report conditions requiring professional police services to the Police Department

Based upon information from the Virginia Department of Criminal Justice Services, there are three levels of Auxiliary Police Officers as follows:

Level I – Sworn, armed, trained to same DCJS standards as a certified police officer.
Level II – Sworn, armed, limited training and limited duties.
Level III – Sworn, unarmed, authorized to carry less-than-lethal weapons, limited training, and limited duties.

All Auxiliary Police Officers would be required to abide by the same standards, rules and regulations as regular Police Officers.

The attached draft ordinance provides that the number of auxiliary police officers would not exceed 15 percent of the paid force. This 15 percent cap is recommended by the Police Chief. The current number of authorized police officer positions is 126, so the number of auxiliary police officers would not exceed 18 at the current staffing levels. The Department estimates it would hire approximately six volunteers in the first year of the program, and that it would take another one to two years to reach the 18 officer limit.

The attached draft ordinance also amends County Code § 2-504 regarding the Volunteer Community Service Force to specify that volunteer community service officers do not assist with traffic control and crowd control and are not provided workers' compensation insurance coverage by the County. The Volunteer Community Service Force is intended to provide in-house support services and is not intended to function in the field. The Code of Virginia does not permit the County to offer worker's compensation insurance to the Volunteer Community Service Force.

The establishment of an Auxiliary Police Force would have a minimal impact on the budget. The estimated cost to provide a fully-outfitted uniform for one auxiliary police officer is $1,400.00, or $8,400 for 6 officers. This initial cost would be funded from the existing FY14 Police Department budget, and the Department would request the Albemarle County Police Foundation to purchase additional uniforms in the future. Staff believes that any firearms training for Level II and III officers would either be provided by the Department or would be funded with existing Department budget funds, and that the cost of any firearms would be funded with existing Department budget funds.

Because Auxiliary Police Officers will be performing police duties in the field, it is proposed that they would be provided health insurance coverage for job-related injuries similar to what is provided to volunteer firefighters. The cost of providing limited duty-related medical and disability insurance coverage for 6 officers would be approximately $990.90 per year. The cost of that coverage would be funded from the Department's budget. In addition, the County would be required to provide Line of Duty Act (LODA) benefits to the officers. The LODA coverage for the current fiscal year was billed at $77.17 per volunteer, and staff expects that the cost will increase each year. There is no cost for volunteers who begin after the beginning of the fiscal year, so there is no cost to provide LODA benefits for these officers in FY 14. The cost of providing LODA coverage to 18 volunteers in FY 15 and in each subsequent fiscal year is estimated to cost $1,389.06 or more if the cost increases as expected.

Using the designated value of volunteer service as located on the Volunteers in Police Service website ($22.90/hour in Virginia in 2011), the estimated value of service that would be provided by 6 volunteers each working an average of 10 hours per month (720 total hours/year) would be $16,488/year. The estimated value of service that would be provided by 18 volunteers each working an average of 10 hours per month (2,160 total hours/year) would be $49,464/year. Although the Department would not realize this amount in actual savings, the Department would realize some savings in reducing staff overtime costs, and it would be able to provide enhanced services.

Staff recommends that the Board set the attached proposed Ordinance (Attachment B) for a public hearing on December 4, 2013.

(**Discussion:** Mr. Boyd asked if this is talking about just changing the policy to allow more flexibility in how they use volunteers. Mr. Davis stated that this is expanding the role and responsibility of these officers from being in-house assistants to being out in the community, and Chief Sellers could address it further.

Mr. Mike Wagner, of the Police Department, said that they want to enhance capacity and authority, as well, so there are three different levels of auxiliaries that will be formed – which is currently limited.

Ms. Mallek noted that this is just the first step, and it would proceed to a formal public hearing.

Mr. Foley said that staff will have a full presentation as part of the public hearing.)

By the above-recorded vote, the Board set the proposed Ordinance for a public hearing on December 4, 2013.

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Item No. 7.5a. Resolution of Support for Nelson County's Applications for VDOT Transportation Alternatives Grant Funds for The Blue Ridge Tunnel Project.

By the above-recorded vote, the Board adopted the following resolution:

**RESOLUTION OF SUPPORT
FOR NELSON COUNTY'S APPLICATIONS
FOR VDOT TRANSPORTATION ALTERNATIVES GRANT FUNDS
FOR THE BLUE RIDGE TUNNEL PROJECT**

WHEREAS, Nelson County has completed the final design for the Blue Ridge Tunnel Project using Transportation Enhancement Program grant funds; and

WHEREAS, earlier this year, Nelson County received a $749,000 Federal Transportation Enhancement grant (now referred to as "Transportation Alternatives" grants) to begin rehabilitation work on the tunnel's eastern portal; and

WHEREAS, the completion of the Blue Ridge Tunnel Project will provide a unique regional attraction with historic, educational, and economic benefits as well as a safe and level trail for hikers, joggers, and bicyclers; and

WHEREAS, the Blue Ridge Tunnel is in the Greenwood/Afton Rural Historic District and is in close proximity to Albemarle County; and

WHEREAS, in November, Nelson County intends to request an additional $406,000 through the Transportation Alternatives Program;

NOW, THEREFORE, BE IT RESOLVED, by the Albemarle County Board of Supervisors that said Board supports Nelson County's application to the Virginia Department of Transportation for Transportation Alternatives Program grant funds, for Nelson County's Blue Ridge Tunnel Project.

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Item No. 7.6. FY 2014 1st Quarter Proffer Report and 2013 State Survey of Cash Proffers, ***was received for information.***

The executive summary states that in 2007, the Board directed staff to provide a quarterly report on the status of cash proffers. Since that time, the report has been expanded to also include updates on non-cash proffers. The Board received the last quarterly proffer report on August 7, 2013, which included information on cash proffer revenue and expenditures and non-cash proffers for April through June, 2013. This report includes all proffer activity (both cash and non-cash) for the first quarter of FY 2014 (July-September). This report also includes the County's annual report to the State for FY 2013. The next quarterly report will be on the Board's February 5, 2014 agenda.

Proffer Activity for Fiscal Year 2014 First Quarter (July-September)
A. New Proffered Revenue: There were no rezoning requests approved this quarter that provided new cash proffers.
B. Total Proffered Revenue: Total proffered revenue is $45,005,213.91. This reflects 2013 annual adjustments to anticipated proffer revenue (not received yet obligated) from proffers in which annual adjustments were proffered.
C. 1st Quarter Cash Revenue: The County received a total of $222,554.35 from existing cash proffers during this quarter from the following developments (corrections pending):

Development	Amount	Intended Purpose
Avinity	$13,714.11	CIP-Neighborhoods 4&5
Belvedere	$7,000.00	Affordable Housing
Haden Place	$16,700.00	CIP-Crozet
Livengood (Glenmore)	$61,384.02	CIP
Livengood (Glenmore)	$7,631.07	Affordable Housing
Wickham Pond II	$13,000.00	CIP-Crozet
Willow Glenn	$103,125.15	CIP
TOTAL	**$222,554.35**	

D. 1st Quarter Expenditures and Appropriations: There were no appropriations this quarter. A total of $302,199.32 was expended for the Crozet library and streetscape projects based on previous appropriations of proffer funds. (See Attachment A)

Current Available Funds: As of September 30, 2013, the available proffered cash on-hand is $3,820,780.32 (including interest earnings on proffer revenue received). Some of these funds were proffered for specific projects while others may be used for general projects within the CIP. Of the available proffered cash on-hand, $1,972,324.22 (including interest earned), is currently appropriated (See Attachment A for details). The net cash balance is $1,848,456.10 and Attachment B provides information on how the net cash balance may be used for future CIP projects.

FY 2013 Survey of Cash Proffers for Commission on Local Government

The state requires that localities accepting cash proffers report to the Commission on Local Government annually. The County's report for FY 2013 is attached (Attachment C). During FY 2013, the County collected $2,020,736.97 in cash proffers, most of which was proffer payments ($1.5 million) received from Stonefield (Albemarle Place). The amount expended in FY 2013 is $107,395.44. Appropriations, including interest that accrued in FY 2013, total $695,203 and are reflected on Attachment A.

Cash proffers are a valuable source of revenue to address impacts from development and they support the funding of important County projects which would otherwise be funded through general tax revenue. Using cash proffer funding for current or planned FY13–FY17 CIP projects builds capacity in the CIP by freeing up funding for other projects. In addition, non-cash proffers provide improvements that might otherwise need to be funded by general tax revenue.

Community Development Department and Office of Management and Budget staff monitor proffer funds on an on-going basis to ensure that associated projects not currently in the CIP move forward and to ensure that funding is appropriated to projects before any proffer deadlines.

This summary is provided for information only and no action is required at this time.

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Item No. 7.7. County Grant Application Report, ***was provided for information***.

The executive summary states that pursuant to the County's Grants Policy and associated procedures, staff provides periodic reports to the Board on the County's application for and use of grants.

The attached Grants Report provides a brief description of five grant applications submitted and eight awards received for the time period of June15, 2013 to October 15, 2013.

All grant funds and matching funds are subject to appropriation by the Board prior to the expenditure of any funds awarded to the County.

The budget impact is noted in the summary of each grant.

This report is for information only.

GRANT REPORT ACTIVITY from June 15, 2013 through October 15, 2013

Applications were made for the following grants:

Granting Entity	Grant	Amount Requested	Match Required	Dept.	Purpose
VA Office of the Attorney General	Asset Forfeiture Transfer Program Federal	$2,900,000	0	Police Dept.	Funding for a regional firearms training center
VA Office of the Attorney General	Asset Forfeiture Transfer Program Federal	$397,207	0	Police Dept.	Funding for training and equipment for Crisis Intervention officers
VA Association of Hazardous Materials Response Specialists	Haz-Mat Equipment/Training Grant State	$2,000	0	Fire/Rescue	Purchase of a Multirae gas meter
Junior League of Charlottesville	Community Grant Local	$1,000	0	Social Services	Purchase of summer kits for children in Family Support caseload
VA Dept. of Environmental Quality	Stormwater Local Assistance Fund State	$200,000	0 Dept. Budget	General Services	Supplement local funds appropriated for the Church Road project

Awards were received for the following grants:

Granting Entity	Grant	Amount Requested	Match Required	Dept.	Purpose
VA Dept of Criminal Justice Services (DCJS)	Byrne Justice Assistance Grant Federal Continuation Grant	$71,250	$3,750 YMCA	Social Services	Fund an ongoing after school program for elementary school children who live at the Wilton Farm Subdivision in the County. The program will be housed at the Broadus Memorial Baptist Church located near Wilton Farm on Rt. 20. The Charlottesville/Albemarle YMCA will provide the teachers and staff for the program and the program will include the evidence based PATHS (Promoting

					Alternative Thinking Strategies) curriculum.
DCJS	State Justice Assistance Grant Federal Continuation Grant	$28,227	$1,485 County Matching Funds	Police	Evidence collection and management equipment and related training. The equipment has long-term maintenance expenses. In addition, the mobile device evidence recovery system has a $2,900 annual maintenance fee for necessary updates and additions, which may have to be added to the PD's IT budget.
DCJS	DCJS-CCCA/PSA Federal Continuation Grant	$709,860	0	OAR	Provision of pre-trial and probationary services
DCJS	Victim-Witness Program Federal & State	$84,506		Police	Support Staffing for Victim-Witness Programs – funds appropriated in annual budget Annual Funding
DCJS	Byrne Justice Assistance Grant Federal	$64,601	$7,179 Dept. Budget	Police	Salary and Benefits – Crime Analyst
DCJS	One-time Equipment Grant Federal	$728	$81	OAR	Purchase camcorder and digital recorders for interviews – Orange Office
VA Division of Motor Vehicles (DMV)	Highway Safety Grant Federal	$15,000	$7,500 Dept. In-Kind	Sheriff	Selective Speed Enforcement
DMV	Highway Safety Grant Federal	$33,600	$2,570 Dept. Budget	Police	Traffic Safety – Speed Enforcement

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Item No. 7.8. Project Based Vouchers: The Crossings at 4th and Preston, ***was received for information.***

The executive summary states that staff has provided frequent updates to the Board on the status of the approval of nine project-based vouchers (PBVs) for The Crossings at 4th and Preston. On July 3, 2013, staff provided a timeline detailing actions from March 2012. A second update was provided to the Board on August 14, 2013 at which time the Board appointed Ms. Mallek and Mr. Snow to participate with staff in a meeting with HUD officials. This meeting was to be convened by Congressman Hurt's office and its purpose was to get specific information regarding remaining deficiencies requiring County action and a timeframe for HUD's approval.

The meeting with HUD officials, Richmond and Headquarters, was scheduled for September 6, 2013. On August 30, 2013, the County received correspondence from the HUD's Richmond Office notifying the County that the Environmental Review completed by the City was inadequate and that HUD would have to conduct its own review. In addition, the County was informed that additional radon testing would be required prior to HUD conducting the review. Based on this information, staff determined that a conference call would be preferable to a trip to Washington and this call was scheduled for September 6, 2013. Ms. Mallek and Mr. Snow participated in the conference call with Mr. Walker and Mr. White. The major items discussed were:

- The reason for HUD's determination that the original Environmental Review was deemed inadequate;
- HUD's requirement that the County and the Charlottesville Redevelopment and Housing Authority (CRHA) request HUD to conduct a new Environmental Review in writing;
- That HUD would provide specific requirements for the additional radon testing;
- That HUD's Headquarters would begin the review of all other submissions including waiver requests informing the County if additional information was needed; and
- The County's revised Administrative Plan, Chapter 20 – Project-based Vouchers, will be presented to the Board on September 11, 2013 for adoption and would then be immediately transmitted to HUD.

The Administrative Plan was adopted by Board resolution on September 11th and the resolution was then sent to HUD, along with the revised Chapter 20. The County and CRHA also sent letters to HUD requesting that it complete an Environmental Review for the property. HUD provided specific requirements for the radon testing on or about September 25th and the City procured a licensed professional to conduct the tests. The report on the testing was received on October 8th and was forwarded to HUD (however, this was after the furlough of federal employees). The report showed that all testing sites resulted in radon levels well below the actionable levels. The County has corresponded with Congressman Hurt's office, most recently on October 21, 2013 to get updates from Headquarters. To date, the County has not received a timeframe for HUD approval.

Regarding the continued local support for The Crossings, the County made contributions for September and October, 2013 from previously-appropriated local funds. Sufficient funds remain to make a full contribution to support the six remaining tenants for November. A balance of $2,561 will remain after the November payment. A full month contribution is $3,279.

There are no budget impacts with this update.

Staff is providing this update for information only. Because staff has not received a timeframe for HUD approval of the Project-based Vouchers for The Crossings due, at least in part, to the sixteen-day federal government shutdown, there is not adequate information to make further recommendations at this time. Staff will prepare an update for the Board's December 4, 2013 meeting, which may include recommendations regarding continued County support.

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Item No. 7.9. Copy of letter dated October 8, 2013, from Mr. Ronald L. Higgins, Chief of Zoning/Deputy Zoning Administrator, to Mr. Michael Maupin, ***re: LOD-2013-00006 – OFFICIAL DETERMINATION OF PARCELs OF RECORD – Tax Map 56, Parcel 76 (property of Charles W. Maupin, III, Ruby A. M. Debham & Michael Dean Maupin c/o Michael Maupin) White Hall Magisterial District, was received for information.***

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Item No. 7.10. Copy of letter dated October 10, 2013, from Ms. Sarah D. Baldwin, Senior Planner, to Mr. Lewis D. Pound, ***re: LOD-2013-00009 – OFFICIAL DETERMINATION OF PARCEL OF RECORD & DEVELOPMENT RIGHTS – Tax Map 75, Parcel 43, Samuel Miller Magisterial District, was received for information.***

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Item No. 7.11. Copy of letter dated October 10, 2013, from Ms. Sarah D. Baldwin, Senior Planner, to Ms. Kathleen Morgan Klumpp, Trustee, ***re: LOD-2013-00010 – OFFICIAL DETERMINATION OF PARCEL OF RECORD & DEVELOPMENT RIGHTS – Tax Map 102, Parcel 19C, Scottsville Magisterial District, was received for information.***

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Item No. 7.12. November 2013 VDOT Charlottesville Residency Monthly Report for Albemarle County, ***was received for information***.

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Agenda Item No. 8. Recognitions:

Item No. 8a. Digital Government Award.

Ms. Mallek said that for the eleventh year in a row, Albemarle County has been named among the top ten most technologically advanced, cutting edge county governments of its size in the U.S. by the Center for Digital Government and the National Association of Counties (NACo) in their 2013 Digital Counties Survey. Albemarle County ranks fourth in the nation utilizing information technology to deliver high quality service to its customers and citizens based on a population category of 150,000 or less, the highest ranking ever received by Albemarle. Albemarle County is the highest-ranking Virginia locality for this population category, ahead of Roanoke, Franklin and Gloucester Counties.

The County is delighted to be included in the elite communities across the country that are receiving national recognition for providing quality information technology services to their citizens. This award reinforces the County's emphasis on using information and communication technology to create operational efficiencies and provide cost-effective quality service to county residents in these challenging times.

The County is truly are providing convenient access to county government services 24 hours a day, 7 days a week – saving time and reducing impacts to its environment as citizens are more and more able to do business with Albemarle at the time and place of their choosing.

Ms. Mallek said that this honor is a strong testament to the County's IT staff, who under the leadership of Mr. Mike Culp continues to keep the County on the leading edge of technology innovations. It also reflects the hard work of the County Web Team which is led by the Office of Community and Business Partnerships and comprised of the Webmaster, Ms. Elaine Pack; and the Departmental Web editors who are so critical to keeping the website accurate and up-to-date.

Ms. Mallek then thanked those staff members for their hard work and for achieving this well deserved recognition on behalf of the County. She then presented the plaque to Mr. Culp and County staff.

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Item No. 8b. Susan A. King, External Affairs Representative, Dominion Virginia Power.

Ms. Mallek then introduced Ms. Susan King.

Ms. King said that her primary role is serving as liaison between Dominion Virginia Power and the community. Virginia Power's goal is to deliver safe, reliable electric service – and when they cannot do that, constituents need information. She stated that she was asked to provide information on the Dooms to Bremo transmission rebuild. The project is on schedule to be completed in October 2014 – with three phases of the line already finished. Ms. King said that the fourth phase (3B) involves more rocky and mountainous terrain. Property owners are receiving information from Dominion on the status of the project. She stated that the Hollymead substation project involves a temporary line that was erected which is now being removed, and one part of the double circuit is energized; once that is down and out of the way the next section of double-circuit line will be put up, followed by the last mile to Hollymead substation. Ms. King said that the substation will be very visible to Forest Lakes, and Dominion is working with the homeowners association to minimize impacts from construction.

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Item No. 8c. ~~Tom LaBelle, Division Chief for Volunteer Services~~ **(moved to December 4)**.

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Agenda Item No. 9. TJ Regional Legislative Package, David Blount, Legislative Liaison.

Mr. Blount said that the Regional Legislative Program for 2014 is before the Board for its review and approval. He noted that the draft program continues the six priority items from the past year with some repositioning to place heavier emphasis on certain items. Mr. Blount said that the majority of the priority items have been among the regional priorities for several years. There is also a section of the program that contains ongoing positions on areas of continuing concern – with items from localities in the region as well as changes to topics outside the priority items.

At the request of several localities in the region, Mr. Blount reported that public education funding has been made the top priority for the coming General Assembly session, which comes at a time when the state's contribution to K-12 education has dropped from 35% of total state budget in FY 2009 to less than 30%, and the per pupil amount is about $400 less in FY14 than it was in FY09 – all during a time when student enrollment across the state has increased by more than 30,000 students. He stated that the Virginia Retirement System continues to be a budget driver as the state tries to make up for past underfunding, and the schools have included in their report to the Board its calculated costs for the coming year due to an increased contribution rate for teachers. Mr. Blount said that there is a pending change for VRS from the Governmental Accounting Standards Board that will push the unfunded liability for the teacher pension plan to the entity that funds the program, which means the localities and school divisions. The position included in the legislative program supports sharing that responsibility between the state and the localities. He stated that there may be some opportunities for additional K-12 funding in the coming year, with additional revenues available to hopefully make up for losses over the past four or five years.

