

A special meeting of the Board of Supervisors of Albemarle County, Virginia, was held on October 30, 2014, at 8:00 a.m., Room 241, County Office Building, McIntire Road, Charlottesville, Virginia. This special meeting was called by the Chair, Ms. Dittmar, for the purpose of allowing the Board to discuss the Route 29 Solutions project with a group of community business stakeholders.

PRESENT: Mr. Kenneth C. Boyd, Ms. Jane D. Dittmar, Ms. Ann H. Mallek, Ms. Diantha H. McKeel, and Ms. Liz A. Palmer.

ABSENT: Mr. Brad L. Sheffield.

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

Introductions, Meeting Purpose and Outcomes.

The meeting was called to order at 8:00 a.m. by Chair, Ms. Dittmar. She introduced County staff, Chip Boyles of the Thomas Jefferson Planning District Commission (TJPDC), Joel DeNunzio and Lou Hatter from the Virginia Department of Transportation (VDOT), and Toan Nguyen – owner of Cville Coffee – who has had to endure significant disruption from construction in front of his business.

Board members introduced themselves.

Members of the local business community also introduced themselves: Maurice Bartley of Hardees; Doug Easter, representative of property on Seminole Trail that houses Goodyear; Robert Sapp, Merchants Tire and Auto; Keely Byars, *Daily Progress* publisher; Carter Myers of Colonial Auto Center; Jim Luck, Jefferson Coin Shop; Phil Jaderborg of PJ Networks; Phil Wendell of ACAC; Jim Plotkin, Dumbarton Properties – representing Albemarle Square Shopping Center; L.F. Wood, Putt-Putt Golf Course; Justin Dillon, The Vitamin Shoppe; Derek Shaffer, Wells Fargo; Karen Weiner, Charlottesville Fashion Square; and Toan Nguyen, Cville Coffee.

Ms. Dittmar mentioned that the format for this meeting is new and mirrors what the Board has done with the courts project using a roundtable style meeting of judges, attorneys, law enforcement, etc. all explaining their needs – which has been an efficient process that has helped carry forward the Board's work on that project. She referenced resource materials, contact information and fact sheets available to attendees that should be useful to businesses as they work with their employees and customers.

High level review of business assistance ideas to date.

Ms. Lee Catlin addressed the Board, stating that an open house was held on October 23rd, with some ideas generated that were more appropriate for VDOT and thus would be forwarded to them. She said there were also some ideas that were more appropriate for the Rt. 29 panel, which would be sent along to them. Ms. Catlin said if any ideas generated at this meeting fall into those categories, although that is not the purpose of this meeting, staff would honor that input by capturing it on the charts presented before them. She stated that the real purpose of this meeting was to talk about potential business assistance options, adding that staff would first share some ideas that have been gathered from other communities as a catalyst for thinking and to provide insight into successful measures elsewhere.

Regarding technical support, Ms. Catlin shared the following ideas: develop survival guides to serve as an advanced planning guide and staff has a lot of examples of what other communities have done; provide business counseling and technical expertise on site; assist businesses in developing customer loyalty strategies now; get customer contact information in order to foster communication during construction; develop marketing ideas to include producing public service announcements from community leaders; encourage the community to embrace and be loyal to businesses during construction; plan a "buy local" campaign with businesses along the corridor identified to have work channeled to during construction; identify a pool of marketing, advertising and design firms to provide discounted and pro-bono assistance to help with a comprehensive marketing campaign and media strategies. She stated that a lot of communities have developed a matching grant program which has been used to support group advertising initiatives. Ms. Catlin added that there are coupon books which can be used at targeted businesses; and temporary signage that has effective, visible, easy to read, and branded with the marketing efforts as mentioned previously.

