FINANCE COMMITTEE AGENDA
Tuesday, February 23, 2016
11:30 a.m.

GENERAL BUSINESS

11:30 a.m.

1. Report on the General Fund Reserve for Contingencies

   Contact: Donna Witt, Director of Financial Services 455-3968

11:35 a.m.

2. Approve the submittal of a grant application to the Department of Homeland Security Federal Emergency Management Agency's (DHS/FEMA) National Preparedness Directorate's FY 2015 Assistance to Firefighters Grant (AFG) in the Operations and Safety category for $281,649 with resources of $253,484 from the AFG FY 2015 fund; $111,845 from the FY 2017 Major Building Repairs- Capital Projects Fund; and $8,165 from City/Federal/State Aid Fund (Fire Programs Aid to Localities entitlement funds) to fund two station generators and replacement fire hose for the Fire Department.

   Contact: Fire Chief Steven B. Ferguson 455-6340

11:40 a.m.

3. Adopt a resolution to amend the FY 2016 Adopted Budget and appropriate $84,071 from the General Fund Reserve for Contingencies to purchase and install equipment to display and capture into evidence any visual displays of evidence presented to the Circuit Court.

   Contact: Eugene Wingfield, Circuit Court Clerk 455-2611

11:45 a.m.

4. Consider a request to adopt a resolution to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate $22,680 with resources from a grant from the Library of Virginia to preserve eighty-four (84) Deed books numbered 298 through 382 with records dated July 1955 through December 1963 at the Lynchburg Circuit Court Clerk's Office.

   Contact: Eugene Wingfield, Circuit Court Clerk 455-2611

11:50 a.m.

5. Adopt a resolution to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate $8,712 with resources of $7,841 from the Juvenile Accountability Block Grant, Department of Criminal Justice Services, and $871 from the Department of Human Services/Juvenile Services Division to fund the upgrade of cameras to a digital system at the Detention Center.

   Contact: Tamara Rosser, Director of Human Services 455-5794

11:55 a.m.

6. Review highlights of attached quarterly financial reports for the Regional Airport, Lynchburg Regional Juvenile Detention Center, Children's Services Act, Water Operating, Sewer Operating, Stormwater Operating, and General Funds for the quarter ending December 31, 2015.

Fund	Preparer
GLTC	Will be reported at March Meeting
Regional Airport Fund	Mark Courtney, Airport Manager
Lynchburg Regional Juvenile Detention Center	Tamara Rosser, Director of Human Services
Children's Services Act Fund	Tamara Rosser, Director of Human Services
Water Operating Fund	Tim Mitchell, Director of Water Resources
Sewer Operating Fund	Tim Mitchell, Director of Water Resources
Stormwater Operating Fund	Tim Mitchell, Director of Water Resources
Water, Sewer, and Stormwater Financial Policies Review	Tim Mitchell, Director of Water Resources John Rosser, Department of Water Resources
General Fund	Donna Witt, Director of Financial Services
General Fund Financial Policies Review	Donna Witt, Director of Financial Services

12:40 p.m.

7. Review collections received from five of the City's largest revenue sources.

Contact: Donna Witt, Director of Financial Services 455-3968

12:45 p.m.

8. Roll Call

The next Finance Committee meeting is Tuesday, March 22, 2016, at 11:30 a.m.

AGENDA ITEM NO.: 1

FY 2016 GENERAL FUND RESERVE FOR CONTINGENCIES

	Reserve for Contingencies	City Manager's Discretionary Funding
BEGINNING BALANCE, JULY 1, 2015	$565,917	$50,000
Carryforward to FY 2016 Reserve for Contingencies - 05/26/15 Council Meeting	584,083	
BALANCE	**$1,150,000**	**$50,000**
APPROPRIATIONS (Second Reading)		
Body-Worn Camera Pilot Implementation Program - 11/10/15 Council Meeting	($103,818)	
TOTAL APPROPRIATIONS	**($103,818)**	**$0**
REMAINING BALANCE	**$1,046,182**	**$50,000**
ITEMS INTRODUCED		
Technology-related Equipment for Circuit Court - 03/08/16 Council Meeting	($84,071)	
TOTAL INTRODUCED ITEMS	**($84,071)**	**$0**
REMAINING BALANCE	**$962,111**	**$50,000**
PENDING ITEMS		
TOTAL PENDING ITEMS	**$0**	**$0**
PROJECTED BALANCE	**$962,111**	**$50,000**

February 2016

FINANCE COMMITTEE
Agenda Item Summary

MEETING DATE: **February 23, 2016** AGENDA ITEM NO.: **2**

CONSENT: REGULAR: WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Department of Homeland Security Federal Emergency Management Agency's National Preparedness Directorate's Assistance to Firefighters grant application for station generators and replacement fire hose**

RECOMMENDATION: Approve the submittal of a grant application to the Department of Homeland Security Federal Emergency Management Agency's (DHS/FEMA) National Preparedness Directorate's FY 2015 Assistance to Firefighters Grant (AFG) in the Operations and Safety category for $281,649 with resources of $253,484 from the AFG FY 2015 fund; $111,845 from the FY 2017 Major Building Repairs- Capital Projects Fund; and $8,165 from City/Federal/State Aid Fund (Fire Programs Aid to Localities entitlement funds) to fund two station generators and replacement fire hose for the Fire Department.

SUMMARY: DHS/FEMA awards grant funding through the Assistance to Firefighters Grant (AFG) program with the primary goal of meeting the firefighting and emergency response needs of fire departments and other agencies by assisting with the purchase of critically needed equipment, protective gear, emergency vehicles, training, and other resources needed to protect the public and emergency personnel from fire and related hazards.

As a result of the after-action review from the 2012 Derecho weather event, installation of fixed generators at all fire stations was identified as a priority. Generators have been purchased through the City's Capital Improvement Program budget over the last few years. Generators for Station 2 on Grace Street and Station 4 on Birch Street were next on the list. The total cost for both generators is $291,845; however, AFG only allows $100,000 of the total project cost for any individual station. Therefore, if awarded, the local cost would be ten percent (10%) of the $200,000 ($20,000) plus the additional $91,845 for a total of $111,845.

The department is also requesting funding for replacement fire hose. The sections of hose are 15 to 18 years old and are very worn, which increases the risk of failure during fire operations. The total cost for the replacement fire hose is $81,649. The ten percent (10%) match of $8,165 is available in the City/Federal/State Aid Fund budget for Fire Programs.

The grant provides ninety percent (90%) of the approved funding; ten percent (10%) of the total project cost must be provided by the submitting agency. The department is requesting the ten percent (10%) match of $20,000 plus the additional cost of $91,845 for the two station generators be funded from the FY 2017 Major Building Repairs- Capital Projects Fund for a total of $111,845. The ten percent (10%) match of $8,165 for the fire hose is available in the City/Federal/State Aid Fund budget for Fire Programs.

PRIOR ACTION(S): None

FISCAL IMPACT: $111,845 is requested from the FY 2017 Major Building Repairs- Capital Projects Fund; $8,165 is available in the City/Federal/State Aid fund budget for Fire Programs. Future funds will be needed for periodic maintenance of the equipment.

CONTACT(S): Fire Chief Steven B. Ferguson, 455-6340; Deputy Chief Greg Wormser, 455-6345; Ellen Davidson-Martin, Fire Administrative Manager, 455-6368

ATTACHMENT(S): None

REVIEWED BY:

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 8, 2016** AGENDA ITEM NO.: **3**

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Procurement of Technology-related Equipment for Circuit Court**

RECOMMENDATION: Adopt a resolution to amend the FY 2016 Adopted Budget and appropriate $84,071 from the General Fund Reserve for Contingencies to purchase and install equipment to display and capture into evidence any visual displays of evidence presented to the Circuit Court.

SUMMARY: The Circuit Court Judges (Judge F. Patrick Yeatts and Judge R. Edwin Burnette, Jr.) as well as the Clerk of the Circuit Court (Eugene Wingfield) are requesting funds for the purchase and installation of Multimedia Podiums and Presentation Stations, 80" large format monitors and associated hardware for Courtrooms A and B. Such equipment will allow any form of video, including video captured on Police body worn cameras in the future, to be properly displayed and captured during Court proceedings. The preferred equipment is estimated to cost $76,571 with costs of wiring and installation estimated at $7,500 for a total estimated cost of $84,071.

Currently, outdated equipment is used and is not compatible with most formats used by the Commonwealth's Attorney office, private attorneys, and public defenders.

PRIOR ACTION(S): Finance Committee – February 23, 2016

FISCAL IMPACT: $84,071 from the General Fund Reserve for Contingencies

CONTACT(S):
Eugene Wingfield, Clerk of Circuit Court, 455-2611
Bonnie Svrcek, Deputy City Manager, 455-3987

ATTACHMENT(S): Resolution

REVIEWED BY:

RESOLUTION:

BE IT RESOLVED that the FY 2016 Adopted Budget is amended and $84,071 from the General Fund Reserve for Contingencies Fund is appropriated to purchase and install equipment to display and capture into evidence any visual displays of evidence presented to the Circuit Court.

Introduced: Adopted:

Certified: _____
Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 8, 2016** AGENDA ITEM NO.: **4**

CONSENT: REGULAR: X WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: INFORMATION:

ITEM TITLE: **Grant to Preserve Deed books 298 – 382 at the Circuit Court Clerk's Office**

RECOMMENDATION: Adopt a resolution to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate $22,680 with resources from a grant from the Library of Virginia to preserve eighty-four (84) Deed books numbered 298 through 382 with records dated July 1955 through December 1963 at the Lynchburg Circuit Court Clerk's Office.

SUMMARY: Twice annually the Library of Virginia allows Circuit Court Clerks' Offices to submit applications for grant funding. Staff submitted a grant application to The Library of Virginia to preserve records held at the Circuit Court Clerk's Office. The grant funding of $22,680 will allow eighty-four (84) Deed books numbered 298 through 382 with records dating from July 1955 to December 1963 to be reformatted and preserved.

No local match is required of this grant.

PRIOR ACTION(S): Finance Committee, February 23, 2016

FISCAL IMPACT: None – no local match is required.

CONTACT(S): Eugene Wingfield, Circuit Court Clerk, 455-2611

ATTACHMENT(S): Resolution

REVIEWED BY:

RESOLUTION:
BE IT RESOLVED that the FY 2016 City/Federal/State Aid Fund budget is amended and $22,680 is appropriated with resources from a grant from the Library of Virginia to preserve eighty-four (84) Deed books numbered 298 through 382 with records dated July 1955 through December 1963 at the Lynchburg Circuit Court Clerk's Office.

Introduced: Adopted:

Certified: _____
Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **March 8, 2016** AGENDA ITEM NO.: **5**

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Juvenile Accountability Block Grant**

RECOMMENDATION: Adopt a resolution to amend the FY 2016 City/Federal/State Aid Fund budget and appropriate $8,712 with resources of $7,841 from the Juvenile Accountability Block Grant, Department of Criminal Justice Services, and $871 from the Department of Human Services/Juvenile Services Division to fund the upgrade of cameras to a digital system at the Detention Center.

SUMMARY: The Department of Criminal Justice Services (DCJS) has awarded the City of Lynchburg funds through the Juvenile Accountability Block Grant (JABG) to assist with programs, services and operations at the Lynchburg Regional Juvenile Detention Center. The JABG Program supports states and local units of government in their efforts to strengthen the juvenile justice system by implementing accountability-based programs that focus on both the offender and the juvenile justice system. These funds will be used to upgrade the cameras at the Detention Center to a digital system, which will enhance supervision and strengthen our compliance with the Prison Rape Elimination Act (PREA). The purpose of PREA is to reduce and/or minimize the likelihood of any types of abuse within a correctional facility.

PRIOR ACTION(S): Finance Committee – February 23, 2016

FISCAL IMPACT: 10% local match, $871 (Department of Human Services/Juvenile Services Division)

CONTACT(S): Tamara Rosser, Director of Human Services, 455-5794

ATTACHMENT(S): Resolution

REVIEWED BY:

RESOLUTION:

BE IT RESOLVED that the FY 2016 City/Federal/State Aid Fund budget is amended and $8,712 is appropriated with resources of $7,841 from the Juvenile Accountability Block Grant, Department of Criminal Justice Services and $871 from the Department of Human Services/Juvenile Services to fund the upgrade of cameras to a digital system at the Detention Center.

Introduced: Adopted:

Certified: _____
Clerk of Council

Lynchburg Regional Airport
350 Terminal Drive, Lynchburg, Virginia 24502 • (434) 455-6090 • Fax (434) 239-9027

February 12, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: December 31, 2015 – Quarterly Financial Summary - Lynchburg Regional Airport

REGIONAL AIRPORT FUND

The attached Lynchburg Regional Airport Operating Fund Financial Summary reflects the financial activity for this Fund for the FY 2016 second quarter ending December 31, 2015. I am pleased to report that primarily because of several new leases/tenants, revenue will be more than budgeted. The Airport is expected to remain self-sufficient for the foreseeable future and will not require a subsidy this fiscal year.

REVENUE HIGHLIGHTS

- Terminal Revenue: Revenue is projected to be $40,000 more than budget due to continued modest growth in both parking and rental car concession revenue.
- General Aviation: Revenue is projected to be $56,000 more than budget largely due to recently renegotiated leases and new revenue from aircraft parking fees.
- Other Leased Property: Revenue is projected to be $55,900 more than budget due to new leases with Centra Health, Bon Air Brokerage, Liberty University and Verizon Wireless for use of airport property.
- General Fund Subsidy: As previously mentioned, the budgeted operating subsidy from the City is $0.00 and no subsidy will be necessary this year.

EXPENSE HIGHLIGHTS

- No material variances from budget are projected at this time

SUMMARY

Non-recurring maintenance expenses will likely exceed their budget later this year (but are largely reimbursed by state aviation entitlement funds) and will be addressed in the third-quarter budget review. Based on consistent air service levels, competitive airfares, and anticipated passenger demand combined with decreasing debt service, the airport is projecting no need for a subsidy this fiscal year or next.

Respectfully submitted,

Mark F. Courtney, A.A.E.
Airport Director

cc: L. Kimball Payne III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services
Wesley Campbell, Airport Finance Manager

LYNCHBURG REGIONAL AIRPORT
OPERATING FUND FINANCIAL SUMMARY
December 31, 2015

	FY 2015 Amended Budget	FY 2015 Actual (thru 12/31/14)	FY 2015 % of Budget		FY 2016 Amended Budget	FY 2016 Actual (thru 12/31/15)	FY 2016 % of Budget		FY 2016 Amended Budget	FY 2016 Revised Estimates		FY 2016 $ Variance Actual vs. Amended Budget
BEGINNING NET ASSETS	$ 624,002	$ 33,493,201			$ 250,000	$ 35,404,183	**(1)**		$ 250,000	$ 35,404,183	**(1)**	
Less: Invested in Capital Assets, net of related debt		(32,479,365)				(35,598,373)				(35,598,373)		
Less: GASB68 Prior Period Adjustment-Pension Accrual		(1,198,180)										
BEGINNING UNRESTRICTED NET ASSETS	$ 624,002	$ (184,344)			$ 250,000	$ (194,190)			$ 250,000	$ (194,190)		$ -
USE OF ENCUMBRANCES CARRIEDFORWARD	$ 155,771				$ 131,471				$ 131,471			
BOND REFUNDING PROCEEDS	$ 1,827	$ -				$ -			$ -	$ -		
USE OF RESERVES - DEBT SERVICE	$ 46,075	$ -			$ 45,403	$ -			$ 45,403	$ -		
REVENUES												
Airfield	97,000	51,032	53%		99,000	47,806	48%		99,000	99,000		0
Terminal	1,372,327	756,321	55%		1,415,827	780,694	55%		1,415,827	1,455,827		40,000
General Aviation	399,000	231,919	58%		421,500	248,600	59%		421,500	477,500		56,000
Other Leased Property	204,400	118,742	58%		210,900	139,041	66%		210,900	266,800		55,900
State Airport Aid	375,000	0	0%		108,750	3,794	3%		108,750	108,750		0
Federal Security Aid	107,500	26,020	24%		107,500	35,625	33%		107,500	107,500		0
General Fund Subsidy	100,000	57,600	58%		0	0	100%		0	0		(0)
Interest & Other	19,500	16,792	86%		22,000	13,262	60%		22,000	22,000		0
	$ 2,674,727	$ 1,258,427			$ 2,385,477	$ 1,268,823			$ 2,385,477	$ 2,537,377		$ 151,900
EXPENSES												
Airfield Operations	309,743	146,713	47%		304,278	149,426	49%		304,278	304,278		0
Terminal Operations	565,574	258,904	46%		555,562	258,754	47%		555,562	555,562		0
General Aviation	119,267	56,900	48%		123,335	57,431	47%		123,335	123,335		0
Administration	684,487	337,319	49%		695,553	304,922	44%		695,553	695,553		0
Safety (ARFF & LEO)	414,659	183,627	44%		414,028	182,894	44%		414,028	414,028		0
Snow Removal	40,489	26,243	65%		19,930	5,822	29%		19,930	19,930		0
Debt Service	181,256	63,866	35%		140,414	49,491	35%		140,414	140,414		0
Non-Recurring Airport Expenses	477,367	197,960	41%		237,302	165,917	70%		237,302	237,302		0
Transfers to Other Airport Funds	14,024	0	0%		20,000	0	0%		20,000	20,000		0
Other Airport Expenses	64,064	16,345	26%		51,949	18,467	36%		51,949	51,949		0
	$ 2,870,931	$ 1,287,878			$ 2,562,351	$ 1,193,124			$ 2,562,351	$ 2,562,351		$ -
ENDING UNRESTRICTED NET ASSETS	$ 631,471	$ (213,795)			$ 250,000	$ (118,491)			$ 250,000	$ (219,165)	**(2)**	

FOOTNOTES:

1) Beginning Net Assets agrees with the Comprehensive Annual Financial Report (CAFR) with the following adjustment:

Total Net Assets per CAFR 6/30/15	$ 37,077,768
Less: Net Assets in Capital & PFC Funds	$ (1,673,585)
Total Beginning Net Assets	$ 35,404,183

2) FY 2016 estimated Ending Unrestricted Net Assets is comprised of the following:

Des. for Debt Service (Rental Car Facility)	$ 67,167	($112,395 + $175 interest - $45,403 reserve = $67,167 est)
Des. for Maintenance (Rental Car Facility)	$ 75,047	($75,047 + or - year-end adjustment)
Reserve for Encumbrances	$ -	(encumbrances carried forward to FY17)
GASB68 Pension-related Accrual	$ (1,165,689)	(net liability as of the end of FY15)
Undesignated Retained Earnings	$ 804,310	
	$ (219,165)	

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

RE: December 31, 2015 Quarterly Financial Report - Lynchburg Regional Juvenile Detention Center

Lynchburg Regional Juvenile Detention Center

The attached Lynchburg Regional Juvenile Detention Center (Detention Center) financial report summarizes the financial activities through December 31, 2015 for FY 2016. The financial spreadsheet provides comparative year-to-date data for the same period of FY 2015.