Mr. Blount said that they will continue the focus on mandates, state funding obligations and cost shifting, which was a big push in the past year. There is a specific note in the position for support of changes to the local fiscal impact review process. He stated that regarding the fiscal impact of budget items, a task force is recommending that it be part of a larger discussion with state-wide stakeholders and state officials as they move through the next year. He reported that they are continuing to emphasize the restoration of secondary and urban allocations, which had been suspended for the past several years. The program continues to oppose the notion of shifting the obligation for secondary roads from the state to localities.

Mr. Blount stated that he has modified the language in the Nutrient Trading Act, which is included in the Chesapeake Bay TMDL position, and also included in that position is support for an "agreement in lieu of" plan. He said that this pertains to stormwater management plans and is an item that has been suggested by one of the other localities in the region, and has garnered the attention of a number of other localities across the state as well as statewide organizations. He explained that the regulations now require for individual lots – if there is a disturbance of an acre or more of the land in the developing of that lot – that there be a stormwater management plan. Mr. Blount said that there is widespread consensus that this would be a costly and burdensome process for an individual lot owner to have to bear, and the legislative position supports an alternative that would set in place a different type of agreement that's similar to what is in place now under the erosion and sediment control provisions of the Code. He noted that this item is on the agenda of the VACo steering committee that Ms. Mallek chairs.

Mr. Blount said that in the land use and growth management priority, there is a position on impact fees and support of changes to the 2007 law that is fairly limited currently. He stated that he has also added a position with regard to the discussion of changes in the definition of "farm operations" and the potential lessening of local authority should that happen. His statement is in opposition to lessening authority. Mr. Blount added that there are a few changes highlighted in the "ongoing concerns" section, with the new positions noted and old language taken out, to accommodate changes that are outside of the main priority areas or requests from individual localities. He mentioned that their annual legislative forum will be held on Tuesday, December 3 at 6:00 p.m. at TJPDC, which will focus on local implications related to the Affordable Care Act.

Mr. Rooker stated that the Transportation Funding Act went into effect in July, and said that it would be interesting to look at revenues before and after to determine whether the revenue projections are being realized. He said that the internet sales tax act is not going to pass at the federal level, and there was a whole component of transportation funding projected from that – and large fleets of trucks are converting to natural gas and propane, which will skirt the gas and diesel tax. It will be interesting to see the data on the actual revenue.

Mr. Blount said that he will try to obtain some of that data. He added that if the internet taxation provisions through the Marketplace Equity Act have not been put into place by a certain date, it will kick in an additional increase in the wholesale fuel tax.

Ms. Mallek then **moved** to approve the 2014 Legislative Program as presented. Mr. Rooker **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

(**The Legislative Program is set out below:)**

2014
Thomas Jefferson Planning District Legislative Program

Representing the Local Governments of:

Albemarle County
City of Charlottesville
Fluvanna County
Greene County
Louisa County
Nelson County

October 2013

Allen Hale, Chairman
David Blount, Acting Executive Director/Legislative Liaison

PRIORITY ITEMS

PUBLIC EDUCATION FUNDING

Legislative Position of Charlottesville City and the
Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson

PRIORITY: The Planning District localities urge the State to fully fund its share of the realistic costs of the Standards of Quality without making policy changes that reduce funding or shift funding responsibility to localities. Further, we believe that unfunded liability associated with the teacher retirement plan should be a shared responsibility of state and local government.

Rationale: The state will spend about $5.3 billion on public education in FY14, about 30% of its general fund budget. The level of state funding for FY14 remains below the FY09 amount by more than $250 million; state per pupil expenditures for FY14 of $4,880 are still well below the FY09 high of $5,274 per pupil by almost $400. Meanwhile, local governments boost education funding by spending over $3.3 billion more per year than required by the state.

Reductions in state public education dollars the last four to five years have been accomplished mainly through policy changes that are decreasing the state's funding obligations moving forward. For example, the state has "saved" millions of dollars by shifting costs to localities through making some spending ineligible for state reimbursement or lowering the amount of the payback. It previously imposed a cap on state funding for education support personnel and has reduced funding for other support costs.

Policy changes to the Virginia Retirement System (mandatory teacher 5% for 5%) are not a zero sum game for localities and do nothing to reduce a $15.2 billion unfunded teacher pension liability. A coming GASB rules change will assign liabilities associated with cost-shared pension plans (like the Virginia teacher plan) to the government (in our case, local) that makes the payment, potentially impacting credit ratings. The state sets standards and benefits for teachers; it should take responsibility for part of their pension plan's unfunded liability. Meanwhile, contribution rates are expected to surge again, as the State pays back previously borrowed VRS funds and seeks to make up for past underfunding.

Position Statements:
The State should resist further policy changes that require localities to fund a greater share of costs. State funding should be realistic and recognize actual needs, practices and costs; otherwise, more of the funding burden will fall on local taxpayers. Localities and school divisions should have flexibility to meet requirements and management their budgets when state funding decreases and cost-shifting occurs.

We also take the following positions:

1) The State should not eliminate or decrease funding for benefits for school employees.
2) Localities in our region should be included in the "Cost of Competing Adjustment" available to various localities primarily in Northern Virginia.
3) We support establishment of a mechanism for local appeal of the calculated Local Composite Index to the State.
4) We urge state financial assistance with school construction and renovation needs, including funding for the Literary Loan and interest rate subsidy programs. The State should discontinue seizing dollars from the Literary Fund to help pay its costs for teacher retirement.

STATE MANDATES & FUNDING OBLIGATIONS

Legislative Position of Charlottesville City and the
Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson

PRIORITY: The Planning District localities urge the governor and legislature to 1) not impose financial or administrative mandates on localities; 2) not shift costs for state programs to localities; and 3) not further restrict local revenue authority.

Rationale: Locality budgets continue to be challenged by slowly-recovering local revenue, stagnant state funding and additional requirements. While state general fund appropriations have increased by $2 billion since FY09, state assistance to local governments for locally-administered programs is $375 million less for FY14 than in FY09. These reductions have not been accompanied by program changes that could alleviate financial burdens on localities, as state standards prescribe how services are to be delivered and localities have to meet such standards regardless of the costs. The governor and state officials have boasted of state budget "surpluses" the past four years, yet continue to approve unfunded and underfunded state requirements and shift costs to localities, straining local ability to craft effective and efficient budgets to deliver services mandated by the state or demanded by residents.

Position Statements:

We oppose unfunded state and federal mandates and the cost shifting that occurs when the state fails to fund requirements or reduces or eliminates funding for state-supported programs. Any state funding reductions for state-required services/programs should be accompanied by relaxation or suspension of the state requirement or flexibility for the locality to meet the requirement. We support efforts to improve and enhance the process for determining local fiscal impacts of proposed legislation, including additional state involvement and resources to support such fiscal analyses and reinstatement of the "first day" introduction requirement for bills with local fiscal impact.

Changes to Virginia's tax code or in state policy should not reduce local government revenue sources or restrict local taxing authority. Any legislative or study committee examining such revenues or authority should include local government representation. This includes proposals to alter or eliminate the BPOL and Machinery and Tools taxes, or to divert Communications Sales and Use Tax Fund revenues intended for localities to other uses. Instead, the legislature should broaden the revenue sources available to local governments.

The State also should not confiscate or redirect local general fund dollars to the state treasury, as was done in 2012 when it directed a portion of fines and fees collected at the local level pursuant to the enforcement of local ordinances to the Literary Fund. The State should refrain from establishing local tax policy at the state level and allow local governments to retain authority over decisions that determine the equity of local taxation policy. The State should equalize the revenue-raising authority of counties with that of cities, and also should ensure the appropriate collection of transient occupancy taxes from online transactions.

TRANSPORTATION FUNDING and DEVOLUTION

*Legislative Position of Charlottesville City and the
Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson*

PRIORITY: The Planning District localities urge the State remain focused on providing for sufficient state revenues to expand and maintain our transportation infrastructure. It is imperative that the State restore formula allocations for secondary/urban construction and for unpaved roads. We oppose any legislation or regulations that would transfer responsibility to counties for construction, maintenance or operation of current or new secondary roads.

Rationale: State leaders took a big step this past year toward addressing transportation infrastructure needs with approval of a transportation funding package that is expected to generate nearly $800 million per year by 2018, with funding targeted primarily for road maintenance, rail and transit. Under the approved plan, revenues for transportation are being generated from policy changes that 1) eliminated the gas tax and converted it to a wholesale tax (on both gas and diesel); 2) increased the state sales tax from 5% to 5.3%, while also hiking the motor vehicle sales tax and the alternative fuel vehicles annual fee; 3) diverted additional general fund dollars to transportation; and 4) will utilize internet sales tax collections, should federal law be put in place. Previous legislative changes (2012) authorize $500 million of the top for Commonwealth Transportation Board priorities before funds are provided to the construction fund. Accordingly, construction funding for secondary and urban roads, suspended in 2010, has not been restored and is not due to resume until 2016.

Position Statements:

We urge the state to restore formula allocations for secondary/urban construction and for unpaved roads, and we support stable and increasing dollars for cities and towns to maintain roads within their jurisdictional boundaries. Funding for urban, suburban and secondary road improvements are vital to our region's ability to respond to local and regional congestion and economic development issues.

Concerning secondary road devolution, we believe that efficient and effective transportation infrastructure, including the secondary road system, is critical to a healthy economy, job creation, a cleaner environment and public safety. In the past 20 years, the number of miles travelled on Virginia roadways has steadily increased, while the attention to maintaining the nearly 50,000 mile secondary system took a back seat. We oppose shifting the responsibility for secondary roads to local entities, which could result in vast differences among existing road systems in different localities, potentially placing the state at a competitive economic disadvantage with other states when considering business and job recruitment and movement of goods.

We support ongoing state and local efforts to coordinate transportation and land use planning, without eroding local land use authority, and state incentives for localities that do so. We urge VDOT to be mindful of various local and regional plans when conducting corridor or transportation planning within a locality or region.

We also take the following positions:

1) We support enabling authority to establish mechanisms for funding transit and non-transit projects in the region.
2) While we opposed the closing of VDOT's Louisa residency facilities and support its reopening, we also support the option for the locality to purchase the property.

CHESAPEAKE BAY TMDL

Legislative Position of Charlottesville City and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson

PRIORITY: The Planning District localities support the goal of improved water quality, but believe it is imperative that we have major and reliable forms of financial and technical assistance from the federal and state governments if comprehensive water quality improvement strategies for local and state waters emptying into the Chesapeake Bay are to be effective. We support fairness in applying requirements for reductions in nutrient and sediment loading across source sectors, along with accompanying authority and incentives for all sectors to meet such requirements. The Planning District localities are in strong agreement that we will oppose actions that impose monitoring, management or similar requirements without providing sufficient resources.

Rationale: As the result of various court settlements concerning the Clean Water Act of 1972, the Environmental Protection Agency is enforcing water quality standards in the Chesapeake Bay watershed by imposing a pollution diet (known as Total Maximum Daily Load, or TMDL) to reduce pollution to acceptable levels. Bay states submitted plans for achieving TMDL goals of reducing nitrogen, phosphorous and sediment flowing into the Bay. The TMDL and Virginia Watershed Implementation Plan require two-year milestones for the state and localities. As local governments will be greatly impacted by initiatives to reduce pollutants into state waters of the Bay watershed, it is imperative that aggressive state investment in meeting such milestones occurs. This investment must take the form of authority, funding and other resources being in place to assure success, and must ensure that cost/benefit analyses are conducted of solutions that generate the greatest pollution reductions per dollar spent.

Local governments particularly are concerned about the various effects on their communities and their economic growth. There will be costs to meet reduced pollutant discharge limitations for localities that own/operate treatment plants. Local governments will be required to develop and implement nutrient management programs for certain large, public properties. Costs for stormwater management regulations will fall on both new development and redevelopment. There will be economic impacts due to increased cost for compliance by agriculture and increased fees charged by the permitted dischargers.

Position Statements:

1) We support sufficient state funds for the full cost of implementing TMDL measures that will be required of local governments. This includes costs associated with revised stormwater management regulations and requirements for locally-implemented stormwater management programs, as fees that have been authorized likely will be inadequate to cover costs associated with the new programs. The state should consider using state budget surplus dollars to fund such measures. We also support allowances for modified stormwater management plans for individual lots.

2) We support sufficient federal funds for grants and low-interest loans for capital costs, such as for permitted dischargers to upgrade treatment plants and for any retrofitting of developed areas, while minimizing the economic impact of increased fees.

3) We support sufficient state funding for a) the Cooperative Extension Service and Soil and Water Conservation Districts to aid farmers with best management practices (BMP) in their operations, and b) the Soil and Water Conservation Board for monitoring resource management plan compliance.

4) We believe that implementation of the Nutrient Trading Act to allow exchange of pollution allocations among various point and nonpoint sources should contain such exchanges within a particular watershed, so as to improve the health of local waters.

LAND USE and GROWTH MANAGEMENT

Legislative Position of Charlottesville City and the Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson

PRIORITY: The Planning District localities encourage the state to provide local governments with additional tools to manage growth, without preempting or circumventing existing authorities.

Rationale: In the past, the General Assembly has enacted both mandated and optional land use provisions applicable to local governments in order to address growth issues. While some have been helpful, others have prescribed one-size-fits-all rules that hamper various localities that may approach their land use planning differently. Preemption or circumvention of existing local authority hinders localities in implementing the comprehensive plan or overseeing land uses. Moreover, current land use authority often is inadequate to allow local governments to provide for balanced growth in a manner that protects and improves quality of life.

Position Statements:

The General Assembly should grant localities additional tools necessary to meet important infrastructure needs that are driven by development. We endorse efforts to have impact fee and proffer systems that are workable and meaningful for various parties, but we oppose attempts to weaken our current proffer authority. Rather, we support revisions to the current road impact fee authority that would include additional localities and provide: 1) a fair allocation of the costs of new growth on public facilities; 2) facility costs that include various transportation modes, schools, public safety, libraries and parks; 3) effective implementation and reasonable administrative requirements; and 4) no caps or limits on locality impact fee updates.

We also take the following positions:

1) We oppose efforts to unnecessarily expand and commercialize the definition of farm operations that would impede local abilities to protect the property values, health, safety and welfare of citizens in the locality.
2) To enhance our ability to pay for infrastructure costs and to implement services associated with new developments, we support localities being given authority to enact local ordinances for determining whether public facilities are adequate (“adequate public facility,” or APF ordinances).
3) We support optional cluster development as a land use tool for local governments.
4) Concerning conservation of land, we support a) state funding for localities, at their option, to acquire, preserve and maintain open space; b) authority to generate local dollars for such efforts; c) additional incentives for citizens to create conservation easements; and d) authority for localities, at their option, to enact scenic protection and tourist enhancement districts.

COMPREHENSIVE SERVICES ACT

Legislative Position of Charlottesville City and the
Counties of Albemarle, Fluvanna, Greene, Louisa and Nelson

PRIORITY: The Planning District localities urge the state to be partners in containing costs of the Comprehensive Services Act (CSA) and to better balance CSA responsibilities between state and local government. We also request increased state dollars for local CSA administrative costs.

Rationale: Since the inception of the Comprehensive Services Act in the early 1990’s, there has been pressure to hold down costs, to cap state costs for serving mandated children, to increase local match levels and to make the program more uniform by attempting to control how localities run their programs. After years of steep increases (ranging from five to 16 percent) in state and local costs of residential and non-residential mandated services, CSA pool expenditures for state and local governments have declined or remained steady the last four years as the number of youth receiving services has dropped. Costs remain challenging to forecast because of factors beyond state and local control (number of mandated children in a community, severity of problems, service rates, and availability of alternative funding).

In addition, localities pay the overwhelming majority (80%) of costs to administer this shared program. State dollars for administration have not increased since the late 1990’s. At the same time, administrative costs have jumped due to additional data collection and reporting requirements.

Position Statements:

We take the following positions:

1) The state should either provide additional funding to localities for administrative support or revise its data collection and reporting requirements.
2) The state should provide full funding of the state pool for CSA, with allocations based on realistic anticipated levels of need.
3) The state should establish a cap on local expenditures in order to combat higher local costs for serving mandated children, costs often driven by unanticipated placements in a locality.
4) The categories of populations mandated for services should not be expanded unless the state pays all the costs.
5) The state should be proactive in making residential facilities and service providers available, especially in rural areas.
6) In a further effort to help contain costs and provide some relief to local governments, we recommend that the state establish contracts with CSA providers to provide for a uniform contract management process in order to improve vendor accountability and to control costs.

AREAS OF CONTINUING CONCERN

ECONOMIC and WORKFORCE DEVELOPMENT

The Planning District's member localities recognize economic development and workforce training as essential to the continued viability of the Commonwealth. We support policies that closely link the goals of economic and workforce development and the state's efforts to streamline and integrate workforce activities and revenue sources. We also support increased state funding for workforce development programs.

- We support the state's Economic and Workforce Development Strategic Plan for the Commonwealth that more clearly defines responsibilities of state and local governments and emphasizes regional cooperation in economic, workforce and tourism development.

- We support meaningful opportunities to boost regional collaboration and projects. Specifically, we endorse enhanced state funding for the Regional Competitiveness Act to initiate and sustain such efforts. We also support increased state funding for the Industrial Site Development Fund, the Governor's Opportunity Fund and tourism initiatives that help promote economic development in localities and regions.

- We encourage the state and local governments to work with other entities to identify, to provide incentives for and to promote local, regional and state agricultural products and rural enterprises, and to encourage expansion and opportunities for such products and enterprises.

- We increased state funding for the Virginia Cooperative Extension Service.

- We encourage continuing state incentives and support for expediting deployment and reducing the cost of broadband technology, particularly in underserved areas.

ENVIRONMENTAL QUALITY

The Planning District's member localities believe that environmental quality should be funded and promoted through a comprehensive approach, and address air and water quality, solid waste management, land conservation, climate change and land use policies. We are committed to protection and enhancement of the environment and recognize the need to achieve a proper balance between environmental regulation and the socio-economic health of our communities within the constraints of available revenues. Such an approach requires regional cooperation due to the inter-jurisdictional nature of many environmental resources, and adequate state funding to support local and regional efforts.

We believe the following:

- The state should not impose a fee, tax or surcharge on water, sewer, solid waste or other local services to pay for state environmental programs. To do so would set a disturbing precedent whereby the state could levy surcharges on local user fees to fund state priorities.
- The legislature should continue to provide funding for wastewater treatment and other necessary assistance to localities as it works to clean up the state's impaired waterways. The state also should explore alternative means of preventing and remediating water pollution.
- We oppose legislation mandating expansion of the Chesapeake Bay Preservation Act's coverage area. Instead, we urge the state to 1) provide legal, financial and technical support to localities that wish to comply with any of the Act's provisions**,** 2) allow localities to use other practices to improve water quality, and 3) provide funding for other strategies that address point and non-point source pollution.
- We support legislative and regulatory action to 1) ensure that alternative on-site sewage systems will be operated and maintained in a manner that protects public health and the environment, and 2) increase options for localities to secure owner abatement or correction of system deficiencies.
- The state should be a partner and advocate for localities in water supply development and should work with and assist localities in addressing water supply issues, including investing in regional projects. Also, the state's water supply planning efforts should continue to involve local governments.
- We support legislation enabling localities, as a part of their zoning ordinances, to designate and/or reasonably restrict the land application of biosolids to specific areas within the locality, based on criteria designed to further protect the public safety and welfare of citizens. In addition, we support increased local government representation on the Biosolids Use Regulation Advisory Committee.
- We support scenic river designation for a portion of the Tye River in Nelson County.