Ms. Catlin stated that communications are really key, so it is important to have clear, immediate lines of communication and some ideas include having a hotline to operate 24 hours a day; creating a get-around guide or map which helps people navigate in real time through the area, through construction – perhaps in the form of an app to allow people to use their mobile devices; using A-mail and social media to make announcements, as well as tax inserts; having "business block captains" that meet regularly with project staff onsite so they have the most up to date and immediate information available, perhaps using space in the new Northside Library; and communicating with neighborhood associations to build mutual support. She said other ideas have included instituting tax relief measures for businesses impacted by upcoming construction, which was put forth by the North Charlottesville Business Council. Ms. Catlin said the Planning Commission has been directed to proceed with a Comp Plan amended application, with a recommendation to come back to the Board – as requested by Colonial Auto Center. She stated that there is the possibility of relaxed signage regulations in construction zones, and also the

idea of actively promoting alternatives like carpooling and public transportation to keep traffic down in the area to the extent possible.

Ms. Dittmar said the Commonwealth of Virginia does not have a model of comprehensive community action to help businesses and homeowners during construction, but other states and their transportation departments do, so the County has been pulling from that information, although most of the ideas have come from local businesses. She explained that County staff would take all of what is said and do some research, and bring it back to the Board for its first December meeting so Supervisors can prioritize and determine what resources are necessary to implement the ideas. Ms. Dittmar said the discussion at this meeting would like to now hear from the businesses quadrant by quadrant.

Discussion/Comments from invited stakeholders.

Mr. Maurice Bartley of Hardees said his business's main concern is whether people can get in and out to eat, and they are hoping that the construction workers would come in and eat. He said it appears that the end result of the construction would be fine, but it will be very challenging during construction especially if Rio Road is closed for that period of time. He said locals might know what to do but people passing through – which constitutes a lot of their business – might not. Mr. Bartley said, when the median was put in on Rio Road many years ago, it affected their business and created challenges because people could not turn in and, prior to that, they had lots of traffic turn in. He stated that they had to work through that situation, and they would work through this also.

Mr. Doug Easter expressed appreciation to the Board for hosting this meeting in order to get feedback, but said there has not been an economic study done, which has been asked for by the business community. He said he did not know if VDOT typically did a study of how this type of construction would affect businesses, and stated that there would be a lot of issues related to contractual negotiations. He stated that there will be a lot of businesses that would have contracts that go up during the construction, and he was not sure what would happen during those or what compensation would be brought back to business owners when the contracts do not go as planned. Mr. Easter said he would leave that question open, but felt it would be a huge economic impact and he hoped the Board of Supervisors would consider this. He stated that he would be happy to discuss with Board members in private some of the contracts he has and some of the problems that could be associated with those once the Route 29/Rio interchange construction commences.

Mr. Robert Sapp of Merchants Auto said his company's biggest concern was whether they could get in and out during construction, specifically deliveries – which occur all day and range from small trucks up to 55-foot trucks. Mr. Sapp stated that they are already seeing an impact with NAPA on Harris Street and, if he buys from them, it can take an extra hour to get the part to him because of the construction at Rt. 250 and McIntire. He said he can get parts from closer shops but it may cost more, and customers are also impacted by the timeliness of those deliveries. Mr. Sapp said the delivery routes he has in place have been fixed for many years, and they go from his store up Route 29 but, during construction, they would not be able to go up Rt. 29 North – so that would change the routes, vendor access, etc. He stated that signage sounds great, but he was not sure if the signs would just point out the businesses, or provide instructions as to how to get around the problem and, if they cannot get to his shop easily, they will go somewhere else.

Ms. Keely Byars stated that *The Daily Progress* is not a retail business, but they do have employees coming in and out of their business and, in the middle of the night, they have carriers coming in and out which is a concern, as they have a very short window for delivery times. Ms. Byars said she is a newcomer to the community, and was here to listen to the concerns of businesses and see what the Progress can do for the community to help communicate a lot of this.