REVENUES

Charges for Services

Charges for services are charges that are billed to participating localities for juveniles that are placed at the facility. Revenue in this category for the second quarter of FY 2016 is $438,309 or 25.3% of the budget. The estimate is below budget due to reduced population for FY 2016. The Detention Home has recently started receiving revenue for juveniles who are placed in the Department of Juvenile Justice (DJJ) Re-entry program. The re-entry program is the transition of a juvenile from DJJ commitment back to the community.

Department of Juvenile Justice Block Grant

This revenue category represents allocations from the Virginia Department of Juvenile Justice (DJJ) for operational expenses of the Detention Center. Revenues received from the DJJ through the second quarter of FY 2016 are $518,488 or 48.3% of the budget. It is anticipated that all budgeted revenue will be received.

United States Department of Agriculture (USDA)

This revenue category consists of reimbursements for meals served to juveniles at the Detention Center. Year-to-date revenues from USDA for FY 2016 are $8,026 or 17.8% of the budget. An additional $6,630 in reimbursements related to expenditures through December will be dispersed in February.

EXPENDITURES

Overall expenditures for the second quarter of FY 2016 were $1,166,483 which is within the budget. Allocated costs for the contracting localities through the second quarter of FY 2016 were approximately 78%; Lynchburg's allocated share is approximately 22%.

Juvenile Population

The average annual number of juveniles being served per day through the second quarter of FY 2016 is 15.58 as compared to 21.82 in FY 2015. The percentage of Lynchburg City's juveniles through the second quarter is 29% of the total juvenile population.

SUMMARY

The second quarter report reflects a continuing downward trend in the juvenile population at the Lynchburg Regional Detention Home and other facilities in the State of Virginia.
The Lynchburg Regional Detention Home is an outstanding facility recognized by the juvenile judicial system for providing educational services, mental health services, physical health services, and partnerships with local area businesses.

Respectfully submitted,

Tamara Rosser
Director, Department of Juvenile Services

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director, Financial Services
Robin Mamola, Accounting Supervisor, Human Services
Sherry McIntyre, Accountant, Juvenile Services

Lynchburg Regional Juvenile Detention Center
Special Revenue Fund
Financial Summary
First Quarter: As of December 31, 2015

	FY 2015 Amended Budget	FY 2015 Actual 2 QTR YTD	FY 2015 % of Budget	FY 2016 Amended Budget	FY 2016 Actual 2 QTR YTD	FY 2016 % of Budget	FY 2016 Amended Budget	FY 2016 Revised Estimates	FY 2016 Actual to Amended
Beginning Funds at July 1									
Revenues:									
Charges for Services	1,698,058	653,609	38.5%	1,734,159	438,309	25.3%	1,734,159	1,734,159	-
Intergovernmental- Department of Juvenile Justice Block Grant	1,095,120	561,114	51.2%	1,074,463	518,488	48.3%	1,074,463	1,074,463	-
Intergovernmental- USDA	45,000	16,413	36.5%	45,000	8,026	17.8%	45,000	45,000	-
Miscellaneous	0	87	0.0%	0	0	0.0%	0	0	-
Budget Designations/Purchase Orders	115,641	0	0.0%	100,000	0	0.0%	100,000	100,000	-
Total Revenues	2,953,819	1,231,223	41.7%	2,953,622	964,823	32.7%	2,953,622	2,953,622	-
Expenditures:									
Salaries	1,449,991	684,805	47.2%	1,464,634	631,002	43.1%	1,464,634	1,464,634	-
Employee Benefits	595,783	277,134	46.5%	603,108	255,824	42.4%	603,108	603,108	-
Contractual Services	50,585	20,970	41.5%	47,877	13,942	29.1%	47,877	47,877	-
Internal Services	12,043	5,047	41.9%	16,278	5,351	32.9%	16,278	16,278	-
Supplies and Materials	130,170	48,395	37.2%	130,170	55,520	42.7%	130,170	130,170	-
Utilities	85,800	30,909	36.0%	85,800	31,905	37.2%	85,800	85,800	-
Training and Conferences	3,050	2,695	88.4%	3,050	2,789	91.4%	3,050	3,050	-
Telecommunications	4,500	1,081	24.0%	4,500	1,179	26.2%	4,500	4,500	-
Postage and Mailing	850	231	27.2%	850	0	0.0%	850	850	-
Indirect Costs	250,435	125,217	50.0%	252,343	126,172	50.0%	252,343	252,343	-
Self Insurance	15,752	7,876	50.0%	18,752	9,376	50.0%	18,752	18,752	-
Dues and Memberships	500	0	0.0%	500	329	65.8%	500	500	-
Rentals and Leases	4,373	1,005	23.0%	2,707	885	32.7%	2,707	2,707	-
Health and Dental Benefits for Retirees	28,215	15,694	55.6%	48,084	16,092	33.5%	48,084	48,084	-
Professional Services	6,796	2,617	38.5%	6,966	3,908	56.1%	6,966	6,966	-
SpecialUseEquipment	0	0	0.0%	2,000	0	0.0%	2,000	2,000	-
Debt Service	178,407	13,962	7.8%	130,353	4,183	3.2%	130,353	130,353	-
USDA Grant	45,000	16,413	36.5%	45,000	8,026	17.8%	45,000	45,000	-
Capital Outlay	2,000	0	0.0%	0	0	0.0%	0	0	-
Budget Designations	79,569	0	0.0%	100,000	0	0.0%	100,000	100,000	-
Contingency	10,000	0	0.0%	2,856	0	0.0%	2,856	2,856	-
Total Expenditures	2,953,819	1,254,051	42.5%	2,965,828	1,166,483	39.3%	2,965,828	2,965,828	-
				0					
TOTAL FUND BALANCE/Purchase Orders carried forward	0	(22,829)		(12,206)	(201,660)		(12,206)	(12,206)	
TOTAL ASSIGNED FUND BALANCE Maint./Equipment	100,000	100,000		100,000	100,000		100,000	100,000	

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: Children's Services Act (CSA) Fund Financial Report for the period ending December 31, 2015.

The attached CSA Fund Financial Summary summarizes the financial activity for this Fund through December 31, 2015. Under the State guidelines, CSA prior year obligations are paid through September 30th of each year. However, the annual budget is prepared on a fiscal year (July-June). Because of the State guidelines, expenditures for this fund are unique due to the overlap of grants each fiscal year. Accordingly, this report reflects only the current grant year financial activity for FY 2016.

REVENUES

- Public Assistance – Welfare and Administration

  The Public Assistance revenue source is the reimbursement received from the State for local expenses incurred under CSA for providing services to troubled youth and their families. The current rate of reimbursement for community-based services is 86.32%, residential services is 65.8%, and for all other services, 72.64%. State funds to assist in administering the grant, ($29,730 for FY 2016) are provided by the State each year. These funds have been requested but not yet received. A local match is required for all state funds received. Reimbursements received for expenditures incurred through the second quarter of FY 2016 are $453,576. State reimbursements are below budget due to reimbursements that have been requested and not yet received in the amount of $447,482.

- CSA Contribution – General Fund and Schools

  These revenue sources are comprised of the required local match for all State funds received for the Comprehensive Services Act. For FY 2016 the budgeted School contribution is $196,541 and the budgeted General Fund contribution is $1,238,852. For the second quarter of FY 2016, local matching funds for programs in the amount of $619,426 for the General Fund and $98,271 for the Schools have been received.

- Miscellaneous Revenue

  Miscellaneous revenues in the amount of $12,407 were collected through the second quarter of 2016. These revenues are mainly comprised of recoupments from children's social security payments for expenditures incurred on their behalf, and registered billings for CSA parental co-payments. Recoupments are below budget estimates due to the utilization of IV-E funding whenever possible.

EXPENSES

- Administrative expenses

  CSA Administrative funds are used for salaries, supplies, and materials. Budgeted funds for FY 2016 are $64,816. Actual YTD administrative expenditures for FY 2016 are $25,482 or 39.3% of the budget.

- Mandated – Foster Care

  Foster care expenses include funds for residential facilities, day care, maintenance payments to foster parents, enhanced maintenance payments to foster parents and foster care prevention. The Virginia Enhanced Maintenance Assessment Tool (VEMAT) was introduced as the required, state-wide tool to be used when assessing a child's need for additional supervision and support and, thus, an enhanced maintenance payment for the foster or adoptive parent. Year-to-date foster care expenditures for the second quarter of FY 2016 totaled $1,076,423 or 45.4% of the budget. Expenditures are below budget due to decreased VEMAT payments and transferring some of this population to 100% reimbursable IV-E funding.

- Mandated – Special Education

  Special Education expenses include services for Special Education students from the Lynchburg City Schools. Expenditures for FY 2016 YTD total $779,188 or 41.8% of the budget. Expenditures for this budget line are anticipated to rise due to increased enrollments at private day placements such as Rivermont School, Bridges and New Vistas School, in addition to students attending for longer periods of time.

- Non-Mandated Services

  Non-mandated expenditures are for services such as counseling, mentoring, crisis intervention, and foster care prevention services. Non-mandated expenditures for FY 2016 are $70,780 or 18.8% of the budget. Non-mandated services are provided almost exclusively to youth involved in the court system. Expenditures in this category are below budget due to an increase in the mandated population.

- Community Based Services

  This category includes services to children while they are living at home, in the home of an extended family, in a regular foster family home, or in an independent living arrangement. Community services may include assessment, crisis stabilization, therapy, or intervention services provided in the child's home. Community Based Services for the second quarter of FY 2016 are $136,883 or 35.7% of the budget. It is anticipated that this budget line will be fully expended due to increased utilization of these services. While the use of community based services has increased; the local match rate is far less than out of community residential services.

SUMMARY

The Children's Services Act Fund creates a collaborative system of services and funding that is child-centered, family-focused, and community-based when addressing the strengths and needs of at-risk youths and their families in the City of Lynchburg

While the number of children currently in foster care fluctuates during the year, the number of children receiving CSA services has increased; more children are now classified as mandated due to the severity of their issues and needs. Other factors continue to impact this budget. These factors include an increased number of children receiving more intensive services for longer periods of time, increased vendor rates as well as an increase in the number of services provided by the vendors, parental agreements, and an increase in special educational services.

The Community Policy and Management Team, in collaboration with the professional community, continues to work hard and is diligent and deliberate in efforts to reduce costs associated with CSA. We continue to work with the professional community to provide the most cost effective service to children and their families.

Respectfully submitted,

Tamara T. Rosser
Director of Human Services

c: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services
Rhonda Allbeck, Assistant Director of Financial Services
Robin Mamola, Financial Professional IV
Kathy Collins, Financial Professional III

Children's Services Act
Special Revenue Fund
Financial Summary
December 31, 2015

	FY 2015 Amended Budget	FY 2015 Actual 2 QTR YTD	FY 2015 % of Budget	FY 2016 Amended Budget	FY 2016 Actual 2 QTR YTD	FY 2016 % of Budget
Beginning Fund Balance	466,552	423,104		14,556	14,556	
Revenues:						
Public Assistance - Welfare and Administration	3,517,404	133,208	3.8%	3,517,404	453,576	12.9%
Transfer from Lynchburg City Schools	196,541	98,271	50.0%	196,541	98,271	50.0%
Transfer from General Fund	1,238,852	619,426	50.0%	1,238,852	619,426	50.0%
Miscellaneous	110,000	23,137	21.0%	110,000	12,407	11.3%
Total Revenues	5,062,797	874,042	17.3%	5,062,797	1,183,680	23.4%
Expenses:						
Administrative Expenses	64,564	28,784	44.6%	64,816	25,482	39.3%
Mandated - Foster Care	2,803,655	939,182	33.5%	2,372,898	1,076,423	45.4%
Mandated - Special Education	1,566,000	572,520	36.6%	1,866,000	779,188	41.8%
Non-Mandated Services	375,836	116,464	31.0%	375,836	70,780	18.8%
Community Based	252,742	107,422	42.5%	383,247	136,883	35.7%
Total Expenditures	5,062,797	1,764,372	34.8%	5,062,797	2,088,756	41.3%
ENDING FUND BALANCE	466,552	(467,226)		14,556	(890,520)	

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: December 31, 2015 Quarterly Financial Report – Water Operating Fund

The attached Water Operating Fund Financial Summary summarizes the financial activity for this fund through December 31, 2015. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2016 Budget and the Department's year end projections are described below.

REVENUES

Following the completion of the second quarter, overall revenues for FY 2016 are projected to exceed the FY 2016 budget by $75,000 (0.51%). Explanations follow:

- **Charges for Services:**

  Revenue in this category is projected to exceed budget by $75,000 (.63%) due to slightly higher water connections and meter removal fees and water cost plus charges for new services.

- **Water Contracts:**

  This revenue account reflects billing activity to counties of Amherst, Bedford, and Campbell, and the industries of WestRock and Frito-Lay. The net revenue in this category is projected to be at budget. However, this is due to decreased revenues in Bedford County and Campbell County attributable to higher than anticipated FY 2015 water settlement credits offset by more than anticipated water consumption in Amherst County, WestRock and Frito-Lay.

- **Interest and Other:**

  Revenue in this category is expected to be at budget.

EXPENSES

Overall expenses for FY 2016 are projected to be $74,044 (.49%) less than budget. Explanations of this variance follow:

- **Departmental Operation and Maintenance Expenses:**

  This category includes the Water Treatment Plant, Meter Operations, Water Line Maintenance and Administration. Expenses in this category are expected to be $53,000 (.57%) less than the FY 2016 budget (Water Treatment - $55,600 savings, Meter Operations - $1,400 savings, Water Line Maintenance - $11,800 increase, Administration - $7,800 savings). This variance is broken down as follows:

➢ Personal Services and Benefits	$36,300
➢ Chemicals	$51,000
➢ Utilities	$20,000
➢ Contractual Services	($41,000)
➢ Supplies and Materials	($22,000)
➢ All Other	$8,700
Total	**$53,000**

  The most significant variance is a savings in chemicals and electricity due to wet weather conditions thus using the Pedlar Reservior as first source of water as opposed to dry weather conditions when James River will be pumped and treated. Additional savings in Personal Services and Benefits are related to a vacancy in Administration. Increase in Contractual Services is primarily related to additional safety flagging services on two water repairs that occurred in high traffic areas and recent billing of orthophotography services for a survey of the Pedlar Waterline that incurred in FY 2015. Supplies and Materials are higher than budget due to several computers and one printer needing replacement prior to end of expected useful life.

- **Non-Departmental Operation and Maintenance:**

  Non-Departmental operation and maintenance expenses are anticipated to be within budget.

- **Capital Outlay and Transfers to Other Funds**

  Purchases and transfers in this category are expected to be within budget.

- **Debt Service:**

  Expenditures in debt service are expected to have a $21,044 (.49%) budget savings due to a March 6, 2015 bond refunding.