HEALTH and HUMAN SERVICES

The Planning District's member localities recognize that special attention must be given to developing circumstances under which people, especially the disabled, the poor, the young and the elderly, can achieve their full potential. Funding reductions to community agencies have been especially troublesome, as their activities often end up preventing more costly services later. The delivery of health and human services must be a collaborative effort from federal, state and local agencies. We urge the General Assembly to ensure funding is available to continue such valuable preventive services.

- We oppose any changes in state funding or policies that result in an increase of the local share of costs for human services.
- The state should increase funding to the Virginia Juvenile Community Crime Control Act (VJCCCA) program, which has cut in half the number of juvenile justice commitments over the past decade.
- The state should provide sufficient funding to allow Community Services Boards (CSBs) to meet the challenges of providing a community-based system of care, including maximizing the use of Medicaid funding. We believe children with mental health needs should be treated in the mental health system, where CSBs are the point of entry. We support state action to increase investment in the MR waiver program for adults and young people and Medicaid reimbursement for children's dental services. We also oppose any shifting of Medicaid matching requirements from the state to localities, and request sufficient federal and/or state financial resources associated with new or additional roles and responsibilities for local governments due to any expansion of Medicaid.
- We urge full state funding to offset any increased costs to local governments for additional responsibilities for processing applications for the FAMIS program.
- We support funding for mental health and substance abuse services at juvenile detention centers.
- We oppose new state or federal entitlement programs that require additional local funding.
- We support the provision of sufficient state funding to match all available federal dollars for the administration of mandated services within the Department of Social Services (DSS), and to meet the staffing standards for local departments to provide services as stipulated in state law. Additionally, the state should not assess penalties on localities resulting from federal Title IV-E foster care audit findings; rather it should adequately fund, equip and support local DSS offices.
- We support sufficient state funding assistance for older residents, to include companion and in home services, home delivered meals and transportation.
- We support the continued operation and enhancement of early intervention and prevention programs (and renewal of CSA Trust Fund dollars to support them), including school-based prevention programs which can make a difference in children's lives. This would include the state's program for at-risk four-year-olds and the Child Health Partnership and Healthy Families programs, as well as Part C of the Individuals with Disabilities Education Act (infants and toddlers).
- The legislature should provide full funding to assist low-income working and TANF (and former TANF) families with childcare costs. These dollars help working-class parents pay for supervised day care facilities and support efforts for families to become self-sufficient. We oppose any initiatives to shift traditional federal and state childcare administrative responsibility and costs to local governments. We believe the current funding and program responsibility for TANF employment services should remain within the social services realm. We also support a TANF plan that takes into account and fully funds state and local implementation and support services costs.

HOUSING

The Planning District's member localities believe that every citizen should have an opportunity to afford decent, safe and sanitary housing. The state and localities should work to expand and preserve the supply and improve the quality of affordable housing for the elderly, disabled, and low- and moderate-income households. Regional housing solutions and planning should be implemented whenever possible.

- We support the following: 1) local flexibility in the operation of affordable housing programs, 2) creation of a state housing trust fund, 3) local flexibility in establishment of affordable dwelling unit ordinances, 4) grants and loans to low- or moderate-income persons to aid in purchasing dwellings, and 5) the provision of other funding to encourage affordable housing initiatives.
- We support enabling legislation that allows property tax relief for community land trusts that hold land for the purpose of providing affordable homeownership.
- We support measures to prevent homelessness and to assist the chronic homeless.
- We support incentives that encourage rehabilitation and preservation of historic structures.
- We support retaining local discretion to regulate the allowance of manufactured homes in zoning districts that permit single-family dwellings.
- We encourage and support the use of, and request state incentives for using environmentally friendly (green) building materials and techniques, which can contribute to the long-term health, vitality and sustainability of the region.

PUBLIC SAFETY

The Planning District's member localities encourage state financial support, cooperation and assistance for law enforcement, emergency medical care, criminal justice activities and fire services responsibilities carried out locally.

- We urge the state to make Compensation Board funding a top priority, fully funding local positions that fall under its purview. It should not increase the local share of funding constitutional offices or divert funding away from local offices, but increase money needed for their operation. Local governments continue to provide much supplemental funding for constitutional officer budgets when state funding is reduced.
- We urge continued state funding of the HB 599 law enforcement program (in accordance with *Code of Virginia* provisions), the drug court program and the Offender Reentry and Transition Services (ORTS), Community Corrections and Pretrial Services Acts. We also support continued state endorsement of the role and authority of pretrial services offices.
- The state should continue to allow exemptions from the federal prisoner offset and restore the per

diem payment to localities for housing state-responsible prisoners to $14 per day. Also, the state should not shift costs to localities by altering the definition of state-responsible prisoner.

- We support restoration of state funding responsibility for the Line of Duty Act.
- We urge state funding for the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program and other incentives that would help recruit and retain emergency service providers. Further, the state should improve access to and support for training for volunteer and paid providers.
- We encourage shared funding by the state of the costs to construct and operate regional jails; however, we do not believe the state should operate local and regional jails.

LOCAL GOVERNMENT STRUCTURE and LAWS

The Planning District's member localities believe that since so many governmental actions take place at the local level, a strong local government system is essential. Local governments must have the freedom and tools to carry out their responsibilities.

- We oppose intrusive legislation involving purchasing procedures; local government authority to establish hours of work, salaries and working conditions for local employees; matters that can be adopted by resolution or ordinance; and procedures for adopting ordinances.
- We request that any changes to the Virginia Freedom of Information Act (FOIA) preserve 1) a local governing body's ability to meet in closed session, 2) the list of records currently exempt from disclosure under FOIA, and 3) provisions concerning creation of customized computer records. We support changes to allow local and regional public bodies to conduct electronic meetings as now permitted for state public bodies.
- We support allowing localities to use alternatives to newspapers for publishing various legal advertisements and public notices.
- We oppose any changes to state law that further weaken a locality's ability to regulate noise or the discharge of firearms.
- We support expanding local authority to regulate smoking in public places.
- The state should amend the Code to require litigants in civil cases to pay for the costs associated with compensating jury members.
- We support authorization for the court to issue restricted driver's licenses to persons denied them because of having outstanding court costs or fees.
- We support legislation to allow localities to give developers the option to install sidewalks or to contribute corresponding funds in connection with residential development or redevelopment.
- We support increased state funding for regional planning districts.
- We support legislation to increase permissible fees for courthouse maintenance.
- We oppose attempts to reduce sovereign immunity protections for localities.
- We support enactment of an interest rate cap of 36% on payday loans, fees and other related charges.

Agenda Item No. 10. Thomas Jefferson Foundation, Inc. - Albemarle County Service Authority (ACSA) Jurisdictional Area Request (ACSA-2013-00002).

The following executive summary was forwarded to Board members:

The Thomas Jefferson Foundation ("TJF") is requesting Albemarle County Service Authority ("ACSA") Jurisdictional Area designation for public water and/or sewer service to parcels and buildings owned by it as follows:

- Sewer service to the Monticello Main House area, including the main house, staff offices, original gift shop, and restrooms (TMP 78-22).
- Sewer service to the Visitor Center (also TMP 78-22 and 23) and a map correction to the Jurisdictional Area Map to include the Visitor Center site for water service.
- Water and sewer service to Kenwood House (International Center for Jefferson Studies) (TMP 92-01) and future administrative campus (TMP 78-25).
- Water and sewer service to the Robert Smith Center at Montalto (TMP 77-31).

These sites are located east of Route 20 on Route 53 (see Attachment B). The parcels are designated Rural Area in the County's Comprehensive Plan and are located in the Scottsville Magisterial District.

A portion of TMP 78-22 consisting of the Monticello Main House area is the only area in the request currently located within the Jurisdictional Area for public water service. This area has been provided public water service for over 50 years (as early as 1948). A 100,000 gallon underground water storage tank is filled to provide domestic service and fire suppression (see Attachment B). Water service was extended from the Monticello Main House area (storage tank) to the new Visitor Center in 2007. The Kenwood and Montalto sites are currently served by private wells and all of the buildings and parcels in this request (including the Main House Area and Visitor Center) are currently served by private sewage systems.

With the exception of the Jefferson Library at Kenwood (TMP 92-01, zoned RA), all of the other parcels included in this request are zoned Monticello Historic District (MHD). In the 2004 review of the rezoning application that created the Monticello Historic District, there was no discussion of the expansion of the jurisdictional area to include any of the MHD area. At that time, the existing infrastructure was considered adequate and the alternative wastewater disposal system planned to serve the new Visitor Center was determined to be adequate to meet facility needs. At the time Montalto was rezoned to MHD in 2008, private water and sewer facilities were also believed to be adequate for that use. Since that time, additional infrastructure studies and planning has been conducted by the TJF. A 2011 study (Attachment C) found that water flow for firefighting was inadequate to serve the Monticello Main House location and the new Visitor Center, as well as Kenwood House. In addition, other infrastructure was aging and had high maintenance costs.

TJF has stated that the overarching need for public water and sewer service is to provide adequate fire protection and to maintain reliable ongoing operations. The current fire suppression capabilities are inadequate for multiple buildings and there is a concern that the continued high level of use of the existing private sewage facilities for the Main House area and the Visitor Center could result in unexpected and more frequent system failures, which could affect operations over an extended period of time while repairs are made. TJF has submitted this jurisdictional area request to ensure the continued long-term viability of Monticello and its associated facilities. TJF's plan is to provide water for fire suppression through a proposed water storage tank at Montalto.

In the immediate area, the Michie Tavern site is in the Jurisdictional Area for water and sewer while the Monticello Memorial Gardens site is in the Jurisdictional Area for Water Only. Both areas were provided service prior to the establishment of the ACSA Jurisdictional Area and associated policies (Michie Tavern received service in the 1970s). Both sites are in the designated Rural Areas. The former Blue Ridge Hospital site is also in the ACSA Jurisdictional Area for water and sewer (and is located in the Urban Area 4).

The subject parcels can be grouped into two categories based on the number of users/visitors to the sites. The first category would be for the Main House Area and the Thomas Jefferson Visitor's Center and Smith Education Center area on TMP's 78-22 and 23. The second category would include the International Center for Jefferson Studies – Kenwood and Jefferson Library (TMP 92-1), the future administrative campus (TMP 78-25) and the Robert H. Smith Center at Montalto (TMP 77-31). These sites have many fewer visitors - similar in number to the site visitors and events found with rural churches and rural special events.

<u>Category 1: Main House Area and Visitor Center</u>

Public sewer is requested to serve these parcels. TJF estimates that annual visitation to these sites is over 450,000 people. This is significantly higher than most any other use located in the Rural Area. The Main House and adjacent buildings are served by drainfields originally installed in the 1930s and repaired in the 1970s. TJF has stated that they believe these facilities have exceeded their useful life and should be replaced. The Health Department has noted that while all onsite sewage systems have a limited lifespan, it is difficult to determine the life span of an existing system. The lifespan for a septic system is determined by many factors, such as wastewater flow, wastewater strength, site and soil conditions, natural weather variations, and regular maintenance over the lifetime of the system. The Health Department also notes that an evaluation by a professional engineer is required before it can be determined with certainty that an onsite sewage disposal system would not serve the proposed use. Given the amount of property that TJF owns, there may be an onsite solution. There are no noted system leaks or malfunctions on record with the Health Department and no known problems exist at this time; however, the applicant has stated that this is likely because TJF regularly pumps out the septic tanks on a schedule twice as often as typically recommended by the Health Department.

For TJF, an important limiting factor for locating new onsite sewage disposal areas near the Monticello Main House area is the potential for the associated land disturbance to impact historic resources. Monticello is only one of two World Heritage sites in the United States. As such, TJF has stated in its application that additional land disturbance for new onsite disposal facilities would require disturbance of an area (and perhaps other areas) of Monticello's historic orchard. TJF strongly prefers to leave areas where archeological resources may lie in-place, allowing for future study by researchers. In addition, if permitted to install public sewer lines, TJF has stated its desire to use a directional bore technique along an existing cleared trail to limit the land disturbance along the location of the sewer line and protect potential historical resources in the archeological layer above the line, which would not require disturbance as when a traditional method is used.

The Visitor Center uses an alternative sewage treatment system and onsite drainfield that was installed in 2006. TJF states that the system has a 10 year life span, and that together with on-going maintenance and monitoring, that the system is difficult and expensive to maintain, particularly during peak usage periods. The Health Department has noted that it is not aware of documentation from the manufacturer of the system that suggests that the septic system serving the Visitor Center has a predetermined lifespan. Again, there are many variables involved.

<u>Category 2: Kenwood, Future Administrative Campus, and Montalto</u>

Both public water and sewer are requested to serve parcels in this category. The parcels in this category have significantly less visitors than the Main House area and Visitor Center. However, in keeping with the overarching theme of this application, a major reason public water has been requested for these areas is for fire suppression.

Kenwood House is currently served by a private groundwater well and has the capacity of 30,000 gallons for onsite fire suppression. TJF estimates this to be half the need in the case of a fire. Given the number of unique and historic documents and other materials on file in the library, TJF desires public water to improve water capacity for fire flow. Connection to public water would also improve drinking water quality by improved filtration.

Kenwood House is currently served by a traditional onsite septic system for wastewater disposal. TJF feels the onsite system is also approaching the end of its useful life and TJF desires to connect to the same public sewer line proposed for sites in category 1.

The future administrative campus will be located on the parcel immediately adjacent to the west side of the Kenwood House. The location of the future offices is the same as what was proposed in the 2004 rezoning of the property to MHD and is currently the site of an existing dwelling. The site is served by private groundwater wells. Connection to the public water supply would allow for better water filtration for the domestic water supply. TJF has stated that it does not believe that the existing groundwater wells would support the site; however, additional documentation is needed to support this conclusion.

The future administrative campus site is served by a conventional onsite sewer system that TJF feels is also at the end of its useful life. TJF has stated that it does not believe that an additional or new conventional onsite septic system would be supported on the site, however, additional documentation is needed to support this conclusion.

The Robert H. Smith Center is located at the top of the Montalto site at an elevation above the other facilities operated by TJF and is served by groundwater wells. When TJF completed its infrastructure planning study in 2011, it was concluded that the Montalto site should contain a new underground 250,000 gallon water storage tank that could be used to supply water for domestic and fire suppression needs for Montalto, the Main House Area (of Monticello), the Visitor Center, Kenwood House, and the future administrative campus site. Because of Montalto's higher elevation, it would provide a gravity flow to these other areas. The Health Department does not have any documentation regarding any issues with the water on this site. TJF has stated that it does not believe that the groundwater wells would support the site, however, given the site's high elevation, TJF has stated that there has been difficulty in supplying water to the site in the past and that additional wells have been drilled closer to Route 53, which has necessitated a water pump station about halfway up the drive to Montalto to pump water to the site. Additional information supporting the difficulty in obtaining water at the site is requested to document the additional wells drilled (that were needed to continue site usage).

Montalto is currently served by a private onsite septic system that was upgraded in the last several years. TJF indicates that the system is currently working adequately and that there are no documented issues associated with the system. However, TJF desires to connect to the same public sewer line as proposed for the other facilities.

<u>Summary and Findings:</u>
The Comprehensive Plan provides the following recommendations concerning the provision of public water and sewer service:

- "General Principle: Urban Areas, Communities, and Villages are to be served by public water and sewer (p. 114)."
- "Provide water and sewer service only to areas within the ACSA Jurisdictional Areas (p. 130)."
- "Follow the boundaries of the designated Development Areas in delineating Jurisdictional Areas (p.130)."
- "Only allow changes in the Jurisdictional Areas outside of the designated Development Areas in cases where the property is: 1) adjacent to existing lines; and 2) public health and/or safety is in danger (p. 130)."

By policy, water and sewer services are intended to serve the designated Development Areas where growth is encouraged and are to be discouraged in the Rural Area because utility services are a potential catalyst for growth. Water supply and system capacities need to be efficiently and effectively used and reserved to serve the Development Areas. The continued connection of properties in the Rural Area to the public system results in further extension of lines from the fringe of the existing Jurisdictional Area into the Rural Area, potentially straining water and sewer resources and the capacity to serve higher priority needs.

Staff finds that these requests are not consistent with existing County policy for the provision of public water and sewer service. All of these properties are located within the designated Rural Area. With regards to the recommendation which states "Only allow changes in the Jurisdictional Areas outside of the designated Development Areas in cases where the property is: 1) adjacent to existing lines; and 2) public health and/or safety is in danger," there is no documented current or eminent public health or safety issue (such as a system contamination or failure) and no documentation stating that new private systems could not be installed on these sites. The Kenwood parcel is not adjacent to existing water or sewer lines. The Montalto parcel is not adjacent to existing water lines.

There are, however, unique circumstances that relate to the request for sewer service to the Monticello Main House and Visitor Center sites, including: the high level of usage/visitation to the sites and the historic resources potentially impacted by the installation of new private sewer systems. Given the unique nature of the nearly half a million annual visitors to the Monticello Main House and Visitor Center, while there is not a documented health or safety issue associated with the existing private sewerage system, there could be a significant impact to the facilities operations and public health if the sites were to have to close due to failure of the aging private sewerage facilities. In addition, if the existing drainfield site could not be used (already repaired once over 30 years ago), significant land disturbance at the Monticello Main House site would be needed (most likely at the site of Jefferson's orchards). Given the archeological resources on that site, TJF strongly desires to leave those areas undisturbed so that archeological resources will be left in place for study sometime in the future. Land disturbance for a drainfield would significantly damage and alter an area adjacent to the Main House, which is not desired.

An additional unique aspect of this application is the new 250,000 gallon underground water storage tank proposed on the Montalto parcel (77-31). The water storage tank would serve to improve the fire suppression capabilities of the entire Monticello complex including the Visitor Center and Main House area (due to the higher elevation of the Montalto site). Given the site's status as a UNESCO World Heritage site and the number of annual visitors to the Visitor's Center and Main House area, additional fire suppression is an important consideration. Despite these unusual circumstances, staff's conclusion is that the request does not meet the guiding principles.

The property owner would bear all of the costs for connection to public water and public sewer services.

The requests for the following amendments to the ACSA Jurisdictional Area boundaries for water and sewer service are not consistent with the policies and recommendations of the Comprehensive Plan for the provision of public water and sewer, therefore staff recommends that no public hearing be scheduled for these requests.

- Sewer service to the Monticello Main House area, including the main house, staff offices, original gift shop, and restrooms (TMP 78-22).
- Sewer service to the Visitor Center (also TMP 78-22 and 23) and a map correction to the Jurisdictional Area Map to include the visitor center site for water service.
- Water and sewer service to Kenwood House (International Center for Jefferson Studies) (TMP 92-01) and future administrative campus (TMP 78-25).
- Water and sewer service to the Robert Smith Center at Montalto (TMP 77-31).

Should the Board decide that the unique conditions/circumstances related to the Monticello Main House site and Visitor Center (TMP's 78-22 and 23) outweigh the strict application of the policies and recommendations for Jurisdictional Area Map amendments, staff recommends that a public hearing be set to consider amending the ACSA Jurisdictional Area Map to provide limited sewer service to the existing structures only on TMP 78-22 and 23.

In addition, should the Board decide that the unique circumstances relating to the water storage tank on the Montalto site (TMP 77-31) outweigh the strict application of the policies and recommendations for Jurisdictional Area Map amendments, staff recommends that a public hearing also be set to consider amending the ACSA Jurisdictional Area Map to provide limited water service to TMP 77-31 for the purpose of providing water to the proposed fire suppression tank.