Mr. Carter Myers of Colonial Auto Center said he had a handout for attendees, and stated that he strongly supported the bypass when he served on the Commonwealth Transportation Board (CTB), and worked hard to get it done. Mr. Myers said he felt its time was past and VDOT should sell the right of way, and he did not think it would have a third life. He stated that he served on the CTB for eight years and, during that period of time, they designed and analyzed the Rio Road-Greenbrier-Hydraulic interchanges drawing them up at a cost of \$800,000, with input from the County, City and University. Mr. Myers said two members from Charlottesville were on the CTB at that time, including Bill Roudabush, and they came to the conclusion that it was a bad investment and voted 13-1 to kill the project and move on. He stated that he has serious doubts about whether these interchanges would do any good, but he has few doubts about whether it is prudent to build the parallel roads first. Mr. Myers said that they should get Meadowcreek Parkway extended and Hillsdale Drive extended completed, and emphasized that it is imperative to get the two parallel roads built first so they provide some alternative routes for construction – both for the interchange, and for the widening north of the river. He stated that he also supports a reduction in the real estate and BPOL taxes during construction, which is common in enterprise zones around the Commonwealth and allowed via legislation in Richmond. Mr. Myers said this reduction is also available for areas going through renovation and rebuilding in addition to new construction. He stated that his other concern is that the Woodbrook traffic light is not that far from where the road division ends, and the weaving movements to make a left onto Woodbrook Drive would be very tight and is concerned that there would be accidents. Mr. Myers said all of the businesses in the Rio Hill area – including Lowe's, Chick-Fil-A, Colonial Auto Center, the storage sheds, the old Pizza Hut building, etc. – would have to live on the U-turn because the light would be removed from Albemarle Square. He stated that there would be a safety issue for the left turn in the area.

Ms. Dittmar explained to Mr. Myers that his concerns were being captured and assured him those would be conveyed to VDOT. She explained that the purpose of today's meeting was to address things the County could do for businesses during construction.

Mr. Myers said finishing Hillsdale Drive and the John Warner Parkway would mean more traffic using Rio West to go north, and said there is only one continuous right turn lane but, if traffic is coming over the ramp, they would not be able to do a right turn. He said another concern is the stacking lane and, while they can lengthen the stacking lane at Woodbrook, cars cannot get over there quick enough. Mr. Myers said the County should receive assurance from VDOT that the left turn and U-turn are not eliminated on Woodbrook.

Mr. Jim Luck of Jefferson Coin Shop stated that they bought the old Pizza Hut building and put a lot of effort and money into remodeling it. Mr. Luck said Jefferson Coin was a newer business and were already having trouble getting people to find them, so he is concerned about it being even worse during construction. He stated that he agreed with Mr. Myers' points, and said he would like to see the left-hand turn lane extended at Lowe's, because it already backs up during busy seasons like Christmas. Mr. Luck said, regarding ways to help, he is concerned that competitive businesses would be advertising for people to shop there instead as the traffic would flow better. He stated that he would like to see a reduction in sales tax during this time, so they could pass that savings onto customers.

Mr. Phil Jaderborg of PJ Networks said he was one of the smaller businesses located right at the Rio/29 interchange location, and said he had his entire life savings invested in his business, and a reduction of even \$1,000 for him means he takes that much less in his paycheck. Mr. Jaderborg said, when he heard this interchange was going to take place, it felt like being diagnosed with cancer; he knew it would be a long and painful ordeal, and perhaps his company would survive but it might not. He stated that he had just found his business location a year earlier with the best possible rent, and they remodeled it and love it. Mr. Jaderborg said he's basically going through the five stages of grief – denial, anger, bargaining, depression, and acceptance. He stated that his fallback plan would be to pull out of Charlottesville and put everything into his Ruckersville location, giving Greene County his tax money. He stated that, even with significant signage pointing to his business, people would avoid that area because of the construction – the same way that he has avoided McIntire and Rt. 250. Mr. Jaderborg said, much like Merchants Tire and Auto, his business dispatches employees who go out to client sites located all over the County. He stated that their billable rate is \$125 per hour, and every hour they spend in traffic per week is an hour that is not billable – which equates to \$575 for five engineers, or about \$2,000 less per month in income for him. Mr. Jaderborg said he did not see any way that people would be incentivized to come to the shops in that area, no matter what is offered. He added that he agreed it was important to get the parallel roads established first, and to also provide the extra lane available to Lowe's.