SUMMARY

This first quarter report reflects a stable FY 2016 financial position for this fund. Under the Council adopted financial policies, the two important financial ratios, debt coverage and fund balance are above policy targets. The debt coverage ratio projected for the end of the fiscal year is 1.28 compared to a target of 1.20. The fund balance ratio projected for the end of the fiscal year is 62% compared to a target range of 25% - 40%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

WATER OPERATING FUND
FINANCIAL SUMMARY
Quarter ending December 31, 2015

	FY 2015 Adopted Budget	FY 2015 Actual Q2 YTD	FY 2015 % of Budget	FY 2016 Adopted Budget	FY 2016 Actual Q2 YTD	FY 2016 % of Budget	FY 2016 Adopted Budget	FY 2016 Revised Estimate	FY 2016 $ Variance Adopted Budget vs. Projected
BEGINNING NET ASSETS	$33,038,746	$33,038,746		$26,348,217	$26,348,217		$26,348,217	$26,348,217	
Less: Invested in Capital Assets, net of related debt	(25,346,980)	(25,346,980)		(23,412,906)	(23,412,906)		(23,412,906)	(23,412,906)	
BEGINNING UNRESTRICTED NET ASSETS	**7,691,766**	**$7,691,766**		**$2,935,311**	**$2,935,311**		**$2,935,311**	**$2,935,311**	
REVENUES:									
Charges for services	$11,652,558	$5,460,392	47%	$11,858,798	5,664,122	48%	$11,858,798	$11,933,798	$75,000
Water contracts	2,654,950	$1,172,554	44%	2,683,240	1,211,735	45%	2,683,240	$2,683,240	0
Interest and other	292,482	$151,268	52%	266,231	151,149	57%	266,231	$266,231	0
	$14,599,990	**6,784,214**		**$14,808,269**	**7,027,006**		**$14,808,269**	**$14,883,269**	**$75,000**
EXPENSES									
Departmental O&M	$9,349,210	3,948,266	42%	$9,325,795	4,133,318	44%	$9,325,795	9,272,795	$53,000
Non-departmental O&M	229,600	52,924	23%	247,451	60,564	24%	247,451	247,451	0
Capital Outlay/Purchases	75,000	14,450	19%	30,000	25,722	86%	30,000	30,000	0
Transfers - Capital	800,000	400,000	50%	1,250,000	625,000	50%	1,250,000	1,250,000	0
Debt service	3,839,779	2,226,664	58%	4,316,541	2,338,952	54%	4,316,541	4,295,497	21,044
	$14,293,589	**$6,642,304**		**$15,169,787**	**7,183,556**		**$15,169,787**	**15,095,743**	**$74,044**
Adjustment for expenses from capital projects									
ENDING NET ASSETS	**$7,998,167**	**$7,833,676**		**$2,573,793**	**2,778,761**		**$2,573,793**	**$2,722,838**	

KEY RATIOS:

Unrestricted cash target as a % of operating expenses & debt service:	40%
Unrestricted cash as a % of operating expenses & debt service:	62%
Financial Policy targeted debt coverage ratio minimum:	1.20
Ending debt coverage ratio:	1.28 (a)

Note (a) Calculation of debt coverage includes $120,000 of capitalizable costs for internal labor charges applicable to time spent on capital project activities.

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: December 31, 2015 Quarterly Financial Report – Sewer Operating Fund

The attached Sewer Operating Fund Financial Summary summarizes the financial activity for this fund through December 31, 2015. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2016 Budget and the Department's year end projections are described below.

REVENUES

Following the completion of the second quarter, overall revenues for FY 2016 are projected to exceed the FY 2016 budget by $535,000 (2.49%). Explanations follow.

- **Charges for Services:**

  Revenue in this category is expected to be $297,300 (1.66%) over budget due to higher than anticipated Septic Hauler Charges primarily due to a new customer bringing leachate from Maplewood Landfill in Amelia County. Additional revenues are projected for Industrial Surcharges attributable to one industrial customer and one institutional customer.

- **Sewer Contracts:**

  Revenue in this category reflects the billing activity in counties of Amherst, Bedford, and Campbell and industries of WestRock and Frito-Lay. Revenue from this source is projected to be $254,700 (7.64%) more than budget primarily due to higher than anticipated sewer sales from WestRock and Frito Lay. Additional revenues are projected from Campbell County due to processing leachate produced at Region 2000 Landfill.

- **Interest and Other:**

  Revenue is this category is projected to be $17,000 (8.07%) less than budget primarily attributable to Campbell County's prepayment of previously financed projects in July, 2014 resulting in less interest revenue.

EXPENSES

Overall expenses for FY 2016 are projected to be $227,269 (1.06%) higher than budget. Explanations of this variance follow.

- **Departmental Operation and Maintenance Expenses:**

  This category includes the Wastewater Treatment Plant and Sewer Line Maintenance. Expenses in this category are expected to be $252,000 (2.53%) over budget (Waste Water Treatment Plant - $234,500 and Sewer Line Maintenance - $17,500). This variance is broken down as follows:

➢ Chemicals	($141,000)
➢ Contractual Services	($167,000)
➢ Sludge Disposal	$50,000
➢ All Other	$6,000
Total	**($252,000)**

  Sludge disposal is becoming increasingly more challenging. Due to odor issues at Region 2000 Landfill, we have increased the amount of lime that is added to stabilize the sludge. The current rate of lime addition now produces Class B biosolids which can be land applied. In an effort to keep as many options as possible for sludge disposal, we have executed a contract with a vendor for land application beginning in March, 2016. Our third option for disposing sludge remains available at Maplewood Landfill in Amelia County. Of these options, the cost of land application and disposal at Region 2000 are similar compared to disposal at Maplewood Landfill being slightly less due to treating sludge to a lesser standard. The increased costs are attributable to purchase of lime, additional costs associated with hauling and disposal of lime. Our plan going forward is to land apply approximately 100 tons per week, haul approximately 100 tons per week to Maplewood Landfill and haul the balance (approximately 250 tons per week to Region 2000 Landfill)

- **Non-Departmental Operational and Maintenance Expenses:**

  Non-Departmental expenses are expected to be at budget.

- **Debt/LOC Service Payments**

  Expenditures in debt service are expected to have a $24,731 (.26%) budget savings due to a March 6, 2015 bond refunding.

- **Capital Outlay and Transfers to Other Funds**

  Purchases and transfers in this category are expected to be within budget.

SUMMARY

This second quarter report reflects a stable FY 2016 financial position for this fund. Under the Council adopted financial policies, the two important financial ratios, debt coverage and fund balance, are within or above policy targets. The debt coverage ratio projected for the end of the fiscal year is 1.25 compared to a target range of 1.20 to 1.50. The fund balance ratio projected for the end of the fiscal year is 27% compared to a target range 15 to 25%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

SEWER OPERATING FUND
FINANCIAL SUMMARY
Quarter ending December 31, 2015

	FY 2015 Adopted Budget	FY 2015 Actual Q2 YTD	FY 2015 % of Budget	FY 2016 Adopted Budget	FY 2016 Actual Q2 YTD	FY 2016 % of Budget	FY 2016 Adopted Budget	FY 2016 Revised Estimate	FY 2016 $ Variance Adopted Budget vs. Projected
BEGINNING NET ASSETS (1)	$136,833,798	$136,833,798		$134,996,557	$134,996,557		$134,996,557	$134,996,557	
Less: Invested in Capital Assets, net of related debt	(129,047,540)	(129,047,540)		(131,477,037)	(131,477,037)		(131,477,037)	(131,477,037)	
BEGINNING UNRESTRICTED NET ASSETS	**$7,786,258**	**$7,786,258**		**$3,519,520**	**$3,519,520**		**3,519,520**	**$3,519,520**	
REVENUES:									
Charges for services	$17,170,636	$7,598,733	44%	$17,917,821	8,002,205	45%	$17,917,821	$18,215,121	$297,300
Sewer contracts	3,327,630	1,284,989	39%	3,332,495	1,388,635	42%	3,332,495	3,587,195	254,700
Interest and other	75,344	33,966	45%	210,634	105,435	50%	210,634	193,634	(17,000)
	$20,573,610	**$8,917,688**		**$21,460,950**	**9,496,275**		**$21,460,950**	**$21,995,950**	**$535,000**
EXPENSES:									
Departmental O&M	$9,792,683	$4,619,333	47%	$9,941,108	4,619,883	46%	$9,941,108	$10,193,108	($252,000)
Non-departmental O&M	238,200	64,421	27%	288,522	64,428	22%	$288,522	288,522	0
Equipment Purchases	320,000	0	0%	265,000	21,170	8%	$265,000	265,000	0
Transfers - Capital	2,000,000	1,000,000	50%	1,500,000	750,000	50%	$1,500,000	1,500,000	0
Debt service	8,961,298	4,552,536	51%	9,370,351	4,984,523	53%	9,370,351	9,345,620	24,731
	$21,312,181	**$10,236,290**		**$21,364,981**	**10,440,004**		**$21,364,981**	**$21,592,250**	**($227,269)**
Adjustment for expenses from capital projects		**$0**			**$0**			**$0**	
ENDING NET ASSETS	**$7,047,687**	**$6,467,656**		**$3,615,489**	**$2,575,791**		**$3,615,489**	**$3,923,220**	

KEY RATIOS:

Unrestricted cash target as a % of operating expenses & debt service:	25%	
Unrestricted cash as a % of operating expenses & debt service:	27%	
Financial Policy targeted debt coverage minimum:	1.20	
Ending debt coverage:	1.25	(a)

Note (a) Calculation of debt coverage includes $125,000 of capitalizable costs for internal labor charges applicable to time spent on capital project activities.

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: December 31, 2015 Quarterly Financial Report – Stormwater Operating Fund

The attached Stormwater Operating Fund Financial Summary summarizes the financial activity for this fund through December 31, 2015. This quarterly report provides comparative financial information for the same period of the prior fiscal year. Projected variances between the FY 2016 Budget and the Department's year end projections are described below.

REVENUES

Following the completion of the second quarter, the overall revenues for FY 2016 are projected to be at budget for all categories that includes the following: (1) Charges for Services, (2) Interest and Other (3) Transfers from Other Funds.

EXPENSES

Overall expenses for FY 2016 are projected to be $67,000 (1.75%) less than budget. A breakdown and explanations of this variance follow:

- **Departmental Operation and Maintenance Expenses:**

  Departmental Operation and Maintenance expenses are projected to be $84,000 (3.38%) less than budget. Explanations of this variance as follows:

➢ Personnel Services	($ 10,000)
➢ Contractual Services	$ 30,000
➢ Supplies and Materials	$ 50,000
➢ All Other	$ 14,000
Total	**$84,000**

  The most significant savings is for our Supplies and Materials. Over the past year and half, we have been conducting a condition assessment of the stormwater infrastructure. Due to the numerous defects continually being identified, the priority repair schedule has not been fully completed. However, repairs will start this fiscal year on some of the most significant defects. The savings in

Contractual Services are also related to the timing and progress of the condition assessment. The increased expenses for Personnel Services are primarily attributable to two storm events in late September. After our work crews worked on needed water and sewer repairs during each week after these storm events, our work crews with heavy equipment were used on weekends to dredge and repair stormwater ponds in the City instead of hiring an outside contractor.

- **Non-Departmental Operational and Maintenance Expenses:**

  Non-departmental expenses are projected to be at budget.

- **Debt/LOC Service Payments**

  Currently, there is no debt for the Stormwater Fund.

- **Capital Outlay and Transfers to Other Funds**

  Capital Outlay and Transfers to Other Funds are expected to be $17,000 (1.30%) over budget due to an additional software purchase. This new software will allow us to better assess and catalogue the structural and operational integrity of our stormwater networks thus improving efficiencies of maintenance planning and infrastructure replacements. Transfers to Other Funds are expected to be at budget.

SUMMARY

This second quarter report reflects a stable FY 2016 financial position for the fund at this time. The fund balance ratio projected for the end of the fiscal year is 23.0%.

Respectfully submitted,

Timothy A. Mitchell, P.E.
Director of Water Resources

cc: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Donna Witt, Director of Financial Services

STORMWATER OPERATING FUND
FINANCIAL SUMMARY
Second Quarter December 31, 2015

	FY 2015 Adopted Budget	FY 2015 Actual Q2 YTD	FY 2015 % of Budget	FY 2016 Adopted Budget	FY 2016 Actual Q2 YTD	FY 2016 % of Budget	FY 2016 Adopted Budget	FY 2016 Revised Estimate	FY 2016 $ Variance Adopted Budget vs. Projected
BEGINNING NET ASSETS	$1,300,413	$1,300,413		$1,498,775	$1,498,775		$1,498,775	$1,498,775	
Less: Invested in Capital Assets, net of related debt	0	0		(776,555)	(776,555)		(776,555)	(776,555)	
BEGINNING UNRESTRICTED NET ASSETS	**$1,300,413**	**$1,300,413**		**$722,220**	**$722,220**		**$722,220**	**$722,220**	
REVENUES:									
Charges for services	$3,218,850	$1,457,345	45%	$3,202,178	1,387,589	43%	$3,202,178	$3,202,178	$0
Interest and other	5,000	250		4,500	0	0%	4,500	4,500	0
Transfers	275,000	137,500	50%	275,000	137,500	50%	275,000	275,000	0
	$3,498,850	**$1,595,095**		**$3,481,678**	**1,525,089**		**$3,481,678**	**$3,481,678**	**$0**
EXPENSES:									
Departmental O&M	$2,275,230	$1,269,125	56%	$2,483,080	$1,132,850	46%	$2,483,080	$2,399,080	$84,000
Non-departmental O&M	25,800	2,617	10%	32,425	10,605	33%	32,425	32,425	0
Equipment Purchases	400,000	0	0%	29,000	0	0%	29,000	46,000	(17,000)
Transfers - Capital	1,050,000	525,000	50%	1,150,000	575,000	50%	1,150,000	1,150,000	0
Transfers - Sewer Operating and Fleet	0	0	0%	126,734	63,367	50%	126,734	126,734	0
Debt service	0	0		0	0		0	0	0
	$3,751,030	**$1,796,742**		**$3,821,239**	**$1,781,822**		**$3,821,239**	**$3,754,239**	**$67,000**
Adjustment for expenses from capital projects		**$0**			**$0**			**$0**	
ENDING NET ASSETS	**$1,048,233**	**$1,098,766**		**$382,659**	**$465,487**		**$382,659**	**$449,659**	

KEY RATIOS:

Projected unrestricted cash as a % of operating expenses at year end	23%

FINANCIAL POLICIES REVIEW AND PROPOSED CHANGES FOR WATER, SEWER AND STORMWATER FUNDS

Existing Water Unrestricted Cash Policy

• Minimum ending fund balance shall not be less than 25% of total fund appropriations with a target balance of 40% of total fund appropriations.

• Funds in excess of the annual requirements may be considered for "pay-as-you-go" capital outlay expenditures, other non-recurring expenditures or funding of necessary reserves.

• A rate review will be conducted at least every two years.

Proposed Change

• None

Existing Sewer Unrestricted Cash Policy

• In accordance with the Virginia Department of Environmental Quality Special Order for the correction of the Combined Sewer Overflows, the maximum ending fund balance shall not exceed 25% of total fund appropriations; however, the City shall endeavor to maintain a fund balance as close to 25% as practicable.

• As provided by the Special Order, any excess funds will be directed to "pay-as-you-go" capital outlay expenditures.

• A rate review will be conducted at least every two years.

Proposed Change

• In accordance with the Virginia Department of Environmental Quality Special Order beginning July 31, 2015, the City annually adjusts sewer system reserve funds to equal no more than 40% of the subsequent fiscal years' budgeted operating expenses and debt service.

•. Minimum ending fund balance shall not be less than 25% of total fund appropriations.

• Funds in excess of 40% will be directed to "pay-as-you-go" capital outlay expenditures.

• A rate review will be conducted at least every two years.

Existing Stormwater Unrestricted Cash Policy

• None

Proposed Change

• Minimum ending fund balance shall not be less than 15% of total fund appropriations with a target balance of 20% of total fund appropriations.

• Funds in excess of the annual requirements may be considered for “pay-as-you-go” capital outlay expenditures, other non-recurring expenditures or funding of necessary reserves.

• A rate review will be conducted at least every two years.

Existing Debt Management Policies for Water, Sewer and Stormwater

Revenue-supported obligations are those for which the debt service is payable solely from the revenue generated from the operation of the project being financed or a category of facilities (i.e. water, sewer). These are not considered tax-supported debt of the City. Whenever the City finds it necessary to issue revenue-supported bonds, the following guidelines will be adhered to:

1. The term of any revenue-supported bond issue will not exceed the useful life of the capital project/facility or equipment for which borrowing is intended.

2. Revenue-supported bonds will be structured to allow equal or declining annual debt service payments over a term not to exceed the life of the project being financed. For those revenue-supported bonds issued through the Virginia Revolving Loan Fund, annual debt service payments shall not exceed thirty years.

3. For any enterprise fund issuing revenue-supported bonds, net revenues available for debt service shall not be less than 1.2 times annual debt service for each fiscal year. Net revenues available for debt service will be calculated as operating income, plus depreciation and amortization and plus interest income. Debt service will include all debt service paid by the respective fund; however, the principal portion of any bond anticipation notes or other short-term financing should be excluded.

Proposed Change

1. For Water, Sewer and Stormwater Funds of any revenue-supported or general obligation bond issue will not exceed the useful life of the capital project/facility or equipment for which borrowing is intended.

2. For Water, Sewer and Stormwater Funds, revenue-supported bonds or general obligation bonds will be structured to allow equal or declining annual debt service payments over a term not to exceed the life of the project being financed.

3. For Water, Sewer and Stormwater Funds issuing revenue-supported and/or general obligation bonds, net revenues available for debt service shall not be less than 1.2 times annual debt service for each fiscal year. Net revenues available for debt service will be calculated as operating income, plus depreciation and amortization, plus interest income, plus governmental grants, plus miscellaneous income, plus capital contributions of others who jointly share in ownership of an infrastructure of facility, and plus any capitalizable costs. Debt service will include all debt service paid by the respective fund; however, the principal portion of any bond anticipation notes or other short-term financing should be excluded.

February 23, 2016

Finance Committee
City Council
City of Lynchburg
Lynchburg, Virginia

Re: December 31, 2015 Quarterly Report - General Fund

Attached is the Financial Summary for the General Fund (Fund) for the period ending December 31, 2015.