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Ms. Mallek pointed out that this was a request for a decision to schedule a public hearing.

Mr. David Benish, Chief of Planning, reported that this is a request for water and sewer service to the Thomas Jefferson Foundation properties in Montalto. The properties are located in the rural areas and were rezoned in 2008 to the Monticello Historic District designation – created specifically for the unique circumstances on these properties. Mr. Benish said that the Monticello home and the Visitors Center are already served by public water, so service designation is not needed for those two sites. He explained that when the jurisdictional areas neighborhood model district was discussed, the jurisdictional area designation was not extended to the other properties other than the Visitors Center and the Monticello site, so they currently have no designation. Mr. Benish said that the Thomas Jefferson Foundation did undertake a comprehensive infrastructure analysis recently, and determined that a number of the facilities serving some of the sites have reached their useful life and need to be replaced. He presented a map of the site, noting the location of the jurisdictional area designation currently in the maps for water service and the context of the site relative to the development areas.

Mr. Benish reported that when the County evaluates jurisdictional area requests under the policies of the Comp Plan for designations in the rural areas, staff focuses on the criteria that indicate there is a documented health or safety issue. He said that in his slide presentation, he has included an outline of the conditions per site for each of the properties. Mr. Benish stated that for the Monticello site, the existing septic systems are quite old and have reached their useful life, needing replacement within two to four years. He said that in this particular location, the alternative sites or reserve sites now in place would impact historic resources, and other locations on the mountaintop would likely impact those resources. Mr. Benish stated that the Visitors Center is served by a sewer treatment system called a micro-fast system, and is reaching its 10-year useful life. According to the applicants, DHR regulations are making it difficult and expensive to maintain this type of central system for this use. Other negative impacts cited, he said, include noise, odor and visibility issues related to this system and other private systems that would likely be provided. He stated that new septic sites as an alternative could also potentially impact historic resources.

Mr. Benish said that the future administrative campuses and Kenwood Library facility are adjacent and have essentially the same findings, and for both of them there is not a water quality or quantity issue related to the wells, but there is a taste issue with iron and manganese in the water supply from those wells. He stated that the larger issue with the Kenwood site is the concern for adequate fire protection, and provision of public water over the current service on those sites would improve fire suppression and would ensure better protection of resources at that facility. Mr. Benish said that there was no indication of a water issue at the Montalto site, but he has heard anecdotal reports that they have had occasional problems with the well there. He stated that the septic was recently updated with the renovations and is working adequately, so there is no health or safety issue related to the system on the Montalto site.

Mr. Benish stated that he has the maps showing the existing water utilities and the proposed system, and offered to give the Board highlights of those. He said that there is an existing waterline that comes from I-64 with a pump station that brings it up to the mountaintop area where there is an underground tank that's a reservoir for service that provides water service to the house, and then a line that continues down and serves the Visitors Center. Mr. Benish stated that the proposed system would create a line that would go from the Montalto site, creating a tank at the top and a line going down to serve all the facilities and linking them together. He said that the new tank at the Montalto site provides for adequate gravity service that will allow it to function efficiently. Mr. Benish pointed out the location, on a map, of the existing drainfields, and noted the orchard where the reserve fields are located, an existing package treatment plant, and irrigation fields to the north of the site. He explained that the proposal would be to run a sewer line along an existing trail up the mountain and essentially create a loop, with a line along the loop road to serve Monticello and a line to the Visitors Center – with an extension in Phases 2 and 3 to serve the Kenwood area.

Mr. Benish reported that the Comprehensive Plan policy for providing rural area service focuses on specific criteria, and only allows changes to jurisdictional area outside the development area when the sites are adjacent to service lines and there is a public health or safety issue with existing systems. He stated that in the staff review, they generally look to other private options before recommending a public service. Mr. Benish said that these policies are important to implement the County's growth management policy and to limit growth in the areas designated for growth and reserving that capacity for development areas targeted for growth. He added that service in the rural areas can be a catalyst to growth in those areas. He said that in this particular situation, staff approved the Monticello Historic District, which has an application plan that clearly identifies the level of development that would occur. For these particular sites there are already some expectations for development approved.

Mr. Benish said that in looking at unique circumstances like this, staff tries to look at comparables in the rural areas. There are properties in the rural areas that are zoned other than RA and that are adjacent to waterlines. He stated that this site has some unique aspects given its intensity of activity and level of use, as well as the historic character and resources available onsite. Mr. Benish noted that there are no other properties that have this high level of use and unique historic resources. He said that a strict application of policy – given that private systems are an option and the properties do not have documented health and safety issues – would lead staff to find that the uses are inconsistent with the policy. Mr. Benish emphasized that there are unique circumstances to this property, as identified by the applicant, such as the decision on the Monticello Historic District and the intensity of use at 440,000 people per year. In this particular site, he said, they have very unique and important historic resources that could be impacted by other alternative private systems provided onsite. He said that the tank and water service provided to the site would provide for a level of fire protection to help protect those resources. Mr. Benish stated that there has been no water or septic failures on any of the sites at the present time, due to the applicants' diligence to maintain the facility as best they can to avoid any failures.

He said that in the strict application of the policy, staff would find the properties to be in varying degrees of consistency – with the least being Montalto, then Kenwood, the Visitors Center, and then Monticello. Mr. Benish stated that there are some very unique circumstances to this site that would merit consideration for providing service to this area, but the policy does not give staff very clear guidance on those circumstances so it is up to the Board. The applicant and staff have provided information to allow the Board to consider the unique circumstances. He said that should the Board decide to go to public hearing, the safest approach would be to take all the properties to public hearing.

Mr. Rooker asked if the ACSA had rendered an opinion yet on the proposal. Mr. Benish said that it has not.

Ms. Mallek said they usually weigh in later. Mr. Benish stated that the applicant has been working with the ACSA fairly extensively.

Mr. Rooker asked if the ACSA has mentioned any problems with capacity, etc. Mr. Benish responded not to his knowledge, and while going up a mountain creates more engineering challenges the Service Authority has not indicated any concerns as of yet.

Ms. Mallek stated that the ACSA would not be responsible for that aspect anyway, they would just turn on the service after the infrastructure was in place and the fee paid.

Mr. Rooker said that this is obviously a unique circumstance, as the primary reason for the policy of not extending service into the rural areas is to prevent more intense development in the rural areas. He stated that this use predates the Zoning Ordinance and is a UNESCO World Heritage Site that attracts hundreds of thousands of visitors each year. Mr. Rooker said that requiring them to continue to seek new septic fields or sites for alternative systems would have the effect of harming the historic property rather than helping it. He stated that this is not a case of setting a precedent for other potential properties in the rural areas because there is no other property comparable to this, it has a unique zoning, and the uses that could be made of the property are limited by the zoning that the Board approved. Mr. Rooker said that the question is whether the Board will now help them in preserving the historic character of the property, and dealing with some of the bad attributes that have resulted from the alternative systems they have now – which impact the visitor experience. He stated that given that, he would support taking it to public hearing.

Ms. Mallek stated that she agrees. She added that this is not a situation where they can wait for failure. She also said that the Board should also consider allowing the other items to work in as needed for Montalto and Kenwood rather than having to go through all this all over again. Mr. Snow agreed.

Mr. Rooker said that the applicant has a major contribution now that allows them to get the infrastructure put in.

Ms. Mallek noted that it is terribly difficult to get wells in the northern part of the Blenheim section, given the terrain and drought-like geological conditions all the way down to Carter's Bridge.

Mr. Snow agreed, stating that it is better for the site, better for the environment, and across the board.

Ms. Valerie Long addressed the Board, on behalf of the applicant, and offered to answer questions, stating their appreciation of the staff and Board's comments on the issue.

Mr. Craddock **moved** to set a public hearing to consider an amendment to the ACSA jurisdictional area for water and sewer service to the Thomas Jefferson Foundation properties (Tax Map 77, Parcel 31; Tax Map 78, Parcels 22, 23, 24a, 25; and Tax Map 92, Parcel 1). Mr. Snow **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Agenda Item No. 11. Establishment of Economic Development Program.

The following executive summary was forwarded to Board members:

On February 6, 2013, the Board received an update on the progress of Strategic Plan Goal 3 - ***Encourage a diverse and vibrant local economy*****.** Recognizing that the Economic Vitality Action Plan is a three year plan that will conclude in September, 2013, the Board included an objective for that goal as follows: Objective 2 – *Establish a fully functioning economic development program for the County*.

Staff shared a preliminary program concept with the Board on February 6, 2013 to solicit initial feedback and guidance regarding the parameters for establishing a fully functioning economic development program. The Board supported the general direction of the program concept that was presented and directed staff to convene a roundtable of community stakeholders to provide additional feedback on the preliminary program outline. Based on that February 6th discussion, funding to provide increased resources for economic development was incorporated into the FY13/14 Adopted Budget with the understanding that a specific recommendation would come back to the Board for final approval.

Program Concept:
The economic vitality strategic goal team researched a variety of localities in Virginia to assess how their programs operate and what services they offer. In addition, staff researched basic best practices as determined by the Virginia Economic Development Partnership (VEDP) to understand what those practices recommend regarding the mission, objectives and operations of an effective local government economic development program. A document entitled *"2013 – 14 Guidebook for Elected Officials"* created by VEDP was consulted as part of this research and can be found at the following link: http://www.vaallies.org/assets/files/publications/ed_handbook.pdf

Based on the team's research, as well as existing County policies and the major elements of the County's existing Economic Vitality Action Plan, the team developed a draft program concept to establish an economic development program that was shared with the Board in February and with community stakeholders at a roundtable attended by 15 participants in March, 2013. **Attachment A** is a revised version of the proposed economic development program concept which incorporates feedback received during the March, 2013 roundtable. Highlights from the roundtable are included below:

Suggested edits to the mission statement:
- to *enhance* rather than *maintain* competitive position
- to insert *quality* in front of "job creation"
- to insert *all* in front of "citizens"

Suggested edits to the guiding principles – add language to stress:
- Value of existing companies that anchor the County's economy
- Importance of developing talented workers
- Focus on educational achievement/attainment; not just partnerships
- Focus on being proactive – solution finders/relationship builders
- Importance of physical infrastructure sufficient to support economic vitality
- Support for Department of Defense partnerships
- Continue to remove barriers to development

Comments regarding Major Program Components – Business Attraction:
- Several attendees expressed a preference for language that is stronger than just responding to inquiries of interest in this section – identifying the need to *initiate and cultivate business attraction* for target industries

Staffing Implications:

Program comparison information from selected benchmark counties is provided in **Attachment B** to give insight into the level of resources and types of incentives being dedicated to economic development in localities across the state. While Albemarle does not aspire to replicate any specific economic development effort, adequate staffing resources are required in order to maintain a competitive position with other Virginia localities.

An economic development program that addresses the attached guiding principles, provides the identified components and allows Albemarle to achieve its vision of being a thriving county as related to economic vitality requires an effective team approach that includes continuing community development department efforts, a refocus on strategic partnerships, and establishing an office to focus on dedicated core functions of economic development. Suggested roles and responsibilities for these three elements are outlined below:

Community Development Department – Continue focus on strategic land use planning, development review processes, and regulatory reform across various functions of the Community Development Department.

Community Engagement and Strategic Partnerships - Refocusing the existing Office of Community and Business Partnerships to increase efforts related to communications/marketing, tourism/agritourism, and public outreach and engagement efforts which have grown considerably over the past several years with the expansion of Citizen Advisory Committees throughout the County. In addition to these more traditional functions, the office will provide leadership in leveraging new and existing partnerships that create opportunities to enhance community vitality and address the County's strategic priorities and challenges, to include:

- Enhanced partnerships with UVA, the City, PVCC, neighborhood organizations, etc.;
- Promoting citizen ownership of community challenges (Strategic Plan goal #6);
- Promoting and facilitating community volunteer efforts

Economic Development - Establish an Economic Development Office to focus on core functions of economic development not currently being adequately addressed. This office would consist of a Director, an Economic Development Facilitator (relocated from the County Executive's Office), and a half-time administrative staff. This office would be responsible for existing business retention and expansion, business attraction, workforce development and other core functions, with particular emphasis on:

- Overseeing product development (sites and buildings) for target industries and prospect readiness to encourage start-ups, existing business expansions and business relocations;
- Establishing and managing internal and external prospect response teams;
- Identifying appropriate target industry prospects, initiating and following up on contacts;
- Developing partnerships with local business and real estate interests to leverage resources to attract target industries;
- Serving as the County's liaison to the Albemarle County Economic Development Authority (EDA), including responsibility for the EDA's budget development and the oversight of EDA-related financing arrangements; and
- Implementing an expanded Albemarle Business First outreach program and other business retention and expansion initiatives.

Next Steps:

In order to establish an economic development program as described above, the following next steps are recommended:

- Beginning in early 2014 for a period of three to four months, staff will work with the Board on a variety of efforts to prepare for the transition to an independent Office of Economic Development, including developing a broader understanding of current and emerging realities of economic development and the needs of the County's target industries; gaining working knowledge of what efforts are necessary to achieve robust economic health in a competitive environment; and developing the shared responsibility of economic development among key partners such as the EDA and the Planning Commission to establish the philosophical framework that sets direction for the economic development program, including desired measurements/outcomes. These efforts would include:
    - Holding a series of joint work sessions to provide insights and experiences from experts in various areas of economic development.
    - Planning site visits or other learning opportunities to observe how economic development initiatives are succeeding in other communities.
- Establish a new Economic Development Office by July 1, 2014, which would involve:
    - Hiring an Economic Development Director and administrative staff
    - Transitioning the Economic Development Facilitator from the County Executive's Office to the new office
- Refocus and transition the efforts of the existing Office of Community and Business Partnerships
- Efforts begun during the Economic Vitality Action Plan to advance the five identified goals will continue during this period with existing staff in their current roles, with particular focus on continued positive business image and climate initiatives, workforce readiness, marketing, existing business retention, target market analysis, and agribusiness support. The $50,000 in funding for establishing an economic development program provided in the adopted FY 14 budget could be used beginning in January, 2014 to support targeted economic development functions during the transition period with the Board of

Supervisors prior to the establishment of the new Economic Development Office in July, 2014.

Staff estimates the cost to establish an Economic Development Office to be staffed by a new Director and a new half-time administrative position would be approximately $160,000 annually in addition to the existing Economic Development Facilitator position. Exact costs for the new office would be determined during the FY 15 annual budget process, and funding would become available on July 1, 2014.

Staff recommends that the Board endorse the economic development program as proposed and direct staff to proceed with the next steps as described above.

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Ms. Lee Catlin, Assistant to the County Executive for Community and Business Partnerships, said that this is a continuation of staff's conversation about establishing an economic development program for Albemarle County. Ms. Catlin said that staff came before the Board in February to update it on strategic plan goal #3 – "Encourage a diverse and vibrant local economy". As that goal was development, staff recognized that the Economic Vitality Action Plan was a three-year plan that concluded in September, and so there was an objective included in the goal about establishing a fully functioning economic development program for the County that staff would transition to from that plan.

At its February 6 meeting, she said, staff shared a preliminary program concept with the Board to get their initial feedback and guidance regarding some parameters for establishing a fully functioning economic development program. At that time the Board expressed support for the general direction of the concept and asked staff to convene a roundtable of community stakeholders so they could vet the idea and get some feedback. Ms. Catlin said that staff had that discussion, and based on that discussion they also incorporated funding for increased resources for economic development into the FY13-14 budget, with the understanding that a specific recommendation would come back to the Board for final approval. She stated that staff is at the point now of bringing back that recommendation to the Board.

Ms. Catlin said that the Economic Vitality Strategic Goal Team did some research into other localities in Virginia to see how their programs operate and what services they offer. The staff also researched best practices from a number of sources including the Virginia Economic Development Partnership to understand what those practices recommend regarding mission, operations and objectives of an effective local government economic development program. She stated that staff sent to the Board a link on the executive summary to a document entitled "2013-14 Guidebook for Elected Officials" created by VDEP that staff consulted as part of their research.

Ms. Catlin reported that based on the team's research as well as existing County policies and major elements of the existing Economic Vitality Action Plan, the goal team developed a draft program concept to establish the program, which was shared with community stakeholders including several Board members. She said that her report includes a revised version of the paper that incorporates that feedback, along with highlights of the roundtable and how they were worked into the draft program. Ms. Catlin stated that the program was established firmly within the guidance of existing policies and documents, including the Comprehensive Plan and the economic development policies, the preamble of the Economic Vitality Action Plan, and the Target Industry Study.

She said that staff made some revisions to the draft mission statement, revised as follows: "To foster and encourage responsible economic development activities that enhance the county's competitive position and result in quality job creation and career employment opportunities, increased tax base and an improved quality of life for citizens while respecting Albemarle County's natural resources and unique character." Staff also worked on guiding principles so that the economic development efforts did not go forward in isolation and were contained within a strongly established framework. Ms. Catlin said that the executive summary includes statements about economic diversity, respect for heritage and the environment, organizational collaboration, entrepreneurship, organic growth, building awareness of local opportunities, educational achievement and partnership, leveraging intellectual capital, supporting critical infrastructure, and results orientation – all items considered to be important as foundational and directional guidelines for the program. In terms of program components, she said, staff identified areas they felt were important to be included – such as business retention and expansion, new business start-ups, business attraction, workforce development, agribusiness, and a meaningful and productive relationship with the County's Economic Development Authority.

Ms. Catlin said that as they look at program comparison information from selected benchmark counties, it is important to note the level of resources they are dedicating to economic development. She emphasized that staff is not aspiring to replicate anybody's program exactly, but it does provide a sense that adequate staffing resources are required to maintain a competitive position with other Virginia localities. Ms. Catlin said that through staff's research and conversations with people in the community, it became clear that an economic development program that addresses guiding principles in a comprehensive way, provides the identified components, and allows Albemarle to achieve a vision of being a thriving County requires an effective team approach. She stated that this will have impact on staffing and on roles and responsibilities.

Mr. Foley said that he would provide a look to the future but first wanted to recognize Ms. Catlin and Ms. Susan Stimart for their efforts over the past three years. Mr. Foley said that there has been a good process with the Board and the public through roundtables and meetings, in looking at the mission and guiding principles going forward, as well as the Target Industry Study. He emphasized that the next step is not about what it looks like in Fairfax County or some other locality – it is about what this community has said regarding the right types of things to go after for the health of the local economy. Mr. Foley said that this is not about opening the doors wide open to a lot of development, it is about focused strategies that fit with community philosophies. Given that input, he said, staff feels that it is a good time to take the next step with an economic development program – in a balanced and measured approach to ensure they are focused on a healthy economy with career-ladder jobs and capital investment by new industry.

Mr. Foley said that staff is recommending a team approach that continues to keep a focus on the importance of community development, land use policy and the efforts to date. He stated that they are talking about the office of Community and Business Partnerships continuing to stay involved with the efforts, particularly with communications and marketing to assist the program going forward. He said that the primary role for tourism and agri-tourism would also continue to take place out of Ms. Catlin's office, along with public outreach and engagement efforts. Mr. Foley stated that the Board formed six community advisory councils over the last three to four years, but those have more than doubled since the start of the Economic Vitality Action Plan efforts and thus would continue to require more attention. In addition to the more traditional functions of the office, he said, they envision having Ms. Catlin take a continued effort toward community vitality, such as enhanced citizen ownership of challenges. He stated that this would require more focus on community partnerships, and the office would need to transition to accommodate those efforts.