Mr. Phil Wendel of ACAC stated that his business would be most impacted with their customer base at Albemarle Square – which has 600,000 visits per year, with many members over the age of 60. Mr. Wendel said this proposed construction is creating a "slight nightmare" for ACAC. He stated that he appreciates the County's invitation for input from the businesses as to measures that may mitigate the potential damage, but asked that they take a half a step back and look at another alternative. He stated that they are huge proponents of having Route 29 widened from Polo Grounds Road to Proffitt Road, and are also huge proponents of sequencing the stoplights on Route 29, which will offer some benefit, and they would love to see Berkmar Extended all the way to Airport Road, and to have the Hillsdale Extension completed. Mr. Wendel said they see this one-mile "subgrade" interchange as an absolute nightmare, and said it will take 32 months at best to complete. He stated that he would like to encourage significantly more study of this project before proceeding, and said that 40% of the County's tax base is along this two-mile corridor. Mr. Wendel said, in creating this one-mile four lane avoidance of two traffic lights, VDOT is spending \$84 million in taxpayer money to deliver people to nowhere because, as soon as they go southbound to the furthest extension of this interchange, they are now delivering everyone to the biggest traffic jam the County has: Hydraulic Road and Route 29. He asked what the plan was for that intersection, and asked the Board and others present to consider providing a long-term solution to Route 29, not a band-aid. Mr. Wendel said, for \$84 million, the County is getting a one-mile solution to save two traffic lights and, in the process, are disrupting the principle commercial base of Albemarle County. He stated that no one knows what this is going to look like or how it will fully impact them, but he felt that it would be a veritable nightmare and everyone will all live to regret. Mr. Wendel said, if they educated all of the people who lived in Dunlora and other subdivisions along that road and asked them to vote on it, 85% of them would not want it. He asked the Board, at the very least, to provide a viable solution to the long-term benefits of traffic mitigation on Route 29 adding that the fundamental issue is the bottleneck south of Stonefield.

Ms. Dittmar asked if he and his team had come up with ideas for mitigation in the event the project moves forward.

Mr. Wendel said he has been working with his landlord at Albemarle Square, and has stopped negotiating with him on the \$1.5 million remodeling of their ACAC location because of the potential consequences of this construction. He stated that businesses like to operate with a sense of certainty, but the County is not giving it to them.

Mr. Myers said they just spent \$5.2 million on remodeling, and they would not have done it if they had known this was coming.

Mr. Wendel said the County could lose some of its very best retail businesses along Route 29 if this is done. He said he spoke with Bill Crutchfield the previous day who has a pullout clause in his lease

and would most likely walk away because he does not know what would happen in the next 36 months. He stated that he did not know for sure what he was going to do, but he knew that he was not going to spend a lot of money on renovations.