This quarterly report provides comparative information for the same period of the prior fiscal year and an annualized projection through the end of the current fiscal year.

NON-DEDICATED REVENUES

- Real Estate Taxes:

  Real Estate taxes are due in four quarterly installments on November 15, January 15, March 15, and May 15. As of the date of this report, only the first installment for FY 2016 has been billed and revenue of $22,723,818 has been collected. The amount collected includes payments made for the entire year.

- Personal Property Taxes:

  Personal Property tax revenue for FY 2016 is $387,513 more than the amount collected through the second quarter of FY 2015, and remains on track with 51.1% collected. Personal property taxes are payable in two equal installments on June 5 and December 5. Additional billings for personal property acquisitions are due March 5 and September 5.

  In 1998, the Virginia General Assembly enacted the Personal Property Tax Relief Act (PPTRA) to reimburse citizens for a portion of the local personal property tax. In the 2004 Virginia General Assembly, the State capped the amount reimbursed to localities at $950 million for FY 2016. This action eliminates the 70% reimbursement. Lynchburg's share is $5,543,584. During the second quarter of FY 2016, the State reimbursed the City $4,157,688 (75%), as scheduled. Future payments are scheduled for receipt in February 2016 (15%), and May 2016 (5%).

- Consumer Utility Tax - Electric:

  The second quarter FY 2016 revenue is slightly ahead of budget projections by $60,562, based on collections for 5 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates. This revenue is based on consumption and fluctuates with weather patterns.

- Communication Sales and Use Taxes:

  Communication Sales and Use tax revenue is on pace with the FY 2016 budget projection based on collections for 4 months.

- Local Sales Tax:

  Sales tax revenue is ahead of the FY 2016 budget projection by $282,527, or 6.1% based on collections for 4 months. Staff continues to see growth related to restaurant sales and price increases.

- Business License

  Business License revenue collected through the second quarter of FY 2016 is $69,920. Since this tax is due May 1, the collection percentage is currently only a small part of the annual budget. The majority of the tax will be collected from March to May.

- Meals Tax

  Meals tax revenue is ahead of the FY 2016 budget projections by $144,816 based on collections for 5 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates.

- Lodging Tax

  Lodging tax revenue is ahead of the FY 2016 budget projection by $37,611 based on collections for 5 months. Staff is monitoring this revenue and providing the Finance Committee with monthly updates.

- Permit, Fees, and Licenses:

  Permit, Fees, and Licenses is behind the FY 2016 budget projection by 19.0% or $88,221 due primarily to Inspection Permits, and Building Plan Review fees.

- Fines and Forfeitures:

  Fines and Forfeitures revenue is behind the budget projection for FY 2016 by 31.7%, or $87,566 due to Court Fines, Criminal Court Fees, and Parking Fines. Staff will continue to keep a close watch on this revenue to see if an adjustment in projected revenue is needed.

- Interest on Investments:

  Investment income is ahead of the budget projection for FY 2016 by $63,800, or 21.3%, primarily due to conservative budgeting.

- Charges for Services

  Charges for Services revenue is 6.2%, or $304,122 ahead of the budget projection for FY 2016, primarily due to trash tag sales, collection fees, and police off duty revenue.

DEDICATED REVENUES

Intergovernmental Revenues consisting of Constitutional Officers, Health and Human Services, and State subsidies total $19,100,453 and are 12.1%, or $2,062,825 more than FY 2016 budget projection. This is due to the timing of submitting and receiving reimbursements for constitutional offices.

EXPENDITURES

- Operating Expenditures:

  The percentage of operating expenditures spent through the second quarter of FY 2016, 50.9%, is on target with budget projections.

- Debt Service

  Debt Service expenditures are on pace with FY 2016 budget projections with 55.4% expended.

SUMMARY

This report represents the general fund in stable condition after six months of fiscal activity. As the year progresses, revised estimates for revenues and expenditures will be presented to reflect the impact of changes.

Respectfully submitted,

Donna S. Witt
Director of Financial Services

cc: L. Kimball Payne, III, City Manager
Bonnie Svrcek, Deputy City Manager
Rhonda Allbeck, Assistant Director of Financial Services

Fiscal Year	Fiscal Calendar 2016
Fiscal Quarter of Year	(Multiple Items)
Fund	1001 General Fund
Account Type	Revenue
Process Status	Posted

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 12/31/15	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 12/31/14
100 Taxes							
02110 - Current Real Property Tax	55,383,720	0	55,383,720	23,935,951	31,447,769	43.2%	22,869,271
02110 - Delinquent Real Prop Tax	1,575,000	0	1,575,000	571,217	1,003,783	36.3%	707,943
02110 - Tax Relief For Elderly	(700,000)	0	(700,000)	(647,645)	(52,355)	92.5%	(665,597)
02110 - Tax Relief-Rehab.RealProp	(483,100)	0	(483,100)	(564,488)	81,388	116.8%	(486,995)
02120 - Current PSC Taxes	2,225,000	0	2,225,000	2,316,446	(91,446)	104.1%	2,268,797
02120 - Delinquent PSC Taxes	0	0	0	3,113	(3,113)		
02130 - Curr Pers Property Tx PCI	17,266,000	0	17,266,000	8,826,073	8,439,927	51.1%	8,438,560
02130 - Delinquent PP Tax PCI	950,000	0	950,000	138,962	811,038	14.6%	110,474
02130 - Recovery-C/O Pers Prop Tx	4,000	0	4,000	222	3,778	5.5%	173
02170 - Interest on PSC Taxes	0	0	0	1,953	(1,953)		38
02170 - Interest-Delinquent Taxes	375,000	0	375,000	135,235	239,765	36.1%	176,319
02170 - Penalty on PSC Taxes	0	0	0	33,977	(33,977)		5,049
02170 - Penalty-Delinquent Taxes	625,000	0	625,000	269,098	355,902	43.1%	260,089
02510 - Local Sales And Use Taxes	14,700,000	0	14,700,000	4,907,957	9,792,043	33.4%	4,821,191
02515 - Consumer Util Tx-Electric	3,790,000	0	3,790,000	1,547,186	2,242,814	40.8%	1,491,172
02515 - Consumer Utility Tax-Gas	654,000	0	654,000	138,711	515,289	21.2%	141,790
02515 - Right of Way Fees	243,000	0	243,000	97,388	145,612	40.1%	66,929
02517 - Communication Sale&Use Tx	3,300,000	0	3,300,000	1,098,448	2,201,552	33.3%	1,136,693
02520 - Business License Taxes	8,200,764	0	8,200,764	69,920	8,130,844	0.9%	146,313
02520 - Consumption Tax Electric	306,420	0	306,420	125,609	180,811	41.0%	120,656
02520 - Consumption Tax Gas	34,000	0	34,000	5,843	28,157	17.2%	6,077
02520 - Pen&Int-Business License	90,000	0	90,000	31,198	58,802	34.7%	51,387
02525 - Fran.Lic. Tax-Sprint Cel	500	0	500	500	0	100.0%	0
02525 - Franchis Lic.Tax-MCI	4,027	0	4,027	9,600	(5,573)	238.4%	0
02530 - Delinquent MtrVeh LicFee	174,000	0	174,000	14,898	159,102	8.6%	16,765
02530 - Motor Vehicle LicensesPCI	1,544,000	0	1,544,000	181,447	1,362,553	11.8%	181,720
02535 - Bank Stock Taxes	650,000	0	650,000	2,371	647,629	0.4%	(73,712)
02540 - Probate Taxes	15,000	0	15,000	10,229	4,771	68.2%	13,695
02540 - Recordation Taxes-City	450,000	0	450,000	168,393	281,607	37.4%	150,990
02545 - Tobacco Taxes	900,000	0	900,000	467,320	432,680	51.9%	465,579
02550 - Amusement Tax	675,000	0	675,000	255,777	419,223	37.9%	242,768
02550 - Penalty/Int-Amusement Tx	0	0	0	1,718	(1,718)		135
02555 - Lodging Tax	2,037,000	0	2,037,000	924,320	1,112,680	45.4%	894,448
02555 - Penalty/Interest-Lodging	0	0	0	4,684	(4,684)		(114)
02560 - Meals Tax	13,715,000	0	13,715,000	5,707,759	8,007,241	41.6%	5,468,030
02560 - Penalty/Interest-Meals Tx	50,000	0	50,000	42,475	7,525	85.0%	56,467
100 Taxes Total	**128,753,331**	**0**	**128,753,331**	**50,833,866**	**77,919,465**	**39.5%**	**49,083,099**
110 Permits, Fees, & Licenses							
03005 - Animal Licenses	10,000	0	10,000	2,636	7,364	26.4%	3,061
03010 - Annual/Periodic Insp Fee	8,000	0	8,000	4,500	3,500	56.3%	2,250
03010 - Bicycle Licenses							2
03010 - Building Insp Permit Fee	445,000	0	445,000	162,458	282,542	36.5%	320,491
03010 - Building Plan Review	40,000	0	40,000	12,138	27,862	30.3%	29,339
03010 - Concealed Weapons Permit	20,000	0	20,000	10,491	9,509	52.5%	8,047
03010 - Conditional Use Permits	4,800	0	4,800	2,543	2,257	53.0%	1,261
03010 - Del False Alarm-Pen & Int							0
03010 - Delinq False Alarm Fees							0
03010 - Demolition Fees	10,000	0	10,000	2,350	7,650	23.5%	3,750
03010 - Elev Admin Fee Pen & Int	0	0	0	185	(185)		365
03010 - Elevator Inspec Admin Fee	20,200	0	20,200	10,145	10,055	50.2%	10,481
03010 - False Alarm Serv Assessmt	100,000	0	100,000	15,420	84,580	15.4%	15,776
03010 - Land Disturbing Fees	17,000	0	17,000	16,847	154	99.1%	13,773
03010 - Legal Notice Advertising	7,247	0	7,247	6,758	489	93.3%	5,646
03010 - Misc Permit Fee & License	2,000	0	2,000	380	1,620	19.0%	743
03010 - Permit Parking Fees	199,000	0	199,000	93,780	105,220	47.1%	68,637
03010 - Precious Metal Premits	1,600	0	1,600	600	1,000	37.5%	1,200
03010 - Rental Insp-Annual No/Shw	0	0	0	250	(250)		50
03010 - Rental Reinspect/FollowUp	0	0	0	650	(650)		50
03010 - Re-zoning Fees	5,000	0	5,000	13,189	(8,189)	263.8%	3,534
03010 - Sign Insp Permit Fee	5,000	0	5,000	3,450	1,550	69.0%	2,325
03010 - Site Plan Reviews	19,686	0	19,686	9,459	10,227	48.0%	8,217
03010 - Subdivision Plat Review	6,000	0	6,000	3,885	2,115	64.8%	3,780
03010 - Taxicab Application Fees	4,000	0	4,000	2,000	2,000	50.0%	2,050
03010 - Transfer Fees	1,600	0	1,600	1,033	567	64.6%	991
03010 - Zoning Appeal Fees-Inspc	1,000	0	1,000	200	800	20.0%	375
110 Permits, Fees, & Licenses Total	**927,133**	**0**	**927,133**	**375,346**	**551,787**	**40.5%**	**506,194**
120 Fines & Forfeitures							
03510 - Court Fines And Forfeit.	440,000	0	440,000	153,496	286,504	34.9%	211,076
03510 - Criminal Court Fees	2,500	0	2,500	805	1,695	32.2%	812
03510 - Parking Fines	110,000	0	110,000	34,383	75,617	31.3%	43,782
120 Fines & Forfeitures Total	**552,500**	**0**	**552,500**	**188,684**	**363,816**	**34.2%**	**255,669**
130 Use of Money & Property							
04010 - Interest on Investment	15,000	0	15,000	72,884	(57,884)	485.9%	7,427
04010 - Interest-City Capital	30,000	0	30,000	47,199	(17,199)	157.3%	24,159

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 12/31/15	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 12/31/14
04010 - Interest-Health Ins Resrv	18,000	0	18,000	7,291	10,709	40.5%	7,836
04010 - Interest-OPEB	4,000	0	4,000	2,229	1,771	55.7%	1,357
04010 - Interest-School Capital	200	0	200	0	200	0.0%	0
04010 - Interest-SNAP Income	15,000	0	15,000	20,431	(5,431)	136.2%	13,528
04010 - Interst-MktValueGain/Loss	0	0	0	(73,218)	73,218		31,012
04020 - Culture & Rec. Prop Rent	15,070	0	15,070	7,535	7,535	50.0%	20,093
04020 - Dwntwn Parking Deck Lease	90,000	0	90,000	45,051	44,949	50.1%	44,052
04020 - Gen Govt Property Rental	85,000	0	85,000	34,953	50,047	41.1%	44,544
04020 - Human Services Prop Rent	100,000	0	100,000	50,000	50,000	50.0%	50,000
04020 - Market Rent- Pen & Int	0	0	0	379	(379)		99
04020 - Prop Rental-Market/Park.	90,000	0	90,000	43,206	46,794	48.0%	52,937
04020 - Prop Rental-Stadium	2,000	0	2,000	1,455	545	72.8%	485
04020 - Public Safety Prop Rent	24,464	0	24,464	0	24,464	0.0%	0
04020 - Public Works Prop Rental	6,000	0	6,000	0	6,000	0.0%	0
04020 - Rental Miller Center	0	103,548	103,548	103,548	0	100.0%	
130 Use of Money & Property Total	**494,734**	**103,548**	**598,282**	**362,941**	**235,341**	**60.7%**	**297,530**
140 Charges for Services							
04510 - Collection & Tax Lien Fees	19,000	0	19,000	19,175	(175)	100.9%	14,415
04510 - DMV Admin Fee	225,000	0	225,000	111,671	113,329	49.6%	110,291
04510 - DMV Select Agency	20,000	0	20,000	14,852	5,148	74.3%	12,816
04510 - Indirect Cost&Srvc Airprt	111,591	0	111,591	55,796	55,796	50.0%	59,151
04510 - Indirect Cost&Srvc Sewer	404,344	0	404,344	103,219	301,125	25.5%	171,397
04510 - Indirect Cost&Srvc Water	845,105	0	845,105	422,555	422,550	50.0%	549,970
04510 - Indirect Cost&Srvc WWTP	369,985	0	369,985	283,948	86,037	76.7%	383,840
04510 - Indirect Cost&Svc DetHome	252,343	0	252,343	126,172	126,172	50.0%	125,217
04510 - Indirect Cost&Svc Juv Svc	15,000	0	15,000	0	15,000	0.0%	8,017
04510 - Indirect Cost&Svc Strmwtr	107,328	0	107,328	53,664	53,664	50.0%	53,993
04510 - Processng Fee - Payroll deduction	6,500	0	6,500	3,415	3,085	52.5%	3,320
04510 - Sale of GIS Maps & Data	350	0	350	140	210	40.0%	131
04515 - CA Coll Fees- Circuit Crt	60,000	0	60,000	21,778	38,222	36.3%	24,915
04515 - CA Coll Fees- Gen Dist Ct	46,000	0	46,000	31,476	14,524	68.4%	39,210
04515 - CA Coll Fees- J&D Court	9,700	0	9,700	3,140	6,560	32.4%	3,920
04515 - Commonwealth Atty.Fees	7,000	0	7,000	3,486	3,514	49.8%	3,133
04515 - Court Rm Sheriff Fee $5	110,000	0	110,000	40,228	69,772	36.6%	43,090
04515 - Document Reprod Costs	13,000	0	13,000	3,298	9,702	25.4%	4,540
04515 - Fees For Court Officers	7,244	0	7,244	7,244	(0)	100.0%	7,244
04515 - Legal Service Charges	20,000	0	20,000	0	20,000	0.0%	0
04515 - Probation Supervisor Fee	15,000	0	15,000	6,778	8,222	45.2%	8,783
04520 - $250 DUI Fees	0	0	0	4,910	(4,910)		2,039
04520 - Ambulance Service Fees	2,750,000	0	2,750,000	1,118,552	1,631,448	40.7%	1,063,404
04520 - Criminal Records Check	3,000	0	3,000	1,020	1,980	34.0%	1,110
04520 - Delinq Ambulance>120 Days	100,000	0	100,000	254,476	(154,476)	254.5%	27,691
04520 - Fire Prevention Fees	2,000	0	2,000	2,200	(200)	110.0%	1,925
04520 - Lcl Reimb-COL Confd Space	50,000	0	50,000	25,000	25,000	50.0%	25,000
04520 - PD Off Duty	800,000	0	800,000	498,520	301,480	62.3%	372,333
04520 - PD Off Duty- Pen & Int	0	0	0	(8,294)	8,294		7,656
04520 - PIER Contract Payments	32,500	0	32,500	32,500	0	100.0%	32,500
04520 - Police Report Sales	13,500	0	13,500	7,280	6,220	53.9%	7,095
04520 - Police-Schools DARE Prog	108,500	0	108,500	36,139	72,361	33.3%	9,768
04520 - Range Use Fee	15,000	0	15,000	15,200	(200)	101.3%	14,800
04525 - Bldg Maint Charge-Other	10,000	0	10,000	5,071	4,929	50.7%	13,523
04525 - Downtown Parking Fees	35,000	0	35,000	10,174	24,826	29.1%	9,075
04525 - Engineering Serv.Charges	0	0	0	11,751	(11,751)		
04525 - PW Admin Stormwater Chrgs	161,947	0	161,947	100,935	61,012	62.3%	206,077
04525 - PW Eng Stormwater Chrgs	19,500	0	19,500	0	19,500	0.0%	9,518
04525 - PW Streets StormwaterChrg	179,152	0	179,152	115,093	64,059	64.2%	228,827
04525 - Res.Disp.Tags.-Vendor							235
04525 - Resid.Disposal-Decals	715,000	0	715,000	738,748	(23,748)	103.3%	704,752
04525 - Trash Bag Srvc-Waste Zero	150,000	0	150,000	67,664	82,336	45.1%	77,679
04530 - CSA Service Providers	178,868	0	178,868	0	178,868	0.0%	0
04530 - Local Reimb-Opportunity	366,596	0	366,596	121,455	245,141	33.1%	160,196
04530 - Local Reimb-Sparc House	330,940	0	330,940	165,994	164,946	50.2%	185,641
04530 - Soc Svcs Court Order Fees							666
04535 - Delinq Library Fines&Fees	4,000	0	4,000	2,066	1,934	51.6%	46,951
04535 - Delinq Library Lost/Dmg	12,000	0	12,000	2,967	9,033	24.7%	35,224
04535 - Delinq Library Pen & Int	2,800	0	2,800	634	2,166	22.7%	21,499
04535 - Law Library Fees	60,000	0	60,000	16,323	43,677	27.2%	18,199
04535 - Library Fines And Fees	74,000	0	74,000	26,102	47,898	35.3%	32,751
04535 - Lost/Damaged Library Prop	5,000	0	5,000	2,648	2,352	53.0%	1,895
04535 - Lynchburg Museum Fees	14,000	0	14,000	0	14,000	0.0%	8,851
04535 - Point of Honor Adm Fees	10,500	0	10,500	9,023	1,477	85.9%	5,722
04535 - Recreation Program Fees	349,100	0	349,100	218,130	130,970	62.5%	203,592
04535 - School Shr-Comm Ctr Wi-Fi							4,000
04535 - Swimming Pool Fees	24,000	0	24,000	10,001	13,999	41.7%	10,536
04540 - Charges For Demolition	0	0	0	6,205	(6,205)		292
04540 - Com Devl Stormwater Chrgs	499,003	0	499,003	249,502	249,501	50.0%	215,117
04599 - Secure Vacant Stru Reimb	0	0	0	50	(50)		2,615
04599 - Weed Ordinance Program	22,000	0	22,000	5,248	16,752	23.9%	8,676
140 Charges for Services Total	**9,762,396**	**0**	**9,762,396**	**5,185,320**	**4,577,076**	**53.1%**	**5,404,822**
150 Miscellaneous Revenue							
05030 - Suspense Revenue/Exp Ref	0	0	0	99,441	(99,441)		143,519