Mr. Foley said that what the County has not had the opportunity to do as much the things that relate to the core responsibilities of an economic development program, such as overseeing product development – which would entail a visit with a target industry that included a tour of buildings and sites that fit their needs. He stated that staff has work to do on finding out what their needs are and pinpointing them, then getting out in the community and developing partnerships with people who have business and real estate interests on providing those sites that will attract industries. Mr. Foley said that a community can have all kinds of assets, but at the end of the day if a potential industry comes to visit and there's no product ready for them to occupy, they will quickly look for a community that's ready to go. He said that some communities invest significantly in building industrial parks, but that has not been a direction that has garnered positive feedback from the Board or the community. Mr. Foley added that the rezoning process is important to that too, so there are a lot of complicated things that will require staff attention beyond what they are equipped to do at this point. He said that Ms. Stimart has spent a lot of time with business retention and expansion initiatives, but she is limited in what she can do given the current structure. Mr. Foley noted that more jobs are created from existing industry than new industry, but both are critical and are core functions of this office.

Mr. Foley stated that staff feels the next logical step is a measured approach with creation of an economic development office, with a new director and half-time secretary, which would still put Albemarle at one of the lowest staffed economic development offices among its peers. He said that staff is not suggesting an immediate hire, but instead would like to take the next six months to engage with the Board, Planning Commission, and EDA to make sure that everyone is on the same page about what economic development is and how to move it forward effectively. Staff has identified some individuals who can come in and make some presentations, including a joint meeting with the EDA. The purpose is to ensure there is a consistent philosophical framework for the direction of the program. He reiterated that there will continue to be partnerships with Ms. Catlin's office and Community Development to move this forward. Staff believes this is a good natural step to move forward. The matter is now before the Board for consideration.

Mr. Rooker said that he supported the Economic Vitality Action Plan after some modifications were made, but he is not prepared to vote to create a cost center of $160,000 per year in the County without a better understanding of the goals. He suggested looking at what peer localities have achieved with the cost centers they've created and defining goals such as lower tax rates, increased population, etc. Mr. Rooker said that the County already grows by 1,000-1,500 people per year, and he has a concern about the snowball effect of attracting industries. He stated that he would like to get a better understanding of what other areas have achieved and how they compare with existing local efforts before going into the business of spending taxpayer money to attract industry to the area. He added that he would also like this to go to public hearing to get input from the general public.

Ms. Mallek stated that they have held a roundtable of 15 people from the business side and have had several conversations about this, but she would like to see some items added to the benchmark chart including how this is funded – such as service district fees that often mask the true cost of government. She said that she would like to have the budget information and framework before moving forward, so they have some real information to take to citizens. Ms. Mallek said that this is a town hall issue that would definitely come up at her meetings.

Mr. Foley asked for some clarification of what she means by "real information." Ms. Mallek said that they have generalities, and they know for example that Ray Pickering has five agri-tourism staff in Fauquier – but she would like to know what they have gained from that and what the County hopes to gain by emulating that.

Mr. Snow said that the County has spent three years in developing a plan to benefit the community, and to not take the next step – including laying the groundwork and implementing it – would be irresponsible and detrimental to the work done to date.

Ms. Mallek said that she wasn't arguing the goal; she just thinks that they should have more information before moving forward. She suggested continuing the discussion in December.

Mr. Rooker said that he may ultimately agree, but with $160,000 a year cost center that will likely increase over time, he would like to know what the goals are and what they expect to get over time before making that investment.

Mr. Boyd said that for him it is all about jobs, and he wants to see an improvement in the poverty situation in the community, career-ladder jobs, and good paying employment that allows people to stay in the area rather than look for work elsewhere. He stated that they have spent three years developing this plan and providing opportunities for the community to weigh in on this, with input from the environmental community, the business community, etc. – and it is time to move forward with it. He said that what they are talking about is just putting the $160,000 in the budget for further discussion, which would not be voted on until next year.

Mr. Rooker stated that he may very well support this, but he would like to understand the tangible results these other areas' cost centers have seen. He has been in favor of higher paying jobs and career-ladder opportunities – but he is cautious when he sees an aggressive schedule of meeting with outside industries to come here. He said that the plan the Board created had implementation measures that had action items that were included and acted upon. He does not understand why the Board cannot just hold a public hearing on the creation of a $160,000 cost center for government. Mr. Rooker added that 15 people at a roundtable is not reflective of the entire community.

Mr. Snow reiterated that the Board has had three years of public input.

Ms. Mallek said that this is a different thing that includes specific implementation measures, and she is not trying to throw it under the bus but it seems reasonable to have a little bit of information provided to respond to these questions.

Mr. Boyd said the Board could study it for years and years, but it will not be able to get any quantitative information back from the other localities. He stated that he has already had this discussion with staff, and they all agreed that there will not be a way to draw the connection between their economic development staff and an exact number of jobs.

Mr. Rooker said he would like to see how many jobs they have created since adding an economic development department. He stated that he does not want to add a cost center just for the sake of it, without any tangible results.

Mr. Boyd said that businesses would proceed by setting goals and objectives, and then decide whether or not to move forward.

Mr. Rooker said that the Economic Vitality Action Plan has goals, and he has not seen any report on those results.

Ms. Catlin stated that staff did a three-year end of plan report, with the amount of commercial tax versus residential tax, job growth, etc. Staff did an economic indicators measure every quarter with a report at the end of three years showing sales tax, meals tax and jobs.

Ms. Mallek said that is just the history of what has happened, not directly related to this effort.

Mr. Foley said that going to the next step will require staff to establish some more specific measurable indicators, and broadly looking at the economy doesn't really show how successful the economic development efforts have been. He stated that what staff needs to do with this program is set those goals, and the goals have always been more capital investment that generates real estate revenues and more job opportunities. It is appropriate to be more focused on measuring those as a result of this investment. Mr. Foley said that looking at other localities to see how successful their economic development programs have been will be challenging because counties like Henrico started their efforts many years ago. He stated that what staff can do is track whether a target industry actually located here after considering coming here, and the question will always be out there as to whether a company located here because there was a program in place or because the community was great anyway. He added that he thinks that goals do need to be clearly stated. It is not about population growth, but instead about tax base and jobs that create opportunities.

Mr. Rooker said it could also be because there is a good education system, and there are many places you can put your money to help create a community that is attractive to investment – and that is not necessarily a cost center.

Mr. Foley said that it does mean having a piece of property that fits their needs. The County does not have much product currently in that regard. He stated that the information presented by experts to the Chamber and other audiences emphasizes that you must have those things available, or businesses are going to move on. Mr. Foley said that you've got to have something to show a target industry, and there have been prospects that have come in before who haven't had any sites and buildings to visit other than the tire factory in Scottsville. He stated that there hasn't been much else to show businesses, and staff is going to have to spend some time on that if the goals are to move in this direction. Mr. Foley said that they have a tight framework about what they're pursuing because they are concerned about population growth and environmental impacts. Staff can get more information about other programs – but they have proceeded thus far with more care than any community to ensure the efforts fit in with Comp Plan goals. He stated that there has been input from different facets of the community, such as Jeff Werner of the Piedmont Environmental Council, and they are trying to find out "the Albemarle way" that will work.

Ms. Mallek stated that the County needs a path so that successful homegrown businesses don't have to move away. The extra information may help her understand why the very capable business people in this community haven't generated product if there is all this demand. She added that she doesn't know at this point what "magic" a new hire will have to make all this happen.

Mr. Boyd said that he doesn't want to minimize communication and outreach, but he wants to focus the department on regulatory obstacles to companies locating, thriving, growing and expanding here. He stated that he does not want this office to be an outreach program that goes out and tries to solicit companies to come here, or someone in the real estate business to decide on buildings and locations. Mr. Boyd said that what he has heard from businesses wanting to locate here is that they don't want to wait years for Comp Plan revisions, and he would like to look at the pre-zoning type approach taken in Crozet to enhance commercial property offerings in other areas of the County. He stated that Ms. Catlin and Ms. Stimart only have so many hours in the day and week, and he is prepared to move forward with a motion to take the next step and consider this in the budget process.

Mr. Rooker said that what Mr. Boyd is articulating is entirely different from what is outlined in the staff report, and this clearly indicates that he envisions this effort differently than the staff recommendation for this office. He stated that this office is not being created to study improved regulatory process, which is something that task forces and other efforts have addressed in the past – resulting in recommendations and numerous changes. Mr. Rooker mentioned that there was a company that came into the County a few weeks ago that wanted to bring 250 high-paying career-ladder jobs on his own piece of property that was recommended by staff for a minor site plan adjustment, and Mr. Boyd voted against it – and yet he is voting in favor of a $160,000 investment for an effort that might be comparable to that. Mr. Rooker said that he finds that to be incredibly hypocritical.

Mr. Boyd stated that Mr. Rooker lectures him all the time that the reason for zoning rules is to place the businesses in the correct places, and he didn't feel that location was the right place for that business. He said that he is still convinced of that, because he feels the traffic would be a nightmare there.

Mr. Rooker said that staff already reported that the traffic would be less under that location of buildings than the alternative. Mr. Boyd responded that he disagrees.

Mr. Foley stated that what staff has suggested is a team approach – which continues to look at regulatory reform that the Board would have to approve – and the establishment of an office, and a continuation of the efforts that have gone on with community and economic vitality. He said that the thing that is new here is the establishment of an office at a cost of $160,000. Staff is recommending that there be measurable indicators with the Board providing input on what those should be. Mr. Foley stated that what staff is looking for is an endorsement of the recommended approach, but it would be before the Board in the budget process. He said that there is a level of understanding about these programs that has never been discussed before, and it is important to do that over the next few months prior to the decision on the budget approval. Mr. Foley stated that staff feels it should be a targeted effort on Albemarle's approach as laid out in the guiding mission and principles.

Motion was then offered by Mr. Snow to proceed with the economic development initiative as reported by Mr. Foley.

Mr. Rooker said that he would like it to come forward for public hearing, perhaps as soon as December.

Mr. Foley said he thinks a public hearing is a good thing, but he doesn't feel it should be done until they get a little more educated as to what this effort is really about – and he doesn't want the things that it is not about to drive the decision, rather than the things it is about. He said that later in the spring the Board could have that discussion, and currently it would be presented without the kind of information that would be most helpful to the public. Mr. Foley emphasized that it is better to do this well than to just hurry up and do it, as this is a long-term decision that is for the health of the economy, and it needs to be shaped the way this community wants it to look. He said that the message from staff is that it needs to look different than it does right now if they are to be successful in the goals the Board has set.

Mr. Rooker stated that what bothers him is the way it is presented today with steps including a commitment to a line item amount of $160,000, and it seems that they are a bit premature in doing that. He said that he would like to move forward to the next step to get the information back to the Board and have another work session, and perhaps one that includes public comment.

Mr. Boyd said that this is the next step, and the budget figure won't be approved until spring.

Mr. Rooker said there should be more information and a separate opportunity for the public to comment on the proposal to go forward with it.

Ms. Mallek stated that she could endorse having staff move this forward and do more.

Mr. Foley clarified that the decision to establish the office will not be made until the budget process.

Mr. Rooker said that he feels it would be helpful to have a work session on this, with the information discussed today brought back, allowing some input from the public.

Ms. Catlin stated that staff envisioned having meetings with the EDA and Planning Commission, perhaps bringing some outside people in, and asked the Board if they viewed that as part of the informational process.

Mr. Thomas asked what outside people staff would bring in.

Mr. Foley said that staff would need some more information and direction from the Board on an educational process, and when they would like the public to comment. He stated that it might be difficult to manage a big roundtable with the Board, the EDA, and the community – but it is important to include them with the education.

Mr. Rooker said that if you just have a roundtable focused on business and industry, you have not really gotten input from the community at large. If you look at the community surveys the number one thing people are concerned about is protecting natural resources and quality of life. He stated that what he wants to make sure that he isn't supporting a fundamental change in the way the community views those things, and converting this area into a Research Triangle type of environment probably wouldn't get 20% of the vote in a public referendum. Mr. Rooker said that he just wants to understand what direction they are going in when they take this step.

Mr. Foley stated that he agrees with those comments based on the feedback from the community, and to the degree that it is not clear, staff needs to clarify what it has in mind.

Mr. Boyd **seconded** Mr. Snow's motion, which he interpreted to be moving forward with staff's plan of action.

Mr. Rooker said that it also includes the $160,000 to establish the office and an additional $50,000 for the program, and he didn't think that's what Mr. Snow had moved.

Mr. Foley stated that staff could remove the second bullet, which seems to be the point of concern, or rewrite it to say "continue to consider the establishment of an office by July 1."

Mr. Rooker, Ms. Mallek and Mr. Craddock agreed.

Mr. Snow **agreed** to include that in his motion.

Ms. Mallek **seconded** the motion. Roll was then called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Ms. Mallek thanked staff for all their work.

Mr. Boyd described their action as "charging backwards" and it is a travesty.

Mr. Snow said that it was "a full retreat." Ms. Mallek said that was ridiculous.

Agenda Item No. 12. Closed Meeting.

At 11:09 a.m., Mr. Craddock **moved** that the Board go into a closed meeting pursuant to Section 2.2-3.711(A) of the Code of Virginia under Subsection (1) to consider appointments to boards, committees and commissions in which there are pending vacancies or requests for reappointments; under Subsection (1) and Subsection (7) to consult with and be briefed by legal counsel and staff regarding specific legal matters regarding the provision of legal advice related to the compensation of specific County employees; under Subsection (3) to discuss the acquisition of real property for public parkland because an open meeting discussion would adversely affect the bargaining position of the County; and under Subsection (7) to consult with and be briefed by legal counsel and staff regarding specific legal matters requiring the provision of legal advice related to the negotiation of a regional public safety agreement. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Agenda Item No. 13. Certify Closed Meeting.

At 1:43 p.m., Mr. Craddock **moved** that the Board certify by a recorded vote that to the best of each Board member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing the closed meeting were heard, discussed, or considered in the closed meeting. Mr. Boyd **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Agenda Item No. 14. Boards and Commissions: Vacancies/Appointments.

Mr. Snow **moved** the following appointments/reappointments:

- **reappoint** Mr. William Schrader to the Charlottesville-Albemarle Joint Airport Commission, with said term to expire December 1, 2016.
- **reappoint** Mr. David Booth, Mr. Frederick Huckstep and Ms. Diane Allen to the Local Board of Building Code Appeals, with said terms to expire November 21, 2018.
- **reappoint** Mr. David Booth, Mr. Frederick Huckstep and Ms. Diane Allen to the Fire Prevention Code Appeals Board, with said terms to expire November 21, 2018.
- **appoint** Ms. Elizabeth Russell to the Historic Preservation Committee to fill the unexpired term of Cynthia Conte, to expire on June 4, 2014.
- **reappoint** Mr. Jay Fennell and Mr. Glen Michael to the Public Recreational Facilities Authority, with said terms to expire December 13, 2016.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Ms. Mallek announced that, at the end of today's meeting during the "Matters from the Board," there would be a discussion on Arrowhead Farm.

Agenda Item No. 15. **Public Hearing: ZMA-2013-00005. Piedmont Environmental Council (Signs #55&56).**
PROPOSAL: Rezone 159.682 acres from PUD zoning district which allows residential development (3 – 34 units per acre), mixed with commercial, service and industrial uses, to RA zoning district which allows agricultural, forestal, and fishery uses; residential density (0.5 unit/acre in development lots).
ENTRANCE CORRIDOR: No.
PROFFERS: No.
COMPREHENSIVE PLAN: Rural Areas – preserve and protect agricultural, forestal, open space, and natural, historic and scenic resources/ density (0.5 unit/ acre in development lots).
LOCATION: Pelham Road, approximately 1,800 feet from the intersection with Buck Mountain Road (Route 665).
TAX MAP/PARCEL: 03000-00-00-03800.
MAGISTERIAL DISTRICT: White Hall.
(Advertised in the Daily Progress on October 21 and October 28, 2013.)

Mr. Scott Clark, Senior Planner, said this item is a request for a zoning map amendment on 159 acres in the rear portion of the Hickory Ridge planned unit development (PUD) in the Whitehall District, and presented a map showing the entirety of the PUD and the subject parcel belonging now to the Piedmont Environmental Council. He noted that a large portion of the PUD is unlikely to be developed due to its ownership by the Rivanna Water and Sewer Authority which was part of purchases for the Buck Mountain Creek Reservoir.

Mr. Clark reported that, in 1973, a special use permit was approved to allow cluster development under the A-1 zoning district for Hickory Ridge, and it remained under that zoning until 1980 when it became PUD. He said, under the existing zoning, there is potential for about 53 dwellings to be built on this 159 acres and, under the proposed down-zoning to RA, the maximum would be 12 dwellings – five small lots and seven 21-acre lots.

Mr. Clark said this proposal is supportive of several important Comp Plan goals for the rural areas: reducing development potential and supporting private conservation efforts, and staff found that it would be in conformity with the plan. He stated that there are three favorable factors and no unfavorable factors, with favorable factors including the fact that it is consistent with land use recommendations in the Comp Plan; it would significantly reduce potential for residential development in the rural areas, in the water supply watershed, and in an area known to be a habitat for a federally endangered species – the James River spiny mussel; and it would reduce the potential demand for public infrastructure and services in the rural areas. Mr. Clark said, on September 10, the Planning Commission voted 7-0 to recommend approval of the ZMA.

The Chair opened the public hearing.

Mr. Rex Linville, of the Piedmont Environmental Council (PEC), addressed the Board and offered to answer any questions.

Mr. Boyd said the application was pretty straightforward.

Mr. Rooker said he felt it was a good thing.

Ms. Mallek said this was advantageous from every angle.

Mr. John Martin said he lives on the southwestern slopes of Buck Mountain in the Buck Ridge subdivision and fully supports the down-zoning of the property. Mr. Martin said, on the slopes of Buck Mountain going from Catterton Road to the top of the mountain, there are three parcels owned by George Allen, Sr. which were originally going to be divided up into 4 or 5 acre parcels but were downzoned to RA at Mr. Allen's request. Mr. Martin said this would be a good thing to do for the PEC parcel as well.

Mr. Linville mentioned that this is adjacent to the Buck Mountain Creek Reservoir, and it's possible that the PEC would preserve some of the property with an easement but would ultimately resell it. He stated that he wasn't certain what the ultimate disposition of the RWSA's land would be, but some of the land that PEC owns could conceivably make a nice adjunct to that property.

There being no further comments, the Chair closed the public hearing.

Ms. Mallek then **moved** to approve ZMA-2013-005 as presented. Mr. Snow **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Agenda Item No. 16. Cash Proffer Policy.

The following executive summary was forwarded to Board members:

On May 2, 2007, the Board reviewed the recommendation of the Development Process Review Task Force (DPRTF) (Attachment A). That recommendation included a list of priority actions for the County, including the development of a proffer policy: *"Develop a Proffer Policy to include elements beyond a cash amount."* The Board directed staff to proceed with work on five of the priorities, including developing a proffer policy. At the same meeting, the Board received a proffer report from the Fiscal Impact Advisory Committee (FIAC) that presented a recommended methodology and resulting proffer values, as well as a recommendation to develop a cash proffer policy (Attachment B). The Board adopted the proffer methodology with the resulting proffer values and directed staff to begin the process of developing a cash proffer policy. Potential issues with a cash proffer policy were further discussed by the Board on June 20, 2007, followed by adoption of a Resolution of Intent to amend the Comprehensive Plan for the purpose of creating a cash proffer policy (Attachment C). On October 10, 2007, the Board approved CPA 2007-004, which included a cash proffer policy (Attachments D & E) It is important to note that the policy did not attempt to fully capture all anticipated costs with new development. The adopted methodology was limited to five areas: 1) Schools, 2) Parks, 3) Libraries, 4) Public Safety, and 5) Transportation. Other costs associated with growth, such as stormwater and solid waste, were not included in the estimated proffer amounts.

The Cash Proffer Policy has been in place for six years now and the Board has asked to review the policy and evaluate whether it is creating barriers to development.