Mr. Jim Plotkin stated that ACAC has been their best tenant and most beneficial attraction for almost 20 years and, if Phil's not happy, the landlord is not happy. Mr. Plotkin said Mr. Wendel has made an extremely strong case, and said that Albemarle Square has taken some serious hits during the great recession. He stated that, prior to this, several anchor stores and tenants left for various reasons – all of them related to the business cycles. Mr. Plotkin said Mr. Sheffield told him at the Board of Supervisors meeting where the package plan was approved that “he and everybody else thought Albemarle Square was dead.” He stated that his trust in local government has been severely shaken, and Dumbarton's plan for redevelopment of Albemarle Square have literally been in the “valley of the shadow of death.” Mr. Plotkin said these negotiations were clouded by uncertainty and it would not go away. He stated that this project will put a hardship on the property and the merchants who operate within that property – as they will be operating at a competitive disadvantage for years to come. He stated that the project is an “albatross,” and the County and VDOT both get high marks for communication, but the physical changes proposed at the Rio Road intersection with Route 29 do not pass the common sense test, and everybody in the community knows it. Mr. Plotkin said the physical changes on the ground that are being planned will be irreversible and ineffective, and the hopes for Albemarle Square's future and their merchants are in the Board's hands. He said, even if they did not recite the 23rd Psalm together, he hoped they would think about it.

Ms. Dittmar said she was trying to keep everyone in the brainstorming mode, and asked if he would get to them.

Mr. Plotkin said one suggestion he had was to put a flyover or a tunnel under the roadways into Albemarle Square to preserve the access and egress for southbound traffic, but that did not survive the list that the County had prepared. He stated that he has some serious questions for the Board to consider: how will the southbound Route 29 traffic access Albemarle Square during and after construction, adding that he did not see any detour that would lead them into the shopping center. He said the second primary concern is how to detour the westbound traffic on Rio, which would seek the closest, quickest way to get there. Mr. Plotkin said the one lane available probably would not be enough, and they will likely cut through Albemarle Square to get around the congestion, and those leaving Fashion Square Mall would also go through there as a cut-through. He stated that many of their customers are “young seniors” and, at the rate of speed that cars move now through Albemarle Square, it will get even worse for those people. Mr. Plotkin said their newest store, Fresh Market is right on the nose at the corner where the driveway comes in from Rio Road to Albemarle Square, and their customers will be carrying groceries and would not be happy about the traffic coming through the lot as a cut-through.

Ms. Dittmar asked if he had any other ideas, noting that they would get to the specific cut-through issues.

Mr. L.F. Wood said his family's properties are Putt-Putt, Charlottesville Power Equipment, and Storage Solutions which shares its driveway with Goodwill. He stated that those businesses would share the concerns of the cross traffic with northbound customers who normally come in and, every time the light changes at Goodwill, there are four to six cars turning left. Mr. Wood said he's asked several times if it is possible to keep that open, adding that the cross traffic is his primary concern. He also referenced a letter from the North Charlottesville Business Council requesting temporary tax relief, in addition to the list of suggestions which have already been offered.

Mr. Jim Luck stated that his concerns had already been voiced, but he did not feel they would be impacted long-term, although they would be impacted during construction. He stated that sequencing construction is the single most important thing that could be done to alleviate impacts on all businesses. He said the next crucial item would be to provide accurate information about alternative routes, and have those routes definitively in place before they start disrupting traffic flows, so that everyone knows where to go and businesses can inform their customers. Mr. Luck said the long-term impacts on other businesses would likely be “incredibly significant” and, while those are not entirely predictable, there is no way this project would have a positive impact on traffic – and would absolutely have a negative impact.

Mr. Justin Dillon of The Vitamin Shoppe said he was present mostly to listen, but the one main issue that has already been mentioned relates to signage and how descriptive it would be, because it is already hard to get to his store. He stated that, if people cannot get to it, they might not take the extra five minutes to get there.

Mr. Derrick Shaffer of Wells Fargo stated that he lives in Arden Place near the intersection of Rio Road, and said that the bank was a big company with over \$1 trillion in client assets – so it is just a small drop in the bucket from a corporate standpoint. Mr. Shaffer said the impacts would be felt locally, and banks usually design their parking areas to make it difficult to get around – so anyone trying to rob the bank would not be able to get away very easily. He stated that the bank does have concerns about cash shipments as the trucks are on a very strict schedule, so the armored truck drivers are already concerned about how they will get in and out in a timely fashion. Mr. Shaffer said, in the case of Wells Fargo, it is a matter of a “service break,” and individual service breaks can build up to lose the loyalty of customers. He noted that the office by Best Buy is not that busy, but the branch at Fashion Square has the highest transactional volume in Charlottesville. He said knowing that business would be impacted during construction raises concerns for him. Mr. Shaffer said he can meet his many of his clients offsite, but the

personal bankers, managers and tellers do not have that option and rely on walk-in traffic to hit their quarterly goals and to excel in their performance reviews, so employees could be negatively impacted.