Revenues	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 12/31/15	Remaining Budget w/o Encumbrances	Percentage of Amended Budget	Actual Amount 12/31/14
05050 - Cash Overage And Shortage	0	0	0	705	(705)		45
05050 - Contributions-Adopt-A-Bed							200
05050 - Credit Card Rebate	94,000	0	94,000	0	94,000	0.0%	0
05050 - Digg's Trust Rec-Pt Honor	40,398	0	40,398	20,400	19,998	50.5%	21,120
05050 - Donations- Emergency Mgmt	0	0	0	550	(550)		100
05050 - Drop-Off Recycling							40
05050 - Friends of L'burg Library	7,250	0	7,250	1,813	5,438	25.0%	3,625
05050 - Gifts And Misc.	500	0	500	1,832	(1,332)	366.5%	619
05050 - Miscellaneous Revenue	60,000	0	60,000	56,813	3,187	94.7%	48,597
05050 - P&R Spec Evnt Sponsership	4,500	0	4,500	1,500	3,000	33.3%	223
05050 - Parking Lease Agreement	81,000	0	81,000	66,380	14,620	82.0%	49,808
05050 - Photo Reprod And Royalty	300	0	300	80	220	26.7%	47
05050 - Pmt In Lieu Tax-WestCntbr	50,000	0	50,000	0	50,000	0.0%	(195)
05050 - PointOfHonr-GiftShopSales	2,000	0	2,000	0	2,000	0.0%	1,000
05050 - Proceeds frm PropRoom.com	0	0	0	322	(322)		71
05050 - Pymt In Lieu of Tax-LRHA	25,000	0	25,000	0	25,000	0.0%	0
05050 - Reimb.POH Carriage House	27,411	0	27,411	13,875	13,536	50.6%	14,337
05050 - RSA Profit Sharing	0	0	0	18,248	(18,248)		(1)
05050 - Sale-Salvage/Surplus Prop	3,000	0	3,000	0	3,000	0.0%	1,239
05050 - Special Welfare Recoup	30,000	0	30,000	46	29,954	0.2%	631
05050 - Tourism Misc Revenue	0	0	0	6,898	(6,898)		
05050 - Trash Bag&Decal Violation	0	0	0	(2,890)	2,890		1,350
05050 - Trash Cart Sales	2,000	0	2,000	1,358	642	67.9%	827
05050 - Visitor Ctr Merchandise	23,700	0	23,700	12,568	11,132	53.0%	12,202
05050 - VisitorCtr CoffeeDonation	0	0	0	123	(123)		
05050 - WardsCrossingWestSvcFee	133,000	0	133,000	0	133,000	0.0%	0
150 Miscellaneous Revenue Total	**584,059**	**0**	**584,059**	**300,060**	**283,999**	**51.4%**	**299,406**
300 State Non-Categorical Aid							
06100 - Auto Rental Tax-DMV	260,000	0	260,000	163,159	96,841	62.8%	146,970
06100 - Deeds Of Conveyance	120,000	0	120,000	48,412	71,588	40.3%	40,366
06100 - Mobile Home Titling Taxes	1,000	0	1,000	2,094	(1,094)	209.4%	876
06100 - Personal Prop Tax Relief	5,543,584	0	5,543,584	4,434,867	1,108,717	80.0%	4,434,867
06100 - Recordation Taxes-State	200,000	0	200,000	48,191	151,809	24.1%	48,244
06100 - Rolling Stock Taxes	93,000	0	93,000	105,138	(12,138)	113.1%	98,635
300 State Non-Categorical Aid Total	**6,217,584**	**0**	**6,217,584**	**4,801,861**	**1,415,723**	**77.2%**	**4,769,958**
310 State Shared Exp (Cat.)							
06510 - Commissioner of Revenue	172,577	1,899	174,476	72,178	102,298	41.4%	64,030
06510 - Registrar/Electoral Board	53,455	1,040	54,495	0	54,495	0.0%	0
06510 - Treasurer	99,638	0	99,638	39,078	60,560	39.2%	40,583
06515 - Clerk of Cir Crt-Fringes	546,176	9,559	555,735	217,206	338,529	39.1%	214,477
06515 - Commonwealth Attorney	992,928	0	992,928	392,221	600,707	39.5%	412,919
06515 - Sheriff	1,217,709	20,607	1,238,316	477,860	760,456	38.6%	483,443
310 State Shared Exp (Cat.) Total	**3,082,483**	**33,105**	**3,115,588**	**1,198,543**	**1,917,045**	**38.5%**	**1,215,452**
320 State Categorical Aid							
06820 - HB 599 Law Enforc.Asst	2,930,790	0	2,930,790	1,465,396	1,465,394	50.0%	1,465,396
06820 - Juvenile Correct-Block Gt	247,716	0	247,716	123,858	123,858	50.0%	123,858
06820 - Wireless E911	286,600	0	286,600	118,303	168,297	41.3%	128,173
06825 - Street And Highway Maint.	7,364,956	100,000	7,464,956	4,695,402	2,769,554	62.9%	5,276,135
06830 - Finance-Social Srvc-State	115,004	0	115,004	51,936	63,068	45.2%	44,788
06830 - Health Department	0	0	0	159,032	(159,032)		165,398
06830 - SS State Adm Sub 0901	2,020,159	0	2,020,159	690,574	1,329,585	34.2%	658,189
06830 - SS State Prog Sub 0902	4,810,245	0	4,810,245	2,467,072	2,343,173	51.3%	1,927,412
06835 - Finan Asst-Public Library	153,233	0	153,233	75,980	77,254	49.6%	76,521
06835 - SNAP Prog-Double Dollar	10,000	0	10,000	0	10,000	0.0%	5,000
06835 - SNAP Program Reimb	12,000	0	12,000	7,330	4,670	61.1%	9,054
320 State Categorical Aid Total	**17,950,703**	**100,000**	**18,050,703**	**9,854,883**	**8,195,820**	**54.6%**	**9,879,924**
330 State Aid in Suspense							
05030 - Suspense Rev-Va EDI Pmts	0	0	0	0	(0)		0
330 State Aid in Suspense Total	**0**	**0**	**0**	**0**	**(0)**		**0**
510 Federal Direct Cat. Aid							
07510 - Dir Fed Reim-Parks&Rec	0	0	0	55,529	(55,529)		
07540 - IRS Int Subs 8/09 BABsSCH	211,000	0	211,000	105,663	105,337	50.1%	105,777
07540 - IRS Int Subsidy 8/09 BABs	60,000	0	60,000	30,457	29,543	50.8%	30,490
510 Federal Direct Cat. Aid Total	**271,000**	**0**	**271,000**	**191,649**	**79,351**	**70.7%**	**136,267**
520 Fed Cat Aid- Pass Thru							
07825 - B&G Chrgs Commerce St Bld	35,000	0	35,000	20,799	14,201	59.4%	15,750
07830 - Fed Pass Thru:Cost AIIDMG	400,000	0	400,000	0	400,000	0.0%	0
07830 - Finance-Social Srvc-Fed	166,672	0	166,672	75,265	91,407	45.2%	61,362
07830 - SS Fed Adm Sub 0901	3,240,542	0	3,240,542	1,828,573	1,411,969	56.4%	1,753,853
07830 - SS Fed Prog Sub 0902	2,415,021	33,360	2,448,381	1,074,803	1,373,578	43.9%	1,340,131
07875 - Human Service Lease	129,786	0	129,786	54,077	75,709	41.7%	57,757
520 Fed Cat Aid- Pass Thru Total	**6,387,021**	**33,360**	**6,420,381**	**3,053,518**	**3,366,863**	**47.6%**	**3,228,855**
710 Operating Transfers In							
09201 - TrfFrmCFSA-Operating Trfr							175
09301 - TrfFrmCtyCp-Capital Proj	0	366,572	366,572	366,572	0	100.0%	249,861
710 Operating Transfers In Total	**0**	**366,572**	**366,572**	**366,572**	**0**	**100.0%**	**250,036**
Grand Total	**174,982,944**	**636,585**	**175,619,529**	**76,713,241**	**98,906,288**	**43.7%**	**75,327,213**

Fiscal Year	Fiscal Calendar 2016
Fiscal Quarter of Year	(Multiple Items)
Fund	1001 General Fund
Account Type	Expenses
Process Status	Posted

Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 12/31/15	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 12/31/14
0021 Public Information	431,904	13,378	445,282	194,032	250,050	43.8%	191,645
0022 Customer Service Center	131,429	10,597	142,026	62,348	79,678	43.9%	53,315
0028 Council / Manager	1,029,283	20,917	1,050,200	486,524	543,676	48.2%	436,687
0029 Local Government Channel	187,515	2,642	190,157	70,949	119,208	37.3%	69,159
0033 Parking Division	420,964	67,491	488,455	221,605	214,267	56.1%	213,993
0044 Tourism	803,096	45,370	848,466	469,986	328,195	61.3%	298,043
0045 Visitors Center	198,801	7,751	206,552	63,847	142,705	30.9%	65,028
0050 City Attorney	675,807	11,810	687,617	315,511	372,106	45.9%	319,748
0051 Risk Management	524,817	0	524,817	262,409	262,409	50.0%	252,678
0060 State Treasurer	150,743	864	151,607	67,637	83,970	44.6%	68,816
0070 Com Rev-State/Loc Budget	704,658	12,415	717,073	325,432	390,219	45.6%	299,701
0080 City Assessor	726,906	12,196	739,102	333,868	402,967	45.5%	344,363
0090 Director Of Finance	666,141	14,494	680,635	284,654	377,371	44.6%	321,018
0093 Billings And Collections	1,302,127	18,362	1,320,489	591,112	567,486	57.0%	601,040
0094 Procurement	308,622	6,072	314,694	143,193	168,136	46.6%	142,091
0095 Accounting	885,424	73,721	959,145	472,340	405,903	57.7%	386,010
0096 Budget	167,291	1,591	168,882	60,342	108,540	35.7%	77,662
0097 Human Services-Finance	324,968	5,401	330,369	116,450	213,919	35.2%	143,949
0110 Human Resources	747,323	13,698	761,021	354,177	405,774	46.7%	348,130
0111 Occupational Health Svs	128,256	2,220	130,476	55,488	67,488	48.3%	54,590
0115 Application Services	1,403,325	30,061	1,433,386	667,685	765,701	46.6%	637,984
0116 Network Services	1,633,096	29,448	1,662,544	727,570	934,974	43.8%	647,216
0117 I T Administration	442,749	15,300	458,049	203,584	236,555	48.4%	196,869
0125 GIS	276,211	10,328	286,539	137,143	149,396	47.9%	142,132
0150 Registrar	171,757	6,478	178,235	74,588	103,048	42.2%	78,696
0151 Electoral Board	369,809	0	369,809	265,314	104,495	71.7%	33,607
0200 Lcl Sch Oper Contribution	41,064,276	2,316,449	43,380,725	18,243,449	25,137,276	42.1%	13,500,000
0300 Circuit Court-Judge	163,408	3,949	167,357	60,542	101,963	39.1%	45,660
0310 General District Court	69,023	600	69,623	19,153	47,413	31.9%	27,370
0320 Juvenile & Dr Dist Court	15,409	447	15,856	4,052	7,350	53.6%	5,701
0330 24th Court Service Unit	1,550	0	1,550	203	1,347	13.1%	672
0340 Commonwealth Attorney	1,516,386	0	1,516,386	681,893	833,048	45.1%	700,453
0343 Com Aty Fines & Fees Coll	62,442	0	62,442	26,823	34,900	44.1%	26,790
0350 Magistrate's Office	4,183	390	4,573	1,437	2,161	52.7%	1,166
0360 Circuit Court-Clerk	814,237	11,263	825,500	360,032	465,468	43.6%	359,176
0400 City Sheriff And Jail	2,180,124	26,049	2,206,173	981,193	1,224,380	44.5%	1,019,248
0420 Police Operations	15,682,340	255,162	15,937,502	7,624,434	8,268,703	48.1%	7,740,653
0421 Animal Warden	319,208	9,268	328,476	119,584	203,389	38.1%	117,872
0422 Emergency Communications	2,594,456	45,979	2,640,435	1,239,475	1,380,364	47.7%	1,161,724
0429 Range Operations	15,000	0	15,000	8,006	6,994	53.4%	12,961
0430 Police Off Duty Employmnt	800,000	0	800,000	410,184	389,816	51.3%	422,340
0444 Fire Operations And Ems	15,652,046	518,036	16,170,082	7,558,580	8,593,297	46.9%	6,793,711
0446 TRT- PIER Program	82,500	0	82,500	40,382	42,118	48.9%	45,766
0600 Public Works Administrat.	842,475	12,830	855,305	391,920	425,415	50.3%	298,058
0605 Engineering	3,738,333	68,566	3,806,899	1,559,028	2,161,732	43.2%	1,574,953
0632 Street Maintenance,Ii	3,217,257	140,240	3,357,497	1,403,069	1,650,742	50.8%	1,393,419
0635 Snow Removal	197,627	350,000	547,627	400,540	111,426	79.7%	281,095
0640 Refuse Collection	2,805,397	174,009	2,979,406	1,242,850	983,768	67.0%	1,107,952
0645 Parks/Grounds Maintenance	2,734,758	56,896	2,791,654	1,291,655	1,298,284	53.5%	1,254,232
0649 Baseball Stadium Maint	116,749	759	117,508	38,496	63,948	45.6%	34,320
0650 Building Maintenance	3,796,892	84,399	3,881,291	1,657,944	2,122,431	45.3%	1,560,870
0660 Human Services Maint.	208,383	8,167	216,550	112,174	93,175	57.0%	132,649
0800 Health Operations	830,977	0	830,977	415,489	0	100.0%	415,489
0901 Social Services Admin.	6,956,451	452,369	7,408,820	3,364,456	4,034,833	45.5%	3,181,448
0902 Public Assistance	7,423,193	4,515	7,427,708	4,372,106	2,972,587	60.0%	3,907,806
0904 Juvenile Service Admin.	313,591	4,125	317,716	110,118	207,598	34.7%	93,821
0905 Juvenile Detention Home	452,768	0	452,768	67,196	385,572	14.8%	312,584
0906 Opportunity House	611,712	14,286	625,998	268,966	355,806	43.2%	279,553
0908 Sparc House	625,770	14,697	640,467	287,199	327,372	48.9%	280,860
0915 Csa Service Providers	1,348,616	1,968	1,350,584	670,990	679,594	49.7%	685,472