Cash proffers were instituted in 2007 for a number of reasons. Among those reasons were:

- **Simplify evaluation of rezoning applications.** The DPRTF determined one of the major delays in the consideration of rezoning was reaching an agreement on the case-by-case impacts associated with each proposal. There was recognition that a cash proffer policy would greatly simplify this process by "averaging" impacts and expecting each development to address the typical impacts.
- **Create certainty for developers**. As a cash proffer policy assumes an average impact for all development, each property is evaluated against this average impact. This greatly reduced the uncertainty for developers in determining the cost of a rezoning application.
- **Provide an additional means of funding an increasing demand for infrastructure improvements associated with growth.** The Board recognized that an increase in residential density associated with a rezoning greatly improved property values, but, without proffers, did so largely by increasing demands for County funding of capital improvements. Effectively, a rezoning became a wealth transfer from the County to property owners and developers. The cash proffer policy provides a balance between the developer improving their property's value and assuring funding for improvements needed to reduce the impacts resulting from that development.

Development Activity and Cash Proffer Policy

Questions have been raised as to whether the cash proffer policy has slowed development or has resulted in pushing development to the Rural Areas. Staff has found no data to support either position. There are two explanations for the slowed development. First, there was a major recession beginning in 2008 that generated impacts far greater than this policy. Second, ignoring 2008 and 2009 of the recession, there are only three years of data during which the proffer policy was in effect, and those three years show recession development at pre-recession levels. Staff also notes the pre-recession period was the height of a housing boom. If there were any negative trend, staff believes it would have been very noticeable when measured against a period during a housing boom. Instead, staff noted there remains a large inventory of property upzoned prior to the recession and the adoption of the cash proffer policy that remains undeveloped. The result is that the supply of available land zoned for development continues to greatly exceed the short term demand.

With respect to the Rural Areas, the attached study was provided to the FIAC in September 2013 (Attachment F). The report indicates that the County has seen a significant drop in Rural Areas residential building permits since the policy was adopted. While building in the Development Areas has increased to pre-recession levels, permits in the Rural Areas continue to lag at half of pre-recession levels. Staff suspects this is due to economic conditions and the weak demand for the more expensive housing typically built in the Rural Areas rather than any policy effect.

Next, the 2012 County Building Activity Report allowed staff to consider building permits before and after adoption of the cash proffer policy (Attachment G). In looking at the number of residences permitted for the Development Areas for the last nine years, staff could find no evidence that the policy has resulted in a decrease in development activity. Once again, ignoring the recession of 2008 and 2009, staff noted the sample size is too small to provide any statistical assurance whether or not the policy has had any effect. By looking at projects being developed with and without cash proffers, staff noted projects with cash proffers (such as Willow Glen and Hayden Place) are developing just as well as property moving forward with by-right development. Conversely, staff considered the Crozet Downtown District, which is the one part of the County upzoned without cash proffers, and noted that the only development that has occurred is the County's Crozet Library. To date, the absence of cash proffers has not proved an incentive for development in the Crozet Downtown District.

Other Factors

The Board considered a number of other factors during the development of the policy in 2007 that were intended to avoid a disincentive to developing in a form desired by the Comprehensive Plan. Although there have been anecdotes claiming these factors have created barriers to development, the data does not provide good evidence of that occurring. The policy provides the opportunity for a number of possible cash proffer credits, but there have not been enough applications attempting to use the credits to determine whether that incentive is working as the Board intended. Those possible credits towards the cash proffer amount include:

- Dedication of property and in-kind improvements. This credit has been used on several applications (e.g. Biscuit Run) and the Board quickly resolved differences on estimated values.
- No increase or a small increase in density. Staff notes this credit allows development seeking design flexibility within the Neighborhood Model District, with the estimated density increase being the only units with the cash proffer amount expected. While approved prior to the cash proffer policy, Belvedere is often cited as an example of this credit. There is no definition of what constitutes a "small increase," which may create uncertainty for the development community on how far this credit can be applied.
- Substantial upgrades to design / development standards. This provision allows for a credit up to the anticipated lot yield prior to the rezoning. An example of this could include a high quality Neighborhood Model form of development. Several developments have been approved without cash proffers as a result of changes intended to improve the quality of development and several are currently in the process of amending their zoning using this provision. This factor has often been combined with small or no increases in density.
- Unique circumstances. While this provision has not been used, it was intended to recognize that certain projects can generate much lower demand for public facilities. The cited example for this credit is an age restricted development that would not create a demand for schools, but the credit is not limited to schools.

Cash Proffer Experience

As noted in several places, staff finds there is still a very limited amount of data associated with projects using the cash proffer policy. The limited data makes it impossible to show, one way or the other, whether the cash proffer policy has had any effect on the amount of or type of development occurring. Furthermore, when considering the available credits under this policy, there is even less data to support any theories about the effectiveness of those credits. Given the limited amount of data and strong building activity suggesting the policy effects are small or nonexistent, staff recommends maintaining the current policy for two more years, then revisiting the question with the advantage of the additional experience and data.

No change to the policy is being recommended at this time. Should the Board wish to consider changes to the policy, staff would include consideration of budget impacts with those changes.

1. Staff recommends that the current policy be maintained for an additional two years, then revisited using the additional data to consider whether any changes are warranted.
2. Should the Board desire any additional consideration at this time, staff recommends the following process:
   a. Staff would invite the development community and others to a public roundtable for the purpose of creating an opportunity to share concerns and issues with the current cash proffer policy. It is expected that the roundtable would start with a staff overview of the current policy and then allow ample time for attendees to share thoughts about the policy.
   b. Following the roundtable, staff would utilize the County's website to enable additional public comment on the current policy. It is intended that this type of forum would accommodate anyone either not comfortable sharing their comments in public or otherwise unable to attend the roundtable. The website would be kept open for a minimum of three weeks to allow a reasonable time for comments.
   c. Following the comment period, staff would catalog all input and present it to the Board in unedited form along with staff's understanding of the issues raised. The

Board could then identify any issues it determines would benefit from further consideration at this time and then direct staff to provide options to address those specific issues. The Board could also determine a process for obtaining any additional public input as warranted.

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Mr. Mark Graham, Director of Community Development, addressed the Board and stated that Mr. Steve Allshouse would also present on the matter, as he has done some research on the issue as part of his work with the Fiscal Impact Advisory Committee. Mr. Graham said the purpose of the work session was to review the existing policy and ensure understanding of what is currently in place, to review the development patterns seen since the adoption of the policy, and to determine if there is any interest in implementing changes to the policy.

Mr. Graham explained that one of the big motivators at the time the cash proffer policy was created was to improve the development process and, rather than looking at impacts for each individual project, the policy allowed an averaging of impacts which greatly simplified the analysis during rezoning and significantly reduced the uncertainty for developers going into the development review process. He said that the impetus behind the policy was also to address the growth impacts recognizing that the up-zoning increases demand for infrastructure, and the County's strategic plans consistently identified a need for CIP funding sources. Mr. Graham stated that the issues considered with the proffer policy were: ensuring that it was something that matched their authority, and this policy closely follows those in other jurisdictions including those that have withstood legal challenges; ensuring that it affects only residential development, as those impacts exceed future tax revenues – considering only the areas of impact as schools, transportation, parks, libraries, and public safety facilities; and providing for credits and guidance in reductions of proffer amounts for affordable housing, land and infrastructure improvements provided as part of the rezoning, services such as bus transit lines provided, by-right credits in areas where there is neighborhood model or high quality development, and recognizing unique circumstances such as age-restricted housing where there is no impact on schools.

Mr. Graham explained that there are two parts to the by-right provision – with one recognizing a situation where there is little or no increase in density as a result of the rezoning, addressing the form of development; and one that has never been used, having to do with a high-quality form of development which Board members felt exemplified the quality of development sought for this community.

Ms. Mallek asked if there were criteria about what that means. Mr. Graham responded that it provides considerable discretion for the Board, and there is no detailed guidance on what is meant by that.

Mr. Graham stated that, as far as policy and development patterns related to the cash proffer policy, they want to address whether it has slowed development, what has driven it to the rural areas, and then look at any remaining questions. Mr. Graham referenced the building activity report provided to the Board every year and, for every year, it's divided into development area or rural area. He said staff divided it into three time segments – from the adoption of the policy, a pause during the recession, and then post-recession. Mr. Graham said, in 2010-12, the amount of development in the development areas was equal or greater to what they saw pre-policy, so they weren't really seeing any impacts. He stated that, when they got to the rural areas, they saw low rates of development although those are primarily excluded from the proffer policy.

Ms. Mallek asked if the "post-policy" projects are things like Old Trail, which were approved on the early side of the policy and built out later. Mr. Graham said there were a number of those developments where there was a mix of zoning approved prior to the proffer policy, and other parts of the inventory that are still not developing. He stated that they are also seeing projects which had the cash proffers in place move forward, so the question is whether the proffer policy has impacted development or not.

Mr. Boyd said what he thought Ms. Mallek was asking was whether or not the development in post-policy days was less than what it is today - $3,000 as opposed to $20,000. Mr. Graham said very little of it is with the cash proffer policy because, at the time it was adopted, rezoning had essentially stopped due to the recession. He stated that staff has seen very few properties rezoned that actually fell under the cash proffer policy, and those they have seen are developing, such as Hayden Place in Crozet and Avon Park II. Mr. Graham said they aren't really seeing that it's stopping development, but a statistician would say it is "non-parametric," meaning that the sample size is so small that it's difficult to draw conclusions from the data. He stated that there are also other factors contributing to this from the recession, and there are a lot of apartments in these development numbers.

Mr. Boyd asked how it would change if it only single-family units were included. Mr. Graham stated that they can look at that column and see the trend.

Ms. Mallek said it's consistent all the way through. Mr. Graham said that they were actually seeing a transition there anyhow in terms of the number of single-family units, and what they've seen since the recession is a much larger number of townhouses being built than pre-recession.

Mr. Boyd said that it's shifting back to single-family homes now. Mr. Graham said that's a confounding circumstance because it involves trying to predict things when the market has changed, and a big factor not accounted for is the availability of financing for purchase that impacted what types of homes were ultimately constructed.

Ms. Mallek asked for further clarification on the Board's ability to deem certain properties exempt from cash proffers, and asked how it was different from having a parcel with 15 by-right units that wants to go to 30 and is only charged for 15 additional. Mr. Graham said that's a question that hasn't been fully explored, as it talks about "no increase" or a "small increase" but doesn't specifically define what that is, and, in his opinion, is at the Board's discretion. He added that a policy is just a policy, it's just guidance.

Mr. Steve Allshouse, Manager of Economic Analysis and Forecasting, addressed the Board, stating that he would address a question that came before the Fiscal Impact Advisory Committee in March regarding whether or not the proffer policy is potentially shifting development away from the growth areas into the rural areas – and to answer this question he is using an empirical approach, looking at data and trying to glean information from that. Mr. Allshouse said economic theory itself doesn't offer any clear cut guidance on this particular issue, and what it tells them is that firms are profit-maximizing agents which are taking into account both costs and revenues when considering a particular project. He stated that they would then compare scenarios and go with whichever is most profitable but, in this case, it's not clear to staff whether the County's proffer policy would necessarily make development in the development areas less profitable than the rural areas.

Mr. Allshouse said the best they can do is see what has happened since the policy was adopted and try to glean some information from that, so he looked at the single-family detached building permits and the percentage of those issued for the rural areas as opposed to the development areas – then evaluated whether there was any discernible change before and after the County's proffer policy was adopted in 2007. He said the data set was very small, and there are a number of factors that can influence this variable. Between the years 2000-2006, he said the number of single-family detached building permits issued for the rural areas increased and, after the policy was adopted, the number started tapering off. Mr. Allshouse stated that, going back to 1981, there is generally a downward trend as the County has grown, but the data shows the trend has not been uninterrupted. He said the downward trend from 1981-1995 is likely a function of the development areas getting commercial development and people wanting to live near their workplaces and, beginning in 1996, the trend shows more development going into the rural area – perhaps because of homeowner investments in larger, estate-type housing. Mr. Allshouse said that number peaked in 2007, and the trend has been down since that time.

Mr. Boyd asked Mr. Allshouse if he had super-imposed any information from UVA, and wondered how that would track with these trends. Mr. Allshouse said that would certainly have an impact, as there are a lot of economic factors which would influence this number.

Mr. Rooker said he wasn't sure one could draw any conclusions from that, as it might be more relative to the number of total units built versus percentage in the rural area.

Mr. Boyd said the City has done analysis in the past of what is going on at the University and how it relates to the local economy. He said, in more current years, things like DIA and NGIC would impact it more.

Mr. Rooker noted that it's been going down in the years since DIA and NGIC located here.

Mr. Boyd commented that a lot of those people are moving to Greene County.

Ms. Mallek said the price of gas has also made a big impact and, when gas prices went up to $4.00 a gallon, many people in the rural areas moved into town. Mr. Allshouse agreed that it is a factor, and said the report is by no means conclusive. He said the findings do indicate that there has been a downward trend in housing in the rural areas, but there's only six years of data to work with since the proffer policy was initiated. Mr. Allshouse said one might be able to analyze whether the downward trend would have been down even further in the absence of the policy, but it still can't be measured with any credibility using just this small amount of data. He added that the results of this report are essentially inconclusive.

Mr. Boyd said that deals with the development areas versus the rural areas, and asked if he had done any tracking on how much by-right building is going on in the development areas versus proffered, as that might paint a different picture.

Mr. Allshouse stated that that's a separate issue which would require an entirely different study, and economic arguments can be made which suggest that density in development areas could be impacted by their proffer policy – but the narrower question being answered was to look at urban versus rural areas.

Mr. Rooker said there was a developer who came in today who said he wasn't going to up-zone because of the cash proffer policy but, in the coming week, he would be bringing forward a proposal to up-zone property and said he didn't have a problem paying the proffers. Mr. Rooker said this developer has also told him in the past that the cash proffers were just the cost of doing business when times were good.

Ms. Mallek said there were several projects in Crozet which had been rezoned, but then the developers opted for lower density – which actually made the neighbors happy.

Mr. Boyd said he has also heard that the $600,000 to $1 million homes haven't been selling, and what's been selling are homes in the $200,000 range – which may be what's driving condominiums to be built. He stated that a $20,000 proffer on a $600,000 home is not as steep as what it would be on a $200,000 home.

Mr. Graham said staff is getting mixed messages on the impact of the cash proffers, and some of the approved development without cash proffers is remaining idle or changes to its zoning are being sought – such as what's happening in the Downtown Crozet District, where nothing has really come forward despite waiving proffers. He said some development approved with cash proffers is moving forward, although it's a very small number. Mr. Graham said the credit provisions have remained largely untested, and staff has heard developers say that, if they knew they would get credit for their by-right development and only pay the cash proffers on additional density, they would be able to move forward with it. He stated that upgrades to design and development standards is another provision in the policy for credits, but hasn't really been tried yet. Mr. Graham said those unique circumstances whereby a developer feels their project has a demonstrated reduced impact would be another way to achieve a credit, but those things just haven't been tried yet.

Mr. Graham stated that a driving force for creating the policy was that it was going to simplify the ability to get a rezoning, and an example of this is The Lofts – with the application going from being received to a Planning Commission public hearing in 4 ½ months, with the Board review at just 5 months. He said the process of moving it through quickly is working, but the question remains on the cash proffers.

Mr. Graham said, in review, staff has two recommendations: recognizing that development activity seems to be going fairly well, staff recommends deferring policy changes for two more years to allow enough data to be gathered to see if there actually are adverse impacts; and, should the Board desire additional consideration at this time, staff recommends that the process move forward by soliciting public input through a roundtable. He said staff would then collect those comments and forward those to the Board for consideration to determine whether any policy changes are needed at that time.

Ms. Mallek asked if there was any interest by fellow Board members in separating out the issue of the existing by-right units as opposed to those in addition, because that has come before them in several different instances and was somewhat of a discrete policy already in existence but it hasn't been interpreted in the way perhaps that it could be.

Mr. Rooker said he didn't think they needed to create a long process to look into this because there are only a few issues, such as the proffer amounts – which the Fiscal Impact Committee has been asked to review, and also the by-right issue. He stated that he didn't know if there were that many other issues, and he would support looking at the by-right issue as a discrete matter. Mr. Rooker said he thinks it would be a good policy to not charge cash proffers on the existing development potential of a property, but if someone wants to increase density they should pay on the difference only.

Mr. Snow, Mr. Craddock and Mr. Boyd all agreed.

Mr. Boyd said he has also heard the suggestion of it being a percentage of the cost of the home rather than a fixed amount, and Mr. Snow agreed.

Ms. Mallek said she agreed with that in theory, but the problem is the impact on infrastructure is the same regardless of the cost of the home. She stated that she hears consistently from existing residents that they want to ensure there is a way for them not to bear the cost of new residents who come.

Mr. Boyd pointed out that it's not all new residents, it also covers those who are moving up to larger homes.

Mr. Rooker said he wouldn't be opposed to looking at a percentage, but it's not as cut and dry as the by-right issue.

Mr. Boyd stated that, if they hold roundtables, he would like to expand it beyond just builders to also include people who are looking for homes or at least real estate agents representing them, to get an idea of what the public is thinking.

Mr. Rooker said roundtables often just bring in a small group, and it seems they ought to go ahead and make the one change they already support on the by-right issue. He added that it would helpful to have the Fiscal Impact Committee review the financial aspects.

Mr. Boyd mentioned that the committee had already done that type of review and came to the conclusion that the County could legitimately charge what they're doing now, when considering the 10 years of a CIP. He said they didn't really determine whether it was the right thing to do, but just that they were justified legally.

Mr. Rooker said the CIP that would be coming before the Board has a lot in it, and it would be important to establish what they will be using going forward at the five and ten-year amounts.

Mr. Foley said the requests that have come in are about twice what is currently included in the CIP and, during the downturn, people weren't putting in much in the way of the requests because they knew there wasn't much money available.

Mr. Snow mentioned the possibility of impact fees.

Ms. Mallek said that's an issue of not having the state enabling legislation available to them.

Mr. Rooker said he would drop proffers entirely if there was a good impact fee system which would result in $5,000 or so per unit that every building permit would include, and it could be spread out evenly across all units. He stated that there is a degree of unfairness to the proffer system because it doesn't apply to all units, but it is the only effective way to obtain money from new development to contribute toward infrastructure.

Ms. Mallek stated that this is something the Board should be sure is at the top of the legislative agenda, because it's been on there so long that it may have lost its intensity at the legislative level.

Mr. Snow asked to clarify that they weren't talking about dragging this out over several years, and that it would be coming back soon with a public hearing.

Mr. Davis said the process is part of the Comp Plan, so it could be addressed as part of the comprehensive review of the plan before them now or separated out and sent back to the Planning Commission for input, with it returned to the Board as a separate amendment.

Ms. Mallek stated that there's no way to get the by-right part done by December because the language is already in the policy that they will be discussing, and there was an applicant in June or July who deferred the item in anticipation of the Board's decision.

Mr. Boyd agreed that if there's some way to address that situation, it would be helpful to do that on that person's behalf. He said he would be willing to bring it back for discussion so that it addresses her situation, in addition to the situation overall of by-right credit.

Mr. Rooker asked if it would be possible to expeditiously deal with that one or two-sentence section of the Comp Plan.

Mr. Davis explained that the Comprehensive Plan cash proffer policy is a guide and doesn't require the Board to follow it in every instance, however, he strongly suggests that the Board be consistent in their application and not be arbitrary. He said, if the Board chooses to vary from it, there should be a rational and substantial reason for doing so.

Mr. Rooker asked if the current Comp Plan language suggests that they don't give by-right credit, and if they could just adopt a resolution that establishes a Board policy of applying the Comp Plan policy to give by-right credit.

Mr. Graham said the actual policy is included in the staff report.