Ms. Dittmar asked if he had any ideas about how to mitigate these impacts.

Mr. Shaffer said he had tried to brainstorm some possible solutions, but did not have a good idea of how to help out employees financially because they did not know yet what the impact would be. He added that customers at Wells Fargo would not be inclined to move their entire financial relationship because they cannot get into a branch one day but, every time they have a need to open a line of credit or establish an investment account, that has the potential of taking thousands of dollars of revenue away from the bank.

Ms. Karen Weiner of Fashion Square stated that this should be looked at as “community assistance,” not just business assistance, because you cannot separate the two and it all trickles through the community - not just at the intersection with Rio Road. Ms. Weiner said, given that, there has not been a study done to assess the economic impact, and how long it would last – not just during construction. She stated that studies need to be conducted on that so they have an idea of what they are dealing with and how much assistance would be needed, not just giving directions and which parking lot to go through. Ms. Weiner said someone had mentioned the competitive disadvantage for that area, but it should be considered for the whole community. She asked how the assistance would be funded and whether it was something the businesses would have to incur those costs, or whether it would fall to the County, VDOT or the state. Ms. Weiner asked if tax relief meant Albemarle County would have less revenue to fund other projects such as education or capital projects, or if the County was receiving money from the state to help counter that. She also asked if all of the businesses along Route 29 would be included. Ms. Weiner asked if there was a cohesive communications strategy so that it is consistent as a whole campaign so that community members understand what they are seeing, including signage, and asked what media outlets would be used. She said she agreed with the previous speaker that you could have something flying over your business to point to it, but if people cannot get in, they are not going to get in. Regarding the project overall, she said they support the sequencing of doing the parallel roads and the traffic light sequencing, and the widening of 29 North. Ms. Weiner noted that there is a similar project currently underway in Fairfax on Lee Highway where there is an express lane that goes under about 24 feet and, when one is driving through that, it is like going through a canyon – you cannot see anything on either side, so there is no visibility of businesses. She said, when the new road comes through at Rio, they will lose all of that visibility. She said VDOT has said that 80% of all current traffic on US29 would be routed to the lower-grade express lanes, which means that all the businesses on Route 29 and Rio would lose 80% of the viewing.

Ms. Dittmar said the County would be getting back to the businesses to answer their questions, and their ideas would be brought together as a package of draft measures that might be very helpful.

Insights from local business owner.

Mr. Toan Nguyen said “there will be blood,” and explained that he might have to put his house up for sale in the spring because of the impacts of the Rt. 250/McIntire Road construction. He said, for a small business, cash flow is everything, and his three suggestions were related to that. Mr. Nguyen said, for those businesses dealing with a landlord, it makes a big difference if the County can work with the tenant to go to them and help negotiate; making a point to buy goods and services from those specific businesses through procurement and that helps put money in the bank; and working with the businesses proactively to secure a line of credit with the bank which is also key.

Mr. Myers said, in 1994 and 1995, the businesses did not get to weigh in on construction impacts – they looked at the long-term impacts on the local community and, even after construction, people would never see Hardees unless there were large signs placed elsewhere showing people where it was.

Ms. Dittmar stated that some Board members were staying after the meeting for informal conversations, and thanked the business representatives for coming to the meeting and for sharing their ideas.

Adjourn.

The Board adjourned their meeting at 9:05 a.m.

Chairman

Approved by the Board
Date: 03/04/2015
Initials: EWJ