	Expenditures	Adopted Budget	Budget Amendment	Amended Budget	Actual Amount 12/31/15	Remaining Budget w/ Encumbrances	Percentage Used w/ Encumbrances	Actual Amount 12/31/14
0929	Lynchburg Outreach Prog	188,179	4,503	192,682	86,642	97,552	49.4%	85,783
1002	Parks/Rec/Market	377,562	11,546	389,108	170,025	214,208	44.9%	165,444
1010	Recreation, General Admin	634,337	72,433	706,770	310,213	380,904	46.1%	284,485
1013	Recreation, Athletic	139,394	6,678	146,072	67,648	78,424	46.3%	65,535
1015	Recreation, Park Services	641,094	166,139	807,233	412,715	386,301	52.1%	410,663
1022	Recreation, Aquatics	102,115	579	102,694	55,466	47,228	54.0%	44,159
1023	Recreation, Naturalist	125,367	8,258	133,625	64,902	68,723	48.6%	61,892
1024	Special Events-Cty Sponsr	60,501	0	60,501	27,684	32,817	45.8%	25,701
1027	Recreation Programs	443,974	13,253	457,227	269,027	186,080	59.3%	197,921
1028	City-wide Centers	348,755	20,587	369,342	167,741	201,601	45.4%	125,707
1029	Neighborhood Centers	427,875	38,864	466,739	197,679	269,060	42.4%	170,434
1100	Public Library	1,492,945	24,611	1,517,556	666,881	846,819	44.2%	697,824
1120	Law Library	33,850	0	33,850	12,234	21,616	36.1%	10,303
1150	Museum	448,386	5,512	453,898	196,253	256,752	43.4%	193,155
1200	Director-Comm Plan/Dev	310,852	6,849	317,701	125,063	189,435	40.4%	131,936
1201	Planning	337,273	42,616	379,889	176,560	200,349	47.3%	221,509
1202	Inspections	831,651	12,810	844,461	368,096	476,365	43.6%	368,659
1205	Zoning	231,351	3,021	234,372	98,293	136,079	41.9%	80,850
1300	Economic Development	436,703	47,453	484,156	258,325	225,831	53.4%	380,675
1430	Non-allocated Emp Benefit	2,695,715	5,000	2,700,715	1,708,627	978,837	63.8%	2,128,440
1506	Water Oper Fund Payments	879,498	0	879,498	439,749	439,749	50.0%	439,749
1508	Stormwater Fee-City Bldgs	87,726	0	87,726	43,691	44,035	49.8%	43,363
1509	Stormwater Fee-School Bld	70,796	0	70,796	34,898	35,898	49.3%	34,960
1566	Managed Vacancy Program	(325,000)	0	(325,000)	0	(325,000)	0.0%	0
1567	Employee Choice Awards	20,700	0	20,700	7,403	13,297	35.8%	6,322
1568	Retirement Recognition	3,000	0	3,000	1,270	1,730	42.3%	899
1569	Take Your Kids to Work Dy	600	0	600	0	600	0.0%	0
1570	Emp Appreciation Luncheon	6,000	0	6,000	201	5,799	3.4%	92
1573	Payment-Fleet Capital Chg	2,148,719	0	2,148,719	1,090,599	1,058,120	50.8%	949,170
1574	Health Management Program	165,912	0	165,912	109,834	46,300	72.1%	151,077
1575	Employee Committee Funds	3,000	0	3,000	987	2,013	32.9%	1,017
1576	Line of Duty Act	77,632	0	77,632	0	77,632	0.0%	0
1577	Workforce Development							0
1578	Poverty Intiative	50,000	0	50,000	26,588	23,412	53.2%	
1579	Recruitment	25,000	0	25,000	7,064	17,936	28.3%	
1637	City Cemetery Master Plan	132,438	0	132,438	87,642	0	100.0%	86,617
1702	V.P.I. Extension Service	35,715	0	35,715	9,766	(67)	100.2%	1,534
1705	Lynchburg Humane Society	351,697	0	351,697	356,171	(4,474)	101.3%	361,013
1707	Cent Va Area Agc On Aging	15,000	0	15,000	15,000	0	100.0%	15,000
1708	Horizon Behavioral Health	457,323	0	457,323	228,662	228,662	50.0%	228,662
1709	Cvcc Board & Related Oper	1,900	0	1,900	1,900	0	100.0%	1,917
1710	R.E.Lee Soil Conserv Dist	10,000	0	10,000	10,000	0	100.0%	10,000
1711	Cent Va Planning Dist Com	44,491	0	44,491	44,491	(0)	100.0%	44,392
1715	Greater Lynch. Transit Co	1,394,038	0	1,394,038	1,394,038	0	100.0%	1,394,038
1716	Region 2000 Program							0
1721	Blue Ridge Regional Jail	5,586,635	0	5,586,635	3,990,103	207,408	96.3%	4,164,312
1724	Legal Aid Society	10,816	0	10,816	10,816	0	100.0%	10,400
1739	Contrib- Amazement Square	5,604	0	5,604	0	5,604	0.0%	0
1743	Central Va Reg Radio Brd	692,034	0	692,034	412,017	280,017	59.5%	412,191
5985	Refunded Debt Payments							14,077,821
5990	Principal Bonds/BANS/LOC	9,689,308	148,654	9,837,962	6,072,367	3,765,595	61.7%	4,881,906
5994	Interest Bonds/BANS/LOC	7,517,965	(148,834)	7,369,131	3,683,833	3,685,298	50.0%	3,529,919
5996	Debt Issuance Costs							389,718
5997	Debt - Misc. Charges	4,170	180	4,350	3,828	522	88.0%	4,060
9710	Operating Transfers Out	9,131,725	2,482,231	11,613,956	6,212,973	5,400,983	53.5%	5,759,736
Grand Total		**180,672,880**	**7,980,965**	**188,653,845**	**91,797,368**	**92,718,553**	**50.9%**	**98,050,972**

Proposed Changes to the General Fund Budget Policy

Quarterly Financial Reporting

The City Manager will present to the City Council's Finance Committee (with copies to the remainder of Council) quarterly financial reports identifying meaningful trends in revenues and expenditures for the General, Water and Sewer, Airport, Stormwater, Children's Services Act, Juvenile Detention Funds and *Greater Lynchburg Transit Company (GLTC).*

Third Quarter Review

In mid-March, City staff will evaluate all expenditures and revenues as compared to budget and make recommendations to City Council regarding possible adjustments. *One-time funds will only be used for one-time expenditures and fund balance will not be considered as a funding source for adjustments except in extraordinary circumstances approved by City Council.* Section 15.2-2507 of the *Code of Virginia* requires that a public hearing be held prior to City Council action when the potential increases in the appropriation exceed one percent of the total expenditures shown in the currently adopted budget.

First Quarter Review

In October, City staff will evaluate preliminary year-end audit results and review first quarter expenditures and revenues compared to budget and make recommendations to *City Council regarding possible adjustments. One-time funds will only be used for one-time expenditures and fund balance will not be considered as a funding source for adjustments except in extraordinary circumstances approved by City Council. Section 15.2-2507 of the Code of Virginia requires that a public hearing be held prior to City Council action when the potential increases in the appropriation exceed one percent of the total expenditures shown in the currently adopted budget.*

FINANCE COMMITTEE
Agenda Item Summary

MEETING DATE: **February 23, 2016**			AGENDA ITEM NO.: **7**
CONSENT:	REGULAR:	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION:		INFORMATION: **X**	

ITEM TITLE: **Revenue Update**

RECOMMENDATION: Review the collections received from five of the City's largest revenue sources.

SUMMARY: Five of the City's major revenue sources are taxes collected on a monthly basis: Sales Tax, Consumer Utility Tax – Electric, Communications Sales and Use Tax, Meals Tax, and Lodging Tax. Since the last Finance Committee meeting, revenue information through December 2015 has been posted for these five revenue streams.

PRIOR ACTION(S):
This information is provided monthly to the Finance Committee.

FISCAL IMPACT:
None

CONTACT(S):
Donna Witt, Director of Financial Services, 455-3968

ATTACHMENT(S):
Comparison of Collections Budget to Actual FY 2015 – FY 2016

REVIEWED BY:

Comparison of Collections
Budget to Actual FY 2015 - FY 2016

	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Adopted FY 2016	Actual FY 2016	Actual FY 2016 to Adopted FY 2016	Actual FY 2016 to Actual FY 2015
SALES & USE TAX								
ADOPTED FY 2016 BUDGET - $14,700,000								
JULY	$1,014,596	$996,646	$1,075,816	$1,131,485	$1,119,202	$1,207,589	$88,387	$76,104
AUGUST [1]	1,079,129	1,145,592	1,098,342	1,299,763	1,142,228	1,198,772	56,544	(100,991)
SEPTEMBER	1,100,698	1,117,209	1,083,199	1,204,336	1,191,262	1,269,930	78,668	65,594
OCTOBER	1,055,941	1,033,859	1,161,965	1,185,608	1,172,738	1,231,666	58,928	46,058
NOVEMBER	1,117,090	1,187,008	1,155,729	1,241,898	1,228,417	1,227,636	(781)	(14,262)
DECEMBER [2]	1,488,926	1,466,715	1,316,419	1,669,810	1,651,684	1,600,507	(51,177)	(69,303)
TOTAL	**$6,856,380**	**$6,947,029**	**$6,891,470**	**$7,732,900**	**$7,505,531**	**$7,736,100**	**$230,569**	**$3,200**
CONSUMER UTILITY TAX - ELECTRIC								
ADOPTED FY 2016 BUDGET - $3,790,000								
JULY	$341,729	$323,141	$325,815	$321,596	$320,615	$332,876	$12,261	$11,280
AUGUST	345,615	345,163	318,738	305,012	304,082	333,953	29,871	28,941
SEPTEMBER	325,754	318,915	317,324	317,947	316,978	328,411	11,433	10,464
OCTOBER	280,745	279,145	273,646	273,264	272,431	281,514	9,083	8,250
NOVEMBER	281,842	282,035	280,945	273,353	272,520	270,434	(2,086)	(2,919)
DECEMBER	325,287	330,714	348,750	346,565	345,509	321,380	(24,129)	(25,185)
TOTAL	**$1,900,972**	**$1,879,113**	**$1,865,218**	**$1,837,737**	**$1,832,135**	**$1,868,568**	**$36,433**	**$30,831**
COMMUNICATIONS SALES & USE TAX								
ADOPTED FY 2016 BUDGET - $3,300,000								
JULY	$349,339	$293,358	$286,999	$283,594	$275,000	$276,750	$1,750	($6,844)
AUGUST	294,910	291,560	284,691	281,957	275,000	270,038	(4,962)	(11,919)
SEPTEMBER	179,549	263,295	284,249	283,441	275,000	273,974	(1,026)	(9,467)
OCTOBER	309,437	319,011	288,830	287,702	275,000	277,686	2,686	(10,016)
NOVEMBER	284,123	300,665	284,176	279,441	275,000	271,470	(3,530)	(7,971)
DECEMBER	233,654	297,855	289,726	282,491	275,000	276,524	1,524	(5,967)
TOTAL	**$1,651,012**	**$1,765,744**	**$1,718,671**	**$1,698,626**	**$1,650,000**	**$1,646,442**	**($3,558)**	**($52,184)**

Comparison of Collections
Budget to Actual FY 2015 - FY 2016

	Actual Assessed FY 2013	Actual Collected FY 2013 [5]	Actual Assessed FY 2014	Actual Collected FY 2014 [5]	Actual Assessed FY 2015	Actual Collected FY 2015 [5]	Adopted FY 2016	Actual Assessed FY 2016	Actual Assessed FY 2016 to Adopted FY 2016	Actual Collected FY 2016 [5]	Actual Collected FY 2016 to Adopted FY 2016	Actual Collected FY 2016 to Assessed FY 2016
MEALS TAX												
ADOPTED FY 2016 BUDGET - $13,715,000												
JULY [3]	$943,431	$1,044,556	$944,920	$1,159,786	$1,009,124	$970,597	1,026,218	$1,096,314	$70,096	$1,046,770	$20,552	($49,544)
AUGUST	1,042,850	1,026,544	1,056,821	1,024,718	1,152,551	1,119,585	1,172,074	1,165,329	(6,745)	1,213,559	41,485	48,230
SEPTEMBER	1,011,701	1,012,294	1,030,134	1,052,079	1,107,413	1,159,391	1,126,172	1,195,300	69,128	1,167,356	41,184	(27,944)
OCTOBER	1,006,966	1,003,032	1,046,550	958,359	1,149,721	1,119,430	1,169,196	1,190,250	21,054	1,152,017	(17,179)	(38,233)
NOVEMBER	964,775	868,692	1,019,305	1,064,385	1,079,590	1,099,028	1,097,877	1,109,019	11,142	1,156,651	58,774	47,632
DECEMBER	1,044,178	1,083,983	1,061,859	1,035,379	1,138,978	1,117,510	1,158,271	1,217,337	59,066	1,233,867	75,596	16,530
TOTAL	**$6,013,901**	**$6,039,101**	**$6,159,589**	**$6,294,706**	**$6,637,377**	**$6,585,541**	**$6,749,809**	**$6,973,549**	**$223,740**	**$6,970,220**	**$220,411**	**($3,329)**
LODGING TAX												
ADOPTED FY 2016 BUDGET - $2,037,000												
JULY [3]	$180,074	$197,072	$174,759	$223,419	$189,065	$180,395	186,540	$180,587	($5,953)	$180,808	($5,732)	$221
AUGUST [4]	163,020	275,903	185,662	185,340	185,946	185,402	183,463	206,167	22,704	202,217	18,754	(3,950)
SEPTEMBER	160,661	157,680	181,706	204,758	173,904	173,875	171,582	204,267	32,685	206,009	34,427	1,742
OCTOBER	183,064	191,453	184,462	185,014	209,859	209,788	207,056	196,410	(10,646)	160,131	(46,925)	(36,279)
NOVEMBER	131,993	129,941	153,745	148,082	141,855	144,988	139,961	140,701	740	177,048	37,087	36,347
DECEMBER	112,277	113,067	141,137	126,077	115,033	119,891	113,497	129,974	16,653	130,150	16,653	176
TOTAL	**$931,089**	**$1,065,116**	**$1,021,471**	**$1,072,690**	**$1,015,662**	**$1,014,339**	**$1,002,098**	**$1,058,106**	**$56,184**	**$1,056,363**	**$54,265**	**($1,743)**

[1] The August FY 2015 Actual amount includes a one-time, $145,000 payment in taxes, which was redistributed to the City from another locality.

[2] Retailer over-reported Sales & Use Tax in December FY 2015 by $50,000; Corrected in December FY 2016 by reducing owed tax of $39,000 and taking additional $11,000

[3] Due to year end accounting activities, a portion of Meals and Lodging Tax revenues associated with May and June were posted in June and July.

[4] The August FY 2013 collection amount includes a one-time, $140,000 payment in delinquent taxes.

[5] Meals and Lodging Tax data includes columns titled "Actual Collected ." The figures listed under these columns include all revenue received per month regardless of whether the payment is current or delinquent.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **February 23, 2016** AGENDA ITEM NO.: 1

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Presentation by Superintendent of the Blue Ridge Regional Jail**

RECOMMENDATION: No action required.

SUMMARY: Tim Trent, Superintendent of the Blue Ridge Regional Jail, will attend Council's work session and provide a report on jail operations.

PRIOR ACTION(S): None

FISCAL IMPACT: The City is responsible for approximately 40% of the inmates in the regional jail system and, accordingly, pays approximately 40% of the costs, $5.6 million in FY 2016.

CONTACT(S): Kimball Payne, City Manager, 455-3990

ATTACHMENT(S): None

REVIEWED BY: lkp

025K

BLUE RIDGE REGIONAL JAL AUTHORITY

INFORMATION SHEET

Date: February 23, 2016

Lynchburg City Council

- Tim Trent – Administrator
- Matt Marsteller – Assistant Administrator

- **BRRJA**
  - Created in 1994
  - Member jurisdictions were facing overcrowding issues in outdated jails
  - Financially reasonable to form the Authority. 50% reimbursement on jail construction from the state at the time
  - Member Jurisdictions:
    - City of Lynchburg
    - Bedford County
    - Campbell County
    - Halifax County
    - Amherst County
    - Appomattox County
  - Facilities:
    - Amherst County Adult Detention Center
    - Bedford Adult Detention Center
    - Campbell County Adult Detention Center
    - Halifax County Adult Detention Center
    - Lynchburg Adult Detention Center
  - Currently average approximately 1100 inmates consisting of:
    - Pre-trial inmates
    - Local responsible inmates serving a sentence ($\leq$ 12 months)
    - Inmates waiting to be transferred to the Virginia Department of Corrections ($\geq$ 1 year) Out of compliance inmates
    - Federal inmates
    - Inmates for outside jurisdictions
  - Staff of approximately 410 employees
    - Number one asset
    - Constantly searching for good staff
    - Majority live in the jurisdictions represented by the Authority
  - Recent Projects:
    - ESCO Project (Energy Services Company)
      - Governed by the Code of Virginia – Max 15 years
      - Replace old, outdated equipment, fixtures, etc., with up to date energy efficient replacements
      - Lighting retrofit and controls upgrades at all sites
      - Communicating water conservation systems at Halifax and Lynchburg

    - Conventional water conservation at Bedford and Campbell
    - Boiler controls
    - Boiler replacements
    - Walk in refrigerator and freezer at Lynchburg
    - Weatherization at all sites.
    - DDC upgrades, etc. (Direct Digital Controls)
  - Original project as proposed was $6,127,662
  - Scaled back to $3,920,000
  - Guaranteed energy savings per year $334,568 (Guaranteed for 15 years)
  - Payback in 11.7 years
  - Additional $1,098,520 in energy savings after payback
  - As of December 2015, the project is 11% ahead of the baseline savings originally forecast
  - Estimated to save 13,964,000 gallons of water the first year.
  - **SEE ATTACHMENT 1**
- Recently partnered with Campbell County to replace the sewer line in Rustburg with a new, larger pipe.