Mr. Davis said it states in effect that where there is a minimal increase in density, a credit may be given for the number of residential allowed units under the existing zoning, and the cash proffer amount will be based only on the estimated density increase resulting from the rezoning – but it also goes on to say that it should only be allowed in situations where the rezoning seeks the design flexibility allowed by the Neighborhood Model zoning district, or seeks to amend a prior zoning with no increase in density and the credit should not be allowed if the zoning application seeks to increase density in a conventional rather than planned zoning district. He said, if the Board finds there is a rational basis to not follow the policy, it does not need to adopt a resolution in any particular zoning case to do that, but emphasized that the Comprehensive Plan is the document that provides guidance on this so that should be amended if the policy is to be changed.

Mr. Rooker said that's what the Board is talking about doing, but the question is how to get it before them as a separate item in a reasonably fast matter.

Mr. Davis stated that the Board would have to initiate a Comp Plan amendment for the Planning Commission to have a public hearing and bring it back to them for a public hearing, which could be done in a reasonably quick manner, or they could make the change be a part of the total update to the plan.

Mr. Boyd said Mr. Graham had explained earlier that the way the plan is written now regarding cash proffers is broad enough to make adjustments to, and he didn't understand why the changes pertaining to this case couldn't be propagated into the policy for the future.

Mr. Rooker said, based on the language Mr. Davis just read, it would be a strain to find that the development came within those parameters, and it's bad to try to make policy on a case by case basis. He stated that, since they agree it makes sense not to charge cash proffers on a piece of existing property, therefore, rather than trying to fit something into this one situation, he would prefer to address it on a large-scale level and change the Comp Plan.

Mr. Davis pointed out that this is a maximum cash proffer policy and the Board can always accept less than the maximum on a case by case basis – but, from a legal defensibility standpoint, the Board should have a rational basis and a legitimate reason for doing so. He said the Board is in a position whereby that could be accomplished, consistent with what it is trying to do.

Mr. Foley said what Mr. Boyd is suggesting would be reasonable then.

Ms. Mallek said it could be called up for reconsideration at the next meeting.

Mr. Rooker then **moved** that the Board express its intent to amend the Comprehensive Plan to provide credit for by-right development with respect to the cash proffer requirements. He said he was making that motion because adopting it as a resolution of intent affects how they can look at things between now and then.

Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

Ms. Mallek asked how they could address the specific project of concern, and asked if they could call it back up at their convenience upon notifying the applicant. Mr. Davis said the way it was left is the applicant would bring it back when he was ready for it to be brought back.

Mr. Rooker said he wanted to be careful about bringing that back, because it was more than just the by-right issue with that particular development.

Mr. Boyd said there was also the issue of taking credit from a project across the street and giving credit for that, but the argument was made by the applicant that the Board had the latitude to do that.

Mr. Cilimberg said the Planning Commission's recommendation was to give credit for the by-right, and credit for the affordable units – but the applicant was seeking additional credit.

Mr. Davis said the underlying density on that property was pretty small, so the credit would not be dramatic.

Ms. Mallek stated that it's the applicant's choice though.

Mr. Thomas said the applicant was seeking about 65 units.

Mr. Rooker said the applicant could perhaps be notified of the action today, and it would be up to them as to whether they felt it was sufficient.

Mr. Graham asked for clarification on the by-right situation, as it is addressed in another part of the credits dealing with substantial upgrades to design standards. He explained that what they mean with "by-right" speaks to having documentation in conformance with the existing ordinance and the site specific characteristics an applicant could develop at that density, so it's not just a theoretical exercise – it can actually be demonstrated as possible for that development.

Ms. Mallek reiterated that, because of the existence of roadways and transit, it may not have the same impact as something in the green field. She said those are all items which the Board should take into consideration as the policy goes forward in development so as to put some criteria in place that will help the Board to figure out exactly where this is most appropriate.

Mr. Graham asked for clarification that the Board intends to hold a work session where they would also consider proffer amounts based on a sliding scale, and he wasn't sure how that would work.

Mr. Boyd said it would be a percentage rather than a fixed amount.

Mr. Rooker asked how that would be based.

Mr. Boyd said it could be collected upon occupancy, based on the home price.

Mr. Davis said, in order to go down that path, there will need to be some underlying data which supports that the impact is different between those types of units.

Mr. Allshouse said, with a sliding scale type of approach, they would have to look at different types of dwelling units by price point and would need to analyze the impact in terms of the number of children going into school, traffic implications, etc. He said it could be done, but would require a lot of data to back up what is being proposed.

Mr. Rooker said he has concerns about spending a lot of time studying this issue only to find there is no "pot of gold" with respect to the data gleaned, and it would be interesting to know whether or not there's any other locality in the state that has applied a cash proffer policy in this manner.

Mr. Graham asked if there were any other factors the Board was interested in including in a work session on this.

Mr. Snow said those were the two items he had.

Mr. Davis asked for clarification as to whether the Board intended to wrap this into the updated Comp Plan adoption or a separate amendment.

Mr. Boyd said it's logical to make it part of the general update, but he didn't want to delay the specific case in question for six months.

Mr. Foley said they would add it to the already planned Comp Plan work sessions for discussion.

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Agenda Item No. 17. **Presentation:** Board-to-Board, *Monthly Communications Report from School Board,* School Board Chairman.

Mr. Steve Koleszar said, at the School Board's work session the previous month, they had done a budget vision – which is the earliest the School Board has had input going into the process. He said they have had some extensive pilot initiatives this year and, rather than rushing into them, they have been taking the time to do them right prior to re-implementing them. Mr. Koleszar said the School Board will be considering elementary school foreign language implementation by 2015-16, with one pilot currently at Cale Elementary where there is a heavy ESL population.

Mr. Koleszar reported that they would be revising the program studies, and staff would be recommending that schools stop reporting class rank on college applications because a high-performing student body might make their ratings lower. He said schools would hold a staff development day entitled "Making Connections" that is the equivalent to a national conference, but noted that they had cut back staff development time significantly over the last several years during the budget downturn. Mr. Koleszar said the schools would also like to see School Boards pass a resolution challenging the state to improve assessments and SOLs, and there has been discussion at the state level in this regard. He stated that the School Board had identified the weaknesses in the SOL assessments as being the largest threat to education in the County, so the state is catching up to that.

Ms. Mallek asked if the "one to one" item was intended to provide technology for students. Mr. Koleszar clarified that it intends to provide equipment for children, and it isn't anticipated to be a huge dollar figure, but more of a restructuring to redirect technology dollars.

Ms. Mallek asked if there would be money in the budget next year for the return of the intervention specialists. Mr. Koleszar said they are still discussing that issue but hadn't determined whether it would be included.

Ms. Mallek said early childhood education had also been discussed during strategic planning, and asked if the preschool expansion with Bright Stars going to more schools was being considered. Mr. Koleszar stated that the School Board's positions is that they're willing to do that, but it has a different funding stream than K-12 education.

Ms. Mallek said it wouldn't have to, noting that there are 80 kids on the waiting list at one elementary school.

Mr. Rooker said Bright Stars has been shared funding between social services and the schools. Mr. Koleszar stated that they embrace having students in those programs, so there are all kinds of in-kind provisions which aren't counted in the cost – and the actual cost of the teachers and the home workers comes from a different funding stream. He said the School Board has not taken a position that they want to spend more money out of their budget to support it and, from his perspective, he distrusts the magic bullet of pre-K education.

Ms. Mallek said she would argue that if they come to kindergarten unprepared, there will definitely be future problems. She asked for clarification as to how many children are on the waiting list for Bright Stars. Mr. Koleszar said it was more like 80 students county-wide, not at one school.

Mr. Rooker said there was also an issue with available classroom space for pre-K programs. Mr. Koleszar stated that there are a few buildings which are capacity constrained, but he didn't think there was a high overlap with where they wanted to add additional Bright Stars. He said, if the decision is made to add 80 kids, they would find space to make it work.

Mr. Rooker said it would be kind of helpful to push it through the system, and it needs to be clarified as to whether or not there is specific capacity available for Bright Stars. Mr. Koleszar stated that it would need to be evaluated on a case by case basis, but the real issue is whose job it is to move ahead with the program noting that it would be the County's decision to expand the program

Ms. Mallek said it is the schools' responsibility to provide the necessary information as to how many kids need the program, so they can assess the cost and the ability to address the need.

Mr. Foley said staff would work to clarify what it would take to expand the program from an operational cost as well as space perspective.

Mr. Rooker said every gubernatorial candidate has said they would emphasize pre-K education, so perhaps there would be some money from the state to fund these programs.

Ms. Mallek said she is concerned about NGO-level programs that will take funding away from public school programs if the schools are not requesting that money. Mr. Koleszar stated that he is a strong proponent of integrating those early education programs and having principals "own" those programs, as one of the hardest things for kids is transitioning from pre-K to school – so having it in a separate location is not as ideal.

Mr. Craddock said he had read recently about a national push for STEM training, and asked how Albemarle has been involved with that.

Mr. Koleszar said, about six years ago, the County set up a STEM academy as a pilot at Albemarle High School – and there is now an incoming class of 125 freshmen, with almost 200 applications for those slots. He stated that it's been very successful and popular. He reported that those students entered a robotic sailboat into competition with other high schools and colleges – including the Naval Academy – and came in first place.

Ms. Mallek said they were the only high school allowed to participate, and it was the first time high schoolers were ever allowed to enter the competition.

Mr. Rooker said he had also heard anecdotally that if you treated it as a separate entity, those students' SOL scores would put the school among the top five in the country.

Mr. Koleszar said, two years ago, Monticello High School opened up a health and medical sciences category, and Western Albemarle is currently in the process of opening an academy for environmental sciences. He stated that, in addition to being successful in their own right, these academies are serving as a model of good instruction and helping to change how teachers are teaching the more traditional courses.

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Agenda Item No. 18. **Presentation:** FY 13 General Fund Year End Financial Report.

The following executive summary was forwarded to Board members:

The attached Unaudited Annual Financial Report (UAFR) provides information about the County's General Fund operations and Fund Balance as of June 30, 2013.

The UAFR reflects year-end data through June 30, 2013, the end of FY 13. The revenue information in the attached UAFR is organized in a way that is consistent with the revenue section of the County's budget document. Expenditure data is presented following the format of Exhibit 12 of the County's Comprehensive Annual Financial Report (CAFR). Line item titles in the UAFR match the line item titles in these two documents. The columns in the UAFR show FY 13 Adopted Budget revenues and expenditures, Revised Budget revenues and expenditures, as well as Year End actual revenues and expenditures. Each of these Year End figures subsequently is expressed as a dollar difference from, as well as a percentage of, the amount of the relevant dollar amount in the FY 13 Revised Budget.

Highlights of the attached report include:

<u>Revenues – Year End Actual</u>
The Year End total of local, state, and federal revenues in FY 13 was $220,645,600 compared to a revised budgeted total amount of $219,512,064. This means that the County's actual total local, state, and federal revenues were within roughly 0.52% of the Revised Budget total revenue. This variance is well below the 5% +/- range of forecasting error that the Government Finance Officers Association (GFOA) considers reasonable.[1] The Total Revenues plus Transfers In was $222,712,512 compared to the Revised Budget amount of $231,556,213, or within 3.82% of the Revised Budget plus Transfers In amount. A listing of significant variances among revenue line items is found on page 2 of the UAFR.

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1. See *An Elected Official's Guide to Revenue Forecasting* (Chicago, IL: Government Finance Officers Association, 2000), p. 66.

<u>Expenditures – Year End Actual</u>
The Year End total expenditures in FY 13 was $214,363,907 compared to $218,653,826 in the Revised Budget expenditures. This result means that the County's actual total expenditures were within roughly 1.96% of the Revised Budget expenditures. The Total Expenditures plus Transfers Out was $227,117,334 compared to $231,614,091 in the Revised Budget plus Transfers Out amount, or a difference of 1.93%. A listing of significant variances among line expenditure line items is found on page 3 or the UAFR.

<u>Excess of Revenues over Expenditures</u>
Consistent with best practices among AAA-rated localities, Albemarle takes a cautious, but reasonable approach in budgeting revenues and expenditures. In terms of revenue budgeting, this approach means that the County's projections tend toward the conservative side while, in terms of expenditure budgeting, the County does not assume that there will be cost savings for items over which the County has little or no control (e.g., early retirements, salary lapse, etc.). In many fiscal years, this approach results in revenues being greater than expenditures. This experience is consistent with that of other AAA-rated jurisdictions. In regard to Albemarle County, it is noted that Standard & Poor's has remarked within the past few years, that, "[w]hat we believe are strong and conservative fiscal policies, and a well-seasoned management team, have allowed management to maintain, in our opinion, its solid finances and low debt, providing rating stability."[2] Similarly, Moody's noted it "believes that the county's financial operations, characterized by ample reserve levels, will remain strong given conservative management practices and healthy revenue streams."[3]

In FY 13, the total of local, state, and federal revenues exceeded total expenditures by $6,281,693, or by roughly 2.93%. Including net transfers, however, *expenditures exceeded revenues* by $4,404,822, due largely to the appropriated transfer of $8.3 million from FY 12 fund balance to the Capital Improvement Program (CIP) as additional equity funding of the CIP.

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2. See Standard & Poor's "Summary: Albemarle County Economic Development Authority, Virginia; Albemarle County; Appropriations General Obligation" memorandum, p. 5. (November 4, 2011).

3. See Moody's Investors Services "Moody's Assigns Aa1 Rating to Economic Development Authority of Albemarle County's (VA) $38.1 Million Public Facility Revenue Bonds (Albemarle County Project), Series 2011" memorandum, p. 1. (November 1, 2011).

General Fund FY 13 Fund Balance & Use of FY 13 Fund Balance
The unaudited June 30, 2013 Fund Balance is $35,285,254. There is no projected addition to fund balance in FY 14, although there are certain "watch list" items identified as potential uses of the General Fund balance, such as Federal/State Revenue Contingency. The projected June 30, 2014 fund balance, therefore, is $35,285,254.

School Fund FY 13 Report
In FY 13, the Schools Division had total revenues of $154,004,839.64 and expenditures of $153,453,746. This result means that expenditures were $551,093.64 or 0.36% below revenues.

Revenue and expenditure data contained in the UAFR reflect the state of the County's budget-to-actual performance as of June 30, 2013.

This report is for information only.

Ms. Betty Burrell, Director of Finance, said she would present the unaudited, preliminary FY13 financial results. She said the purpose of her presentation was to provide highlights of the results, adding that the official CAFR would be presented to the Board on December 4. Ms. Burrell thanked Steve Allshouse, Ed Koonce, Jonathan Kern, and members of the Office of Management and Budget for their work on the report.

Ms. Burrell reported that actual federal, state and local revenues – excluding transfers – were $1.1 million greater than what was budgeted, within 5.2% of budget. She said a significant portion of the additional revenue is attributable to the improved collections on current taxes and, in FY12, the County had a collection rate for current taxes of 95.45%, which they improved in FY13 to 96.03%. Ms. Burrell stated that actual local sales and business tax revenue exceeded budget, but collection with delinquent taxes associated with penalty and interest fees were less than what had been budgeted.

Ms. Mallek asked if that was because they were catching up. Ms. Burrell confirmed that it was, having increased 1.5% in the collection of delinquent taxes over a two-year period.

Ms. Burrell reported that actual expenditures in FY13 provided the most noteworthy positive results, and the County realized savings in its share of the regional jail as well as savings due to salary lapse. Excluding transfers, she said actual County expenditures were $4.3 million less than budgeted. Ms. Burrell said they had an audited FY12 fund balance of $39.7 million and, as a result of FY13 positive operational results and unnecessary use of fund balance that had been budgeted, the County ended up not using as much fund balance as what had been approved by the Board. She stated that total transfers and contributions of $2.1 million included the transfer from the tourism fund of $1.3 million and HUD Section 8 reimbursements of $270,000, as well as two transfers from the schools totaling $339,000. Ms. Burrell said they didn't end up needing as much from contingencies, and the majority of the use of fund balance from FY12 was sent over to the CIP for the equity funding and debt service portion of the CIP.

Ms. Burrell stated that the net effect of the positive operational results and unused fund balance gives a FY13 estimated fund balance of $35.3 million and, subsequent to the close of the fiscal year, the Board authorized $2 million of the fund balance to be used in FY14. She said, with the recently adopted fund balance policy of 10% of total budget, or $28 million, that leaves a residual of about $5.7 million un-appropriated and unassigned.

Ms. Burrell stated that the staff report includes information on schools, which is a preliminary report that has been significantly amended since the report was prepared three weeks earlier. Ms. Burrell said there was a budget item reflecting the revenue from local government, which includes revenue from the schools transferred from their self-supporting fund – and shows up in the report as an anomaly between budget and actual. She stated that the Board authorized the schools to use their fund balance through a new policy, so some of that will be presented with the CAFR in December.

Mr. Foley said the potential use of the positive balance is something staff would be discussing with them in the five-year planning sessions, as they do every year and, by policy, it would go to capital – but the Board has also talked about some other set-asides.

Agenda Item No. 19. **Presentation:** Quarterly Capital Report.

Mr. Trevor Henry, Director of the Office of Facilities Development, addressed the Board, stating that the quarterly capital report had been submitted for their review and indicated that he would be reporting on some of the higher-profile projects which are underway.

Mr. Henry said projects completed since his last report include summer school projects, including Murray High renovations – which went well and allowed the school to utilize some space that had been previously unusable. He stated that the lengthy brick re-pointing project was multi-phased and scoped, finalized with the front stairs being completed over the summer, and would get final billing with about $45,000 returned to the capital fund.

Mr. Henry reported that the Crozet Library grand opening took place in September, held on a Saturday morning and well-attended, and the project is still active with lower level renovations completed for the Crozet Running tenant as well as the space on the opposite side. He said this project was scheduled to be finished over the next week or two, and Crozet Running has plans for a grand opening in the near future.

Mr. Snow asked how much was ultimately spent on the building and how much was budgeted. Mr. Henry said the budget before them contains that information, but they are still showing a contingency on the project.

Mr. Boyd noted that the cost was more than just the building, as there was a streetscape project and property purchase also.

Ms. Mallek said that the $8.6 million included the property.

Mr. Henry said it did include the property acquisition, but nothing related to the streetscape or stormwater project.

Mr. Foley stated that it had been several years since they broke out the acquisition cost and other items, but staff could easily pull that number up.

Mr. Henry reported that the streetscape enhancement project bid opening was held September 16, and there was an apparent low bidder that came in within the budget of $1.4 million. He said staff is still going through a process of evaluating some add-alts as well as waiting for the final utility bills to come in, with relocation having been a cumbersome process over the past year. Mr. Henry said Century Link is doing their final splicing, with that work expected to be completed in the current week with their cables coming off the poles the following week and subsequent removal of the poles. He stated that, once the work is done, there is a contingent item with a notice to proceed on the rest of the streetscape beautification project. Mr. Henry said they have their paperwork in with VDOT, who must approve the contractor and, by the end of the November, the utility work should be done – with authorization from VDOT to proceed. He stated that a town hall meeting was tentatively scheduled for December 3 at Western Albemarle High School to brief property owners and business owners, and start an intensive communication and coordination effort as they begin work in the winter. Mr. Henry clarified that there would be a hard and fast completion date and associated penalties, with liquidated damages built in as part of the contract.

Mr. Boyd asked if they had done a cost-benefit analysis on the streetscape project, as has been done with other road projects.

Mr. Foley said he didn't recall the Board having any specific direction on that and defining what "benefit" would be, but the general discussion they had was that the infrastructure in place in the area of the master plan considered downtown would be a generator of some more activity. He said they've seen some of that, but how definitive that is in terms of a cost-benefit analysis would need to be scoped out.

Mr. Rooker said they didn't do a cost-benefit analysis for the new sidewalks at Pantops, adding that the County takes on public works projects because they're trying to make the community a better place to live. He stated that he didn't recall them doing a cost-benefit analysis of public works projects in terms of the profit expected.