- **BRRJA Mission Statement**
- ***The primary mission of the Authority is to support the criminal justice system by operating its centers (Amherst County Adult Detention Center, Bedford Adult Detention Center, Campbell County Adult Detention Center, Halifax County Adult Detention Center and Lynchburg Adult Detention Center) in a manner that produces a safe and secure environment for the public, staff and inmates. The Authority, by primarily using direct supervision techniques, will provide for basic inmate needs and make available programs and services that promote self- responsibility and development and have the goal of returning to the community more productive citizens.***

- **Direct Supervision**:
  - Officers are placed directly in the housing units with the inmates.
  - Interact to prevent problems.
  - Officers will be aware of tensions in the units.
  - Cuts down on fights and potentially volatile situations.

- **Basic Inmate Needs**:
  - Safety
  - Security
  - Diets
  - Medical (Continues to be our wildcard with the inmate population getting sicker with costlier medications)
  - Dental
  - Programs
  - Well-being (Mental Health) Added 2nd QMHP, December 2015

- **Programs offered**:
  - Work Release Program (averages 30+ inmates)
  - Weekender Program/HEM
  - Inmate Worker Program
  - GED and Special Education GED
  - Alcoholics Anonymous
  - Religious Services/Bible Study
  - Celebrate Recovery
  - ServeSafe Certification Program
  - Interfaith Outreach Life Skills Program
  - Presbyterian Homes and Family Services Women's Life Skills Program
  - Re-entry Program (Work with Community stakeholders to assist with life skills)
  - MRT (Moral Reconation Therapy) Local CSB

- Many of the programs we offer are paid for by an inmate commissary fund. The state requires that we offer commissary to the inmates. We receive a commission from the sales. The Code of Virginia requires that these funds are used for Inmate's Welfare. We pay for programs, buy games, basketballs, TV's., mattresses, inmate clothing, etc.

- We use bulk purchasing to save the Authority money.

- **Cost of Housing Inmates in Virginia:**
- Average operation **cost per day in Virginia** to house an inmate $77.26
- Average operation **cost per day in Sheriff** run Jails $91.71
- Average **Cost for Regional Jails** $63.87
- Average operation **cost per day for BRRJA** $67.43 ($24,612 per year)

- This information was obtained from the Virginia Compensation Board's Annual Jail Cost Report, 2014, as required by the Virginia General Assembly.
- Average length of stay is 61.48 days in a BRRJA facility. Based on the daily cost, this equates to $4145.60 per stay.

- Average cost per day to **feed an inmate**: $3.46
- Average cost per day for **medical**: $5.69

- Average number of inmate bookings/processes per site/per month:
  - Lynchburg Adult Detention Center – 786

- Amherst County Adult Detention Center – 392
- Bedford County Adult Detention Center - 351
- Halifax County Adult Detention Center – 315
- Campbell County Adult Detention Center – 271

Site Specific Information:

The BRRJA consists of five different facilities spread throughout a large geographical area. All our sites are regularly audited by the Department of Corrections to ensure compliance with Minimum Standards set forth by the Board of Corrections and they consistently receive 100% compliance. Campbell County received a 100% compliance in June of 2014, Bedford in November 2014, and Amherst and Halifax in September 2015.

The Lynchburg Adult Detention Center is our largest site while the Bedford Adult Detention Center is the smallest.

The Amherst County Adult Detention Center is our newest jail, opening in January 2012. It is a LEED certified building or a "green" building. It was designed to be energy efficient. It has a state of the art vacuum plumbing system that controls the use of water throughout the facility, significantly reducing an overuse. This jail is one of our largest, yet uses less water than our smallest jail.

Each BRRJA facility has their own transportation team that handles all transports to courts, hospitals, doctors, Department of Corrections, etc. We assist the local law enforcement when possible on transports and during drug round-ups.

BRRJA currently has ample space to house the anticipated inmate population moving forward. We do not foresee any expansions needed nor do we anticipate any new member jurisdictions being added. Below is the current listing of the rated capacities at each jail as set forth by the Virginia Department of Corrections and the actual beds at each facility.

Facility	Rated Capacity	Actual Beds	Current Inmates
Lynchburg Adult Det. Center	429	655	382
Amherst County Adult Det.	340	652	377
Halifax County Adult Det.	147	200	119
Campbell County Adult Det.	79	124	98
Bedford Adult Det. Center	55	96	59
- Totals	1050	1727	1035

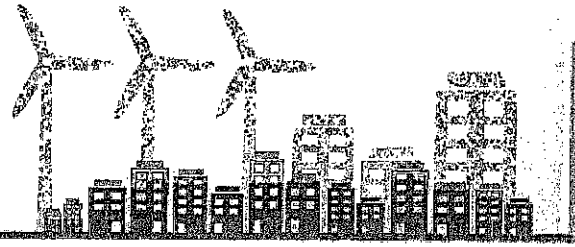
Community Projects

- National Night out in Halifax
- Sheriff's Night out in Appomattox
- Autism Speaks- Bowling fundraiser that raised $6,000
- Money and food drive for an ill officer
- Humane Society drive
- Participation in "Cop Camp" in Halifax
- Angel tree participation
- Routinely speak to Colleges and civic groups

BLUE RIDGE REGIONAL JAIL AUTHORITY

PROJECT BENEFITS

Annual Dollar Savings
$334,568



Water = 13,964,000 gallons

Water Savings 35.95%

Electrical Savings 9.73%

Natural Gas Savings 32.31%

Propane Savings 22.78%

1,373 Cars Removed

16,590 Barrels of Oil Consumed

Tons of GHG Emissions Reduced
7,129

which is equivalent to annually:

184,747 Trees Planted

889 Homes Powered

Honeywell

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **February 23, 2016** AGENDA ITEM NO.: 2

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Lynchburg Economic Ecosystem: Equipping Businesses and Empowering Citizens through Creative Workforce Development**

RECOMMENDATION: No action required.

SUMMARY: The Lynchburg Office of Economic Development is placing a strategic focus on entrepreneurship and economic empowerment to help close the income gap for Lynchburg's citizens with barriers to employment. The Office of Economic Development has looked toward the collective impact model in Richmond, VA for inspiration and has used the Democracy Collaborative, partner to the Richmond Office of Community Wealth Building, as a consultative resource. The Office of Economic Development has created two programs aimed at providing support to all Lynchburg citizens, including those living at or below the poverty level. The first, TechHire, is a White House initiative to equip citizens with an employable skill through accelerated learning programs. The Lynchburg Economic Development Authority is submitting an application to the Department of Labor in the amount of $2.1 million dollars over four years to support Lynchburg's local TechHire plans. The second initiative, CO.STARTERS, is a nine-week training program for entrepreneurs. Applications are available at www.opportunitylynchburg.com and classes begin March 14. CO.STARTERS graduates will have the opportunity to compete for $40,000 in business grants to open a storefront in Enterprise Zone 2. Through these programs, the Office of Economic Development is equipping citizens, including those with barriers, with the skills and support to obtain employment or start a business in the City of Lynchburg.

PRIOR ACTION(S): None

FISCAL IMPACT: None

CONTACT(S): Marjette Upshur, 434-455-4490

ATTACHMENT(S): Lynchburg Economic Ecosystem: Equipping Businesses and Empowering Citizens through Creative Workforce Development Presentation

REVIEWED BY: lkp

027K

LYNCHBURG'S ECONOMIC ECOSYSTEM

Equipping businesses, empowering citizens
through creative workforce development

Two weeks ago, City Council heard an update on the City's plan to address a poverty rate of 20% +.

A focus on workforce development was highlighted, along with a continued commitment to the Bridges out of Poverty Initiative.

The Office of Economic Development is placing a strategic focus on entrepreneurship and economic empowerment to help close this gap for Lynchburg's citizens with barriers to employment.

OFFICE OF ECONOMIC DEVELOPMENT STRATEGIC PRIORITIES

BUSINESS ATTRACTION

RETENTION / EXPANSION

INFRASTRUCTURE

TALENT DEVELOPMENT

ENTREPRENEURSHIP

ECONOMIC EMPOWERMENT

INITIATIVE 1: TECHHIRE

Entrepreneurship

CO.STARTERS

Advanced Manufacturing, Healthcare, IT

TECHHIRE

TECH HIRE

- City of Lynchburg designated a TechHire community in August 2015
- Dept. of Labor announced $100 million to support communities creating a pipeline to train citizens with barriers to employment through accelerated learning programs
- Office of Economic Development has engaged 14 employer partners who have pledged paid apprenticeships