Mr. Henry reported that the Crozet North sidewalk is a two-part project, with a "Safe Routes to School" component from the intersection of Crozet Elementary School and the Old Crozet School north to Ballard Drive, and the revenue-sharing component running from that intersection south to St. George. He said the Safe Routes to School bids were opened the previous week, but the bids came in higher than they had estimated – with $200,000 estimated for the scope of work and bids coming in at more than 10% higher. Mr. Henry explained that they are investigating why bids came in higher and figuring out what changes can be made regarding clarification of the drawing set or design scope in order to put it back out to bid. He said this particular project had been delayed for most of the year due to a conflict with an ACSA waterline which required them to do design changes, and some of the cost increase above the estimate may have been related to that.

Ms. Mallek asked if this had to be combined with another sidewalk project someplace else in the County. Mr. Henry said that's the revenue-sharing side, and that piece is tied to work happening at Pantops – so those two components have to proceed in tandem. He stated that there has been a learning curve with managing the revenue-sharing projects and some additive costs with the requirements. He stated that staff would be coming back to the Board in the near term, along with Community Development, to look at revenue sharing projects, with different cost estimates now that the VDOT requirement is better understood by staff.

Mr. Henry reported that the State Farm Boulevard project is the second half of the revenue-sharing project, and they are waiting for VDOT's permission for easement acquisition, which is expected within the next week or so.

Ms. Mallek asked if the land had to be purchased to put the sidewalk in. Mr. Henry said there are some easements which have to be acquired.

Mr. Jack Kelsey, Transportation Engineer, addressed the Board, stating that at the intersection of Route 250 and State Farm Boulevard there is right of way which needs to be acquired, and a water meter to be relocated and contained within an easement. He said the majority of easements they need are temporary construction easements, and the sidewalk stays within the right of way but comes within a foot of the right of way line, so some of the grading necessary will push it back onto those properties. Mr. Kelsey said, because these are revenue-sharing projects, even if a property owner wants to voluntarily dedicate the land to the County, they must be informed of their rights for compensation for the easements. He confirmed that the property at the intersection of South Pantops Drive and State Farm Boulevard is owned by State Farm, and there are four or five total parcels along the boulevard currently owned by them.

Mr. Henry reported that the Seminole Trail Volunteer Fire Department addition/renovation project has ramped up and is well underway, and they are starting to build the addition, with delivery slated for late summer 2014. He stated that staff presented to the Board in October on the Northside Library, including the end of the schematic design and the elevations – presented to the ARB as well as the Planning Commission. He said the third public meeting would be held on November 7 at the current library location, and the project is moving along on schedule, with the design development phase underway and bidding expected to take place in January. Mr. Henry reported that the Belvedere bond project for the work from the swim club north is finishing up, with paving to be completed later in the week and some stormwater and ENS work still to be done over the next few weeks. He said contracted work is slated to be completed in mid-December, with a town hall meeting that Mr. Thomas scheduled to take place on November 14. Mr. Henry said funds have been raised in order to pay the tap fee for the Lewis & Clark Exploratory Center, adding that there is still a little bit of site work to be done. He stated that the systems all need to be tested, then they can close that project out. Mr. Henry said there are a few small projects they hope to bid this calendar year. He added that the police firing range is in the negotiation stage with the other parties involved and Doug Walker is taking the lead on that.

Mr. Henry said the Church Road Basin stormwater project is currently in design, and there are some maintenance projects including the dredging at Four Seasons pond – with more "muck" encountered there than anticipated and engineering strategies being developed by Diggs Contracting to deal with it. He stated that there would also be several school projects launched over the next several weeks.

Mr. Rooker asked what the time period would be between "design and negotiation" and actual construction starting on sidewalk projects. Mr. Henry said it typically takes a few weeks to a month to get contracts locked down and moved forward with design, but Hydraulic and Barracks sidewalks are revenue-sharing items, so they would be brought back to the Board for further discussion.

Mr. Craddock asked where things stood with the firing range. Mr. Henry stated that Doug Walker is in the process of negotiating with the City and the University of Virginia on the terms.

Mr. Foley said, because of the additional cost, they need to shore up the partnerships and are planning to provide the Board an update in December. He stated that they also had some grant applications which might assist with the project, and hope to hear about them soon.

Mr. Rooker said, in the CIP, one of the larger items is $10 million for an improved ECC communications system, and he wants to make sure they are exploring every avenue for grant money for that – including utilizing Pat Groot at Thomas Jefferson Planning Commission (TJPDC).

Mr. Snow said Ms. Groot was at the roundtable meeting for cell and internet coverage.

Mr. Foley said Tom Hanson is very well connected in pursuit of those types of funds and the County would continue to be vigilant on seeking those, as this represents an increased cost and a significant change.

Ms. Mallek asked if Ntelos would reimburse the County to offset the cost of forcing the shift in the frequencies being used.

Mr. Foley said it would be worth pursuing going forward, and noted that this is a different project from the $6 million that was spent five years earlier to install the current system.

Agenda Item No. 20. From the Board: Committee Reports and Matters Not Listed on the Agenda.

Ms. Mallek said the Board would need to discuss the offer of Arrowhead Farm and the gift from the landowners, and asked if there were other items to be added.

Mr. Rooker said the updated schedule for the adaptive transportation system for Route 29 has this project being installed by June 2014. He stated that, when the County decided to go forward with this, VDOT said they had a sole source contract with Rhythm Engineering and would put it on that contract. Mr. Rooker said, about three months later, he called to find out the status and VDOT told him the contract had expired so they would have to do a new one – and now they're saying that contract won't be finalized until the end of December.

Ms. Mallek said they need to be prompted to proceed more quickly, as this is similar to what happened with Advance Mills Bridge until the County sent them an aggressive schedule of daily emails.

Mr. Foley said this is definitely not the result of the County not staying on top of the matter.

Mr. Rooker said it couldn't be too difficult to execute a new contract, because it's exactly like the old one, nothing that now VDOT is saying it will cost another $200,000 for the system. He said Mr. Graham is talking about VDOT having to come up with the money but, because the contract is not in place, the final total is not available. Mr. Rooker stated that the one benefit of the delay is that they are planning to use a more updated system, one that has been enhanced since the model they were originally considering.

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Mr. Snow recognized Mr. Woods and Mr. Lambert in the audience, and announced that the Rockfish Wildlife Sanctuary has expressed interest in partnering with the County on this project.

Mr. Bob Crickenberger, Director of Parks and Recreation, said staff has had an opportunity to review information previously provided to them on Arrowhead Farm, but he would also provide an update on the other two potential facilities – Buck Island Creek and Hedgerow Trail Park. He said both of those facilities are currently in the hands of The Nature Conservancy (TNC), with Buck Island Creek having a conservation easement. Mr. Crickenberger said they have discussed amending the easement because the language is written such that it wouldn't really provide the needed park amenities. Mr. Crickenberger said Buck Island is 122 acres which is mainly open, and provides river access which this area is currently lacking. He stated that, with the removal of the Woolen Mills Dam, there has been a tremendous amount of increased traffic on the river, and the boat launch currently at Milton isn't adequate enough. He reported that Hedgerow does not currently have a conservation easement on the property, but TNC feels it's necessary that they have one and there is one currently in process. Mr. Crickenberger said they hope to have both of these by the end of the year. He stated that Hedgerow has approximately 400 acres, and a primary benefit of that property is replacement of lost trails from the Ragged Mountain Dam project – with an additional 120 acres having a common boundary with the City.

Ms. Mallek asked if the figures provided reflect immediate development or staggered phases of development. Mr. Crickenberger explained that they have determined the best approach for a project schedule is to do Buck Island first because of the recreational river access needs, then Hedgerow would be second with Arrowhead third if it is accepted.

Mr. Rooker said the Board had a closed session discussion on the narrow aspects of the proposal, but it would still be helpful for Mr. Crickenberger to point out the property on a map.

Mr. Crickenberger stated that there had been some conversations regarding the location of the rock outcroppings and what portion of them were actually on the property, so they took an aerial photo with an overlay of a GIS map to try to identify where they are. He said he also visited the site the previous week with Dan Mahon, who took new GIS points, however, it has been difficult to determine which parts are on the property, which are on the property line, and which are not within the boundaries. He emphasized that the only way to determine exactly where they are is through an actual physical survey.

Mr. Rooker said a physical survey would involve about 6,000 feet along the property line, so it would be quite expensive.

Mr. Thomas said it would be hazardous duty as well, given the cliff.

Mr. Rooker said it can only be approached from certain points.

Mr. Boyd said his question about this property has been whether to accept the gift because of the rare flora there, or whether they planned to use it as a walking park – and it seemed that those two purposes might be in conflict with one another. He said it concerns him that visitors to the park might destroy some of the rare plants there.

Mr. Crickenberger stated that it needs to be determined whether this will be managed as a natural preserve or a recreational destination.

Mr. Snow said the reason he brought information in on the Rockfish Wildlife Sanctuary is because they want to partner with the County on this, and it could be a release center for wildlife as well as a teaching center for students. He said there are a lot of different potential uses because the property is so unique.

Mr. Crickenberger stated that, from his perspective, opportunities like that need to be explored.

Mr. Boyd said, if the County did accept it under that premise, it would be a problem to keep hunters off of it. Mr. Crickenberger stated that it would be a challenge, but that's a challenge at all of the County's managed parks – Mint Springs, Preddy Creek, Byrum, etc. – even though there is full-time staff managing those facilities.

Ms. Mallek said it's almost easier to monitor a place where more people are walking, and the ones without visitation are more challenging. She stated that the more sensible approach might be limiting their vision, but her heart says to go for it and it's a struggle to get enough information to make the right decision.

Mr. Boyd commented that he shares her sentiment, but is also looking at three properties with large costs to undertake, on top of an already challenged CIP.

Ms. Mallek agreed, but said that each property is different and provides different amenities. She stated that they're not making any more land, and they need perhaps to be a little optimistic about the opportunity.

Mr. Snow said that it wouldn't have to be developed right away, if they were able to partner with another agency and let them maintain it until such time they could move forward with it. He said he had spoken with Jim Peterson, who expressed great interest in the Arrowhead property.

Mr. Crickenberger stated that, if the property were accepted, the funding for development wouldn't even be programmed until the out years.

Ms. Mallek said County government needs to figure out if there are different levels of development and which would be the most appropriate, as they would be breaking new ground by pursuing the property in a primitive way.

Mr. Crickenberger stated that there would be time for them to explore other grant opportunities and partnerships, and DCR has a wonderful grant process for land and water conservation – but it's only on an annual basis and those funds are shrinking every year. He confirmed that it's for nature preserves as well as park facilities.

Mr. Rooker said it had been determined that, for active parkland, the other locations were more suited to that kind of use – so the Board passed on the Arrowhead property. He said it's a beautiful piece of property, but the County had limited resources and was dealing with two other parks at the same time. Mr. Rooker stated that this came back to the County because of Lonnie Murray's interest in the rare species on the property, but the larger question is whether the preservation of rare fauna is consistent with active park use. He said those uses are not really consistent, and the County has never taken property into its park system with the idea of it being a nature preserve just to preserve rare species. Mr. Rooker said it would be a new decision to say they would take property for that purpose, and then to undertake the management of that property in the way it should be managed as a preserve. He said, in looking at this from the overlays, it seems that most of the areas of rare species are on the property line or off the property.

Mr. Snow said some of the rare mosses are on the property line, but there are ferns and other things that are clearly within the property boundaries.

Mr. Rooker said he's not ruling out accepting the property, but there are other groups that are interested in it and the County's interest in it is a public-spirited interest in seeing that the property and the rare fauna get preserved, along with some compatible outdoor purpose. He stated that if Rockfish Wildlife is the user they should be approached either about taking the property or partnering in some way whereby mutual goals could be achieved. Mr. Rooker said Mr. Snow's idea for a potential partnership here is great, and perhaps they should explore how that would work before moving forward in accepting it.

Mr. Boyd suggested they hear from the property owners.

Mr. Jose Lambert said they have been discussing this property since June or July, and the Board "very rudely" held a closed meeting, then had Bob Crickenberger "make up excuses" while they could not accept it – i.e. restrictions from the Virginia Outdoors Foundation, although they were willing to cooperate. He stated that they were wasting time, and he would explore other venues.

Mr. Rooker said he wasn't sure what the speaker was referring to, however, the Board met almost immediately on the item after it was brought to them and decided they didn't want to take the property. He stated that today they talked about reconsidering it and all they can do is what's in the County's best interest, and Lonnie Murray had mentioned the rare species which rekindled the Board's consideration to see if there was a way to work with the property. Mr. Rooker said, as property owners, they must decide what's best for them.

Mr. Snow stated that this property is only five or six minutes from town, yet the beauty of it is amazing – and he would like to find a way to accept it, as it is so accessible to the urban ring.

Mr. Rooker said what the Board was trying to do today was figure out a way to move forward with it and perhaps work jointly with Rockfish Wildlife Sanctuary, but apparently that's not acceptable to the property owner to explore.

Mr. Lambert said no one contacted him about it, and he approached Lonnie Murray himself.

Mr. Snow asked Mr. Lambert if he would give the County the opportunity to explore the possibility of partnering so they could move forward.

Mr. Lambert said he would be happy to give the County the opportunity to work with Rockfish on this.

Mr. Foley clarified that this isn't a decision today to take the property, but rather to explore the partnership and see if they can take the property.

Mr. Snow said the next step would be to meet with Jim Peterson to talk about a partnership and a management plan for the property, with the idea that Rockfish could take care of it until the County is ready to go to the next phase.

Mr. Foley stated that it would be helpful to have a consensus of the Board on this.

Mr. Rooker said there seems to be consensus to explore the possibility for how the property could be taken by the County or Rockfish Wildlife Sanctuary, in a way that would manage the resources there and provide some natural use for the property that's within the County's means.

Mr. Snow said this is really two phases – establishing a partnership with Rockfish to manage it and use it as a release center; and then in the out years, develop a long-range plan in which it would be open to the public.

Ms. Mallek mentioned that the Smithsonian has places of a similar nature which are available for educational visits but not just for random recreational access. She said it would need to be determined if that kind of activity in the first round is within their capability to safely manage and do the stewardship required to ensure there is no degradation.

Mr. Rooker said, once people find out the County owns the property, they will start going there to use the property – with or without permission – and may threaten the endangered plant species. He stated that a big part of the concern here is to make certain that they don't take title to the property and find that it gets degraded because the County is not able to manage it.

Mr. Boyd stated that there are three different properties being offered here with budget estimates of over $1 million to manage them, and he apologized if that wasn't communicated well.

Mr. Snow said he likes the idea of partnering to manage the property in the meantime.

Mr. Foley clarified that the question is the County's intent, because if it becomes an active park there would be concerns about impact. He emphasized that it's just a different focus for them – not saying that they can't do it – but it does move away from active recreation parks into something different.

Ms. Mallek said it's a new challenge for them, and they don't want to mess it up.

Mr. Lonnie Murray stated that there are communities across the country that manage parks with resources of biological significance, and encouraged the County to first talk with those communities. He said there are hundreds of acres being discussed, however, not all of those acres are equally significant, but some of the land would be perfectly fine for trails or other uses. Mr. Murray pointed out on a map the location of some of the rare and unusual species, and stated that there is no access to the steep rock outcroppings on the mountain without access through the property that is being proposed for the donation. He stated that it would be a good idea to discuss with neighbors whether they want anyone up there or not and, even if the ridgeline were closed to visitors, there would be many other acres that are available to users. Mr. Murray said there has been a lot of interest in volunteering on this site, and a lot of organizations interested in a partnership – so, before going with a specific organization, the County should accept the offer and then put together a workgroup that invites organizations to come forward with proposals. He said the County could then choose the best one for the short or long-term management of the park.

Ms. Mallek asked for feedback from the Board regarding that approach.

Mr. Snow said it would be great to look at other alternatives besides the one partnership.

Mr. Craddock said Mr. Murray is suggesting acceptance of the park, then looking for partnerships.

Ms. Mallek said this was the proposed approach, and the landowners had been performing somewhat of a stewardship role that wouldn't be immediately changing.

Mr. Boyd said he felt the County should investigate the partnerships first, bring multiple people in, and then decide whether or not to accept it.

Mr. Rooker agreed, stating that there's one partner already lined up.

Mr. Snow said he remains optimistic that something can work out, and it seems as if they're all on the same page about wanting the property.

Ms. Mallek said they need to get to work and have some more information when they meet the following Wednesday.

Mr. Foley said he doesn't know how they can call a meeting with potential partners in the course of a week.

Mr. Snow said the landowners have been very patient, and he wants to make sure the Board can identify a date to make a firm decision.

Mr. Crickenberger said if the Board is looking for a partnership, it's not something that can be accomplished quickly – and it is deserving of taking the appropriate time and steps before making any decisions. He stated that he has two proposals: accepting the property now and working toward partnerships with the understanding that the development would be in the out years; or developing partnerships as quickly as possible, then coming back and deciding on whether to accept the project. Mr. Crickenberger said he would hate to think they had missed the opportunity to explore other opportunities and partnerships prior to making a decision to not accept it.

Ms. Mallek clarified that Mr. Crickenberger meant not prematurely denying it without taking the time to investigate it.

Mr. Foley said the issue is how long it will take to explore partnerships, but staff will move forward as quickly as possible.

Mr. Murray stated that the landowner had expanded their timeline to today and had their lawyer craft a letter of gift extended to this day, so he wasn't sure if the landowners would accept the additional extension.

Mr. Snow said, from what he's hearing, the first week of January was possible.

Ms. Mallek said they could perhaps have it done by the end of the calendar year for the landowner's purposes.

Mr. Lambert said his letter stated that their decision would need to be made by October 30, 2013, and if the gift were accepted, the land would transfer in June 2014.

Mr. Rooker said the County has a serious interest in this property, and suggested that they would need until the end of November to explore partnerships adding that if they get good feedback from partners, then the County can make a reasonable determination about taking the property.

Mr. Foley stated that accomplishing that by the end of November may not be realistic, noting that Mr. Crickenberger has mentioned this as well, but setting it for the first meeting in January would be a timeframe they could commit to.

Mr. Rooker said that if they only had the opportunity to fully explore this with Rockfish and the County was convinced they had a partner to work with, that would be enough.

Mr. Foley said that could be done in time to have this on the December agenda.

Mr. Rooker stated to Mr. Lambert that the County was very grateful for having the opportunity to consider this gift of this beautiful piece of property, and apologized if he felt the County had not responded graciously. He said what the County needs to determine is how to work within its parameters to make the gift work.

Mr. Crickenberger asked for clarification if the Board were just looking for confirmation from Rockfish, or other potential partners. Mr. Rooker said that they would just be talking to Rockfish and seeing whether the County could work with them on the property.

Mr. Foley said this item would be placed on the agenda for the first meeting in December, at which time the Board would make a final decision – through majority action – as to whether or not to accept the gift.

The landowners agreed with that timeframe.

The Board members thanked them.

Agenda Item No. 21. From the County Executive: Report on Matters Not Listed on the Agenda.

Mr. Foley reminded the Board that there would be a work session at 2:30 p.m. on November 13 on the five-year financial plan, solid waste and the Comp Plan, before the Board's night meeting; and the following Thursday at 4:00 p.m., there would be a joint meeting with the School Board on their input on the five-year financial plan.

Agenda Item No. 28. Adjourn to November 13, 2013, 2:30 p.m.

At 4:24 p.m., Ms. Mallek **moved** to adjourn the meeting to Wednesday, November 13, 2013, at 2:30 p.m. Mr. Snow **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Snow, Mr. Thomas, Mr. Boyd, Mr. Craddock, Ms. Mallek and Mr. Rooker.
NAYS: None.

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Chairman

Approved by Board
Date: 07/09/2014 Initials: EWJ