TECH HIRE TIMELINE

MARCH 7, 2016

APPLY FOR DOL GRANT

2.1 MILLION

MAY 2016

AWARD NOTIFICATION

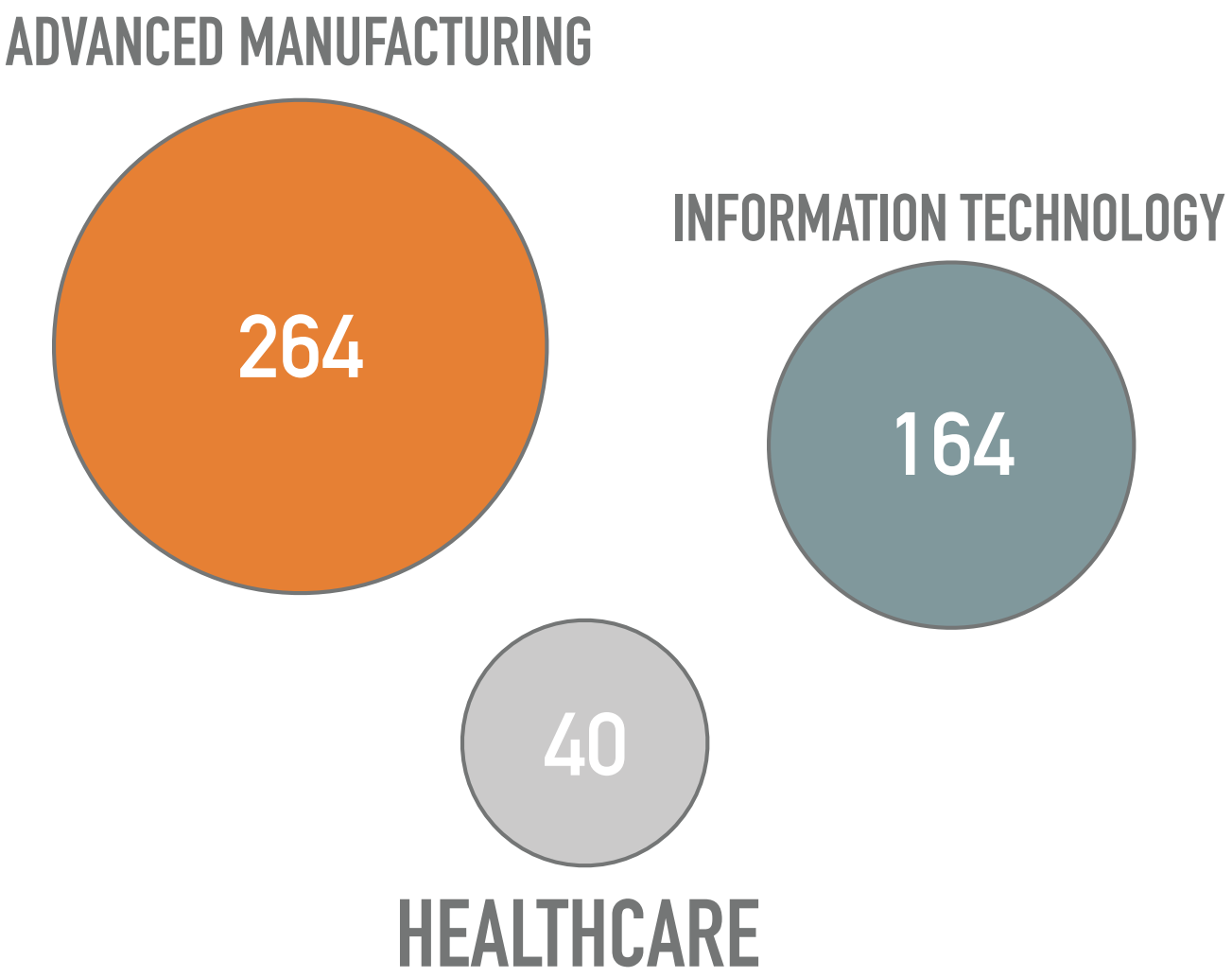
JULY 2016

BEGIN WORK

JULY 2020

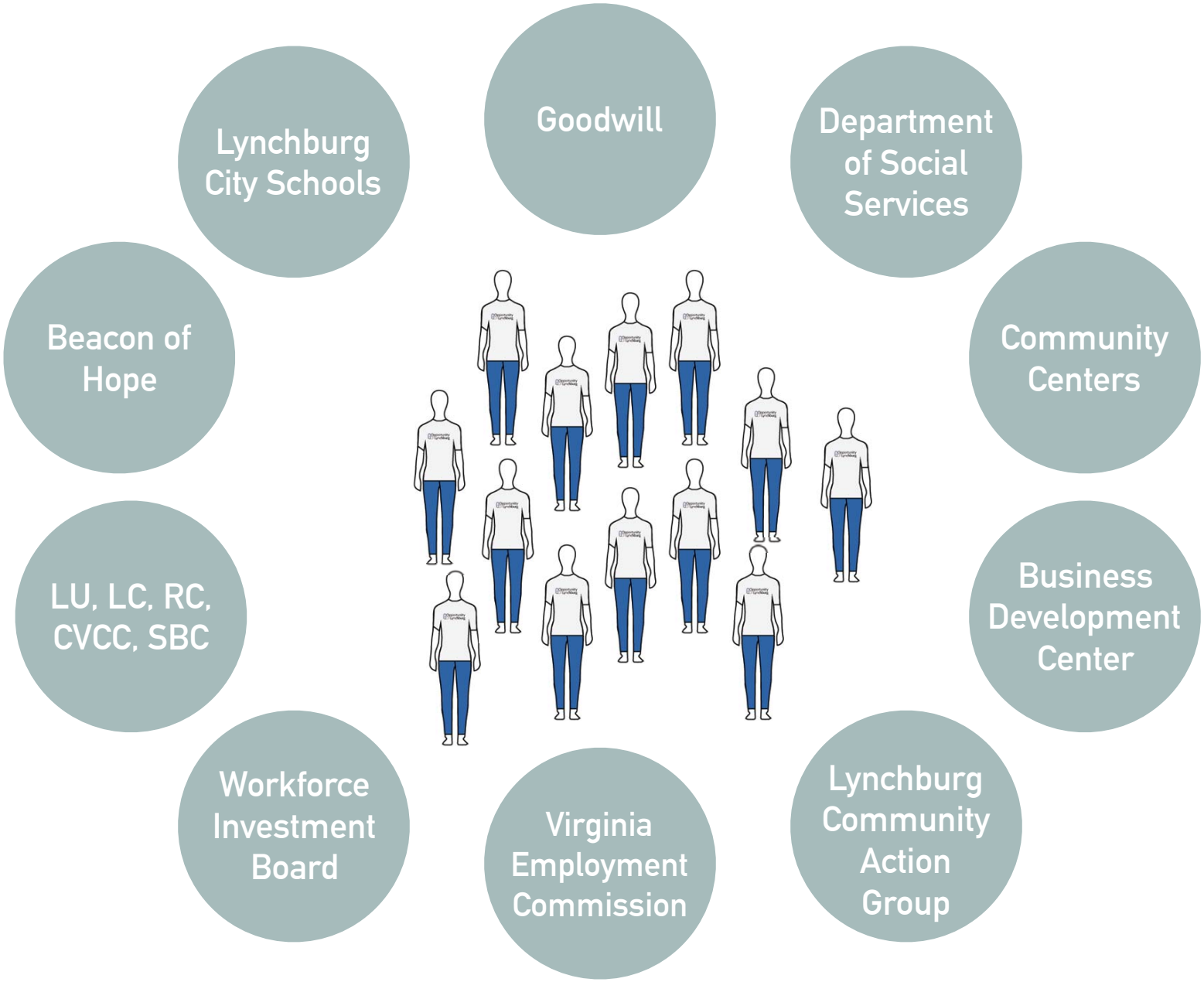
COMPLETE GRANT

468 PROJECTED PAID APPRENTICESHIPS OVER 4 YEARS:



*COMMITMENTS MADE BY MAJOR EMPLOYERS IN IT, HEALTHCARE, ADV. MANUFACTURING

PARTICIPANT RECRUITMENT SOURCES



TECHHIRE TRAINING PIPELINE

Accelerated Learning Program

Paid Apprenticeship

INITIATIVE 2: CO.STARTERS

Entrepreneurship

CO.STARTERS

Advanced Manufacturing, Healthcare, IT

TECHHIRE

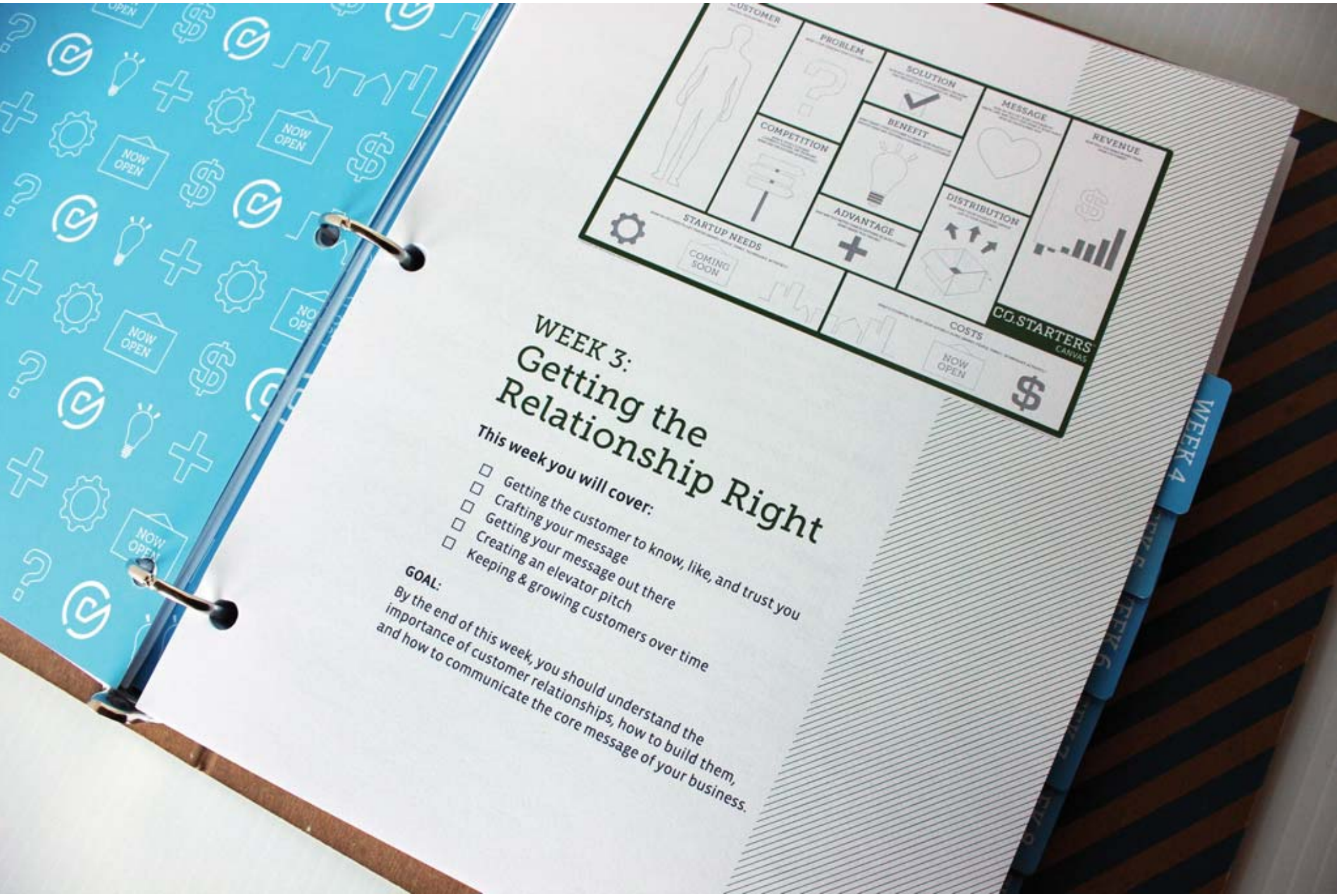
INITIATIVE 2: CO.STARTERS

The Office of Economic Development (LOED) was awarded a $60,000 grant from the Department of Housing and Community Development to grow and support our community of entrepreneurs.

LOED WILL:	PARTICIPANTS WILL:
➤ Launch CO.STARTERS ➤ Provide $40,000 in business grants and over 100 pro bono service hours ➤ Build a web portal for entrepreneurs, Launched in Lynchburg	➤ Commit to 9 weeks of entrepreneurial training ➤ Pay tuition ($195) ➤ Make a pitch for a chance to win a business grant to open a storefront in Enterprise Zone 2

Everything you need to get started.

CO.STARTERS is a 9-week program that equips aspiring entrepreneurs with the insights, relationships, and tools needed to turn business ideas into action.


CUSTOMER
PROBLEM
SOLUTION
MESSAGE
REVENUE
COMPETITION
BENEFIT
DISTRIBUTION
ADVANTAGE
STARTUP NEEDS
COMING SOON
COSTS
NOW OPEN
CO.STARTERS
CANVAS
WEEK 4
WEEK 3:
Getting the Relationship Right
This week you will cover:
Getting the customer to know, like, and trust you
Crafting your message
Getting your message out there
Getting an elevator pitch
Keeping & growing customers over time
GOAL:
By the end of this week, you should understand the importance of customer relationships, how to build them, and how to communicate the core message of your business.

CUSTOMER

WHO WILL YOUR BUSINESS SERVE?

PROBLEM

WHAT IS THE PROBLEM YOUR CUSTOMER HAS?

SOLUTION

HOW WILL YOU SOLVE YOUR CUSTOMER'S PROBLEM?
(THE FEATURES OF YOUR PRODUCT OR SERVICE)

MESSAGE

HOW DO YOU GET YOUR CUSTOMER TO KNOW, LIKE, AND TRUST YOU? WHAT IS YOUR STORY? HOW DO PEOPLE FIND YOU?

REVENUE

HOW WILL YOU MAKE MONEY FROM YOUR CUSTOMER?

BENEFIT

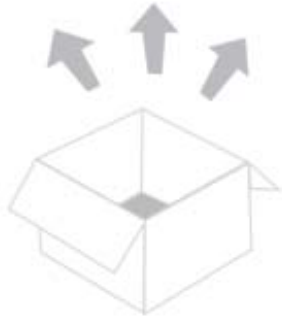
WHAT DRAWS YOUR CUSTOMER TO WANT YOUR PRODUCT OR SERVICE? WHAT ARE YOU REALLY OFFERING YOUR CUSTOMER?

COMPETITION

HOW IS YOUR CUSTOMER CURRENTLY SOLVING THE PROBLEM? WHAT ARE THE EXISTING ALTERNATIVES?

DISTRIBUTION

HOW DOES YOUR PRODUCT OR SERVICE GET TO YOUR CUSTOMER?



ADVANTAGE

WHY ARE YOU BETTER THAN EVERYTHING ELSE OUT THERE? WHAT MAKES YOU SPECIAL?

CO.STARTERS™
CANVAS

STARTUP NEEDS

WHAT DO YOU NEED TO GET STARTED (MONEY, PEOPLE, THINGS, TECHNOLOGY, ACTIVITIES)?

COSTS

WHAT IS ESSENTIAL TO KEEP YOUR BUSINESS GOING (MONEY, PEOPLE, THINGS, TECHNOLOGY, ACTIVITES) ?

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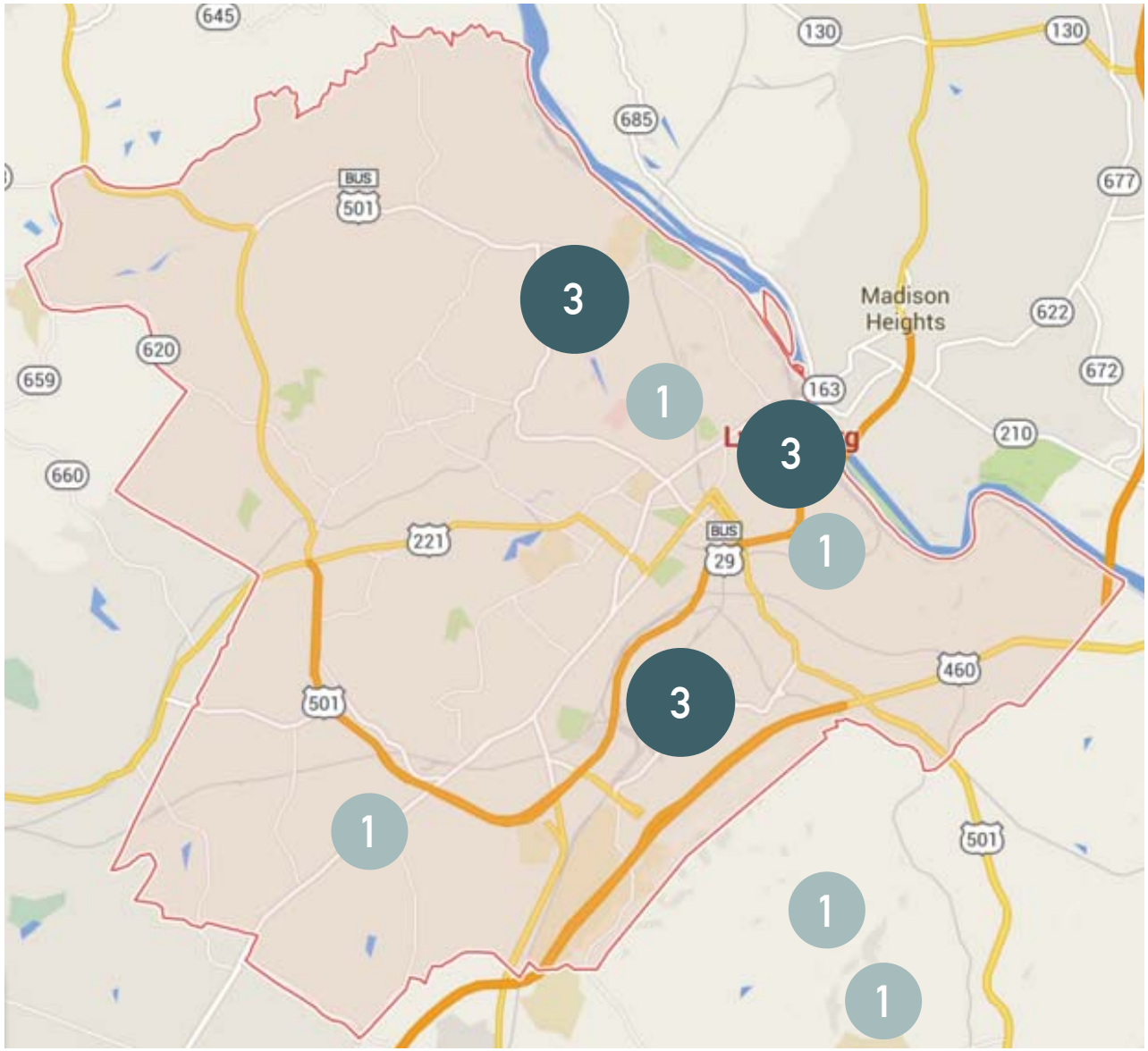
Adapted from the Business Model Canvas (BusinessModelGeneration.com)

CO.STARTERS PARTICIPANT DEMOGRAPHICS:

Average Age: 38
Males: 8
Females: 8

TYPE OF BUSINESS:
Film
Emergency Response
Healthcare
Child Care
Food Service
Hospitality
Graphic Design
Real Estate
Photography



APPLICATIONS ARE AVAILABLE AT WWW.OPPORTUNITYLYNCHBURG.COM .
CLASSES BEGIN MARCH 14.

“

More broadly, cities are recognizing the potential of community wealth building as a new, integrated, and inclusive approach to community economic development. Just last year, the City of **Richmond, VA,** created the nation’s first Office of Community Wealth Building as part of a coordinated anti-poverty effort.

- Democracy Collaborative

OFFICE OF ECONOMIC DEVELOPMENT STRATEGIC PRIORITIES: NEXT STEPS

BUSINESS ATTRACTION

RETENTION / EXPANSION

INFRASTRUCTURE

TALENT DEVELOPMENT

ENTREPRENEURSHIP

ECONOMIC EMPOWERMENT

NEXT STEPS

1. *Submit the grant for TechHire - March 7, 2016*
2. *Begin the CO.STARTERS classes - 2 cohorts beginning March 14th*
3. *Celebrate success in June with a week long focus on innovation*

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **February 23, 2016** AGENDA ITEM NO.: 3

CONSENT: REGULAR: WORK SESSION: **X** CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Continued Discussion of Potential Bond Financing Options**

RECOMMENDATION: No action required at this time. Staff will bring a recommendation for Council action to the March 22nd meeting.

SUMMARY: Staff would like to continue the discussion with City Council on possible bond financing options this year and in future years. We will be prepared to discuss some of the "big rocks" in the capital plan, how they might be funded and potential timetables.

Attached for your review is the analysis provided by Davenport and Company for Council's work session on February 9th.

PRIOR ACTION(S): February 9, 2016; Presentation by financial advisors, Davenport and Company.

FISCAL IMPACT: To be determined.

CONTACT(S): Kimball Payne, City Manager, 455-3990; Bonnie Svrcek, Deputy City Manager, 455-3990; Donna Witt, Director of Financial Services, 455-3968.

ATTACHMENT(S): Davenport presentation, "Potential Refunding and New Money Analysis."

REVIEWED BY: lkp

026K

DAVENPORT & COMPANY

City of Lynchburg, Virginia

Potential New Money & Refunding Analysis

For Discussion Purposes Only

February 9, 2016

Member NYSE | FINRA | SIPC

Background/Overview

- Davenport, in our capacity as Financial Advisor, continuously monitors and annually reviews the City's financial status. Our review consists of but is not limited to the following:
  - Monitoring the City's outstanding debt portfolio for potential refunding opportunities;
  - Reviewing and potentially amending self-imposed Financial Policy Guidelines;
  - Ensuring continued compliance with all self-imposed Financial Policy Guidelines;
  - Evaluating potential funding strategies for not only immediate but also long term capital needs; and,
  - Developing strategies to continue to enhance/maximize the City's **strong** Aa2/AA+/ AA+ Credit Ratings from the three National Credit Rating Agencies (Moody's/Standard & Poor's/Fitch).

Background/Overview

- The City of Lynchburg, Virginia (the "City") entered the credit markets in the Summer of 2014 for a once in a generation borrowing of $115 million for General Fund and Utility Fund capital needs, of which the majority was for the New Heritage High School.

- Approximately two years later, the City has now identified additional capital needs and is currently in the planning stages for a potential debt issuance(s) for these capital needs.

  - A detailed summary of all upcoming capital needs have been included on the subsequent page.

- Davenport has identified the City's Series 2007 Bonds as a potential refunding candidate for debt service (interest rate) savings in both the General Fund and Utility Enterprise Funds.

  - However, for purposes of this analysis, Davenport has conservatively assumed that the City will not receive any cash flow savings from the potential refunding opportunity.

- Due to the self-supporting nature (i.e. no general fund support) of the City's Water and Sewer Funds, all potential debt future issuances have been excluded from this analysis and the City's key debt ratios.

Capital Needs

	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
New Money					
General Fund	$17 million	-	$15 million	$15 million	$15 million
Utility Fund (Water)	*$5.6 million*	-	-	-	-
Utility Fund (Sewer)	*$6.0 million*	-	*$1.9 million*	-	-
Utility Fund (Stormwater)	-	-	*$0.8 million*	-	-
Refunding					
General Fund	*$8.1 million*	-	-	-	-
Utility Fund	*$12.9 million*	-	-	-	-
Interim Financing					
College Lake Dam	-	$10 million	-	$10 million	-
				(Takeout of College Lake Dam)	
Bond Issuance	$49.6 million	-	$17.7 million	$25 million	$15 million

Davenport Approach

- Davenport, in our capacity as Financial Advisor, has developed a series of pro-formas to evaluate the effects of borrowing for the aforementioned capital needs. The enclosed analysis consists of two main strategies. They are as follows:

    1) No Debt Structuring; and,

    2) Structuring.

        – Note: All structuring scenarios use strategies that are within industry best practices (e.g. capitalized interest, interest only, etc.).

- When developing the potential borrowing scenarios, Davenport has taken into account the following key considerations:

    – Cash flow limitations for fiscal year 2017 and beyond; and,

    – Continued compliance with Fiscal Policy Guidelines.

- Ultimately, the goal was to determine a preliminary method/plan of finance that would allow the City to borrow for all of its upcoming capital needs with little or no impact on the City's real estate tax rate.

Scenario 1 – Immediate General Fund Needs (Fiscal Years 2017 – 2018)

Fiscal Year	Scenario 1A		Scenario 1B	
	Additional Revenue Needed	Penny Equivalent	Additional Revenue Needed	Penny Equivalent
2017	$1,203,721	2.4¢	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
Total Impact	N/A	3.0¢	N/A	0.0¢
General Key Assumptions	Level Debt Service (i.e. no structuring)		30 Months Cap. Interest 4.5 years interest only	

Scenario 2 – Immediate & Long Term General Fund Needs (Fiscal Years 2017-2021)

Fiscal Year	Scenario 2A		Scenario 2B		Scenario 2C		Scenario 2D	
	Additional Revenue Needed*	Penny Equivalent	Additional Revenue Needed*	Penny Equivalent	Additional Revenue Needed*	Penny Equivalent	Additional Revenue Needed*	Penny Equivalent
2017	$1,203,721	2.4¢	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-
2020	$680,645	1.4¢	-	-	-	-	$279,694	0.6¢
2021	$1,455,423	2.9¢	-	-	-	-	$1,353,630	2.7¢
2022	$750,956	1.5¢	-	-	$622,963	1.2¢	$272,814	0.5¢
2023	-	-	$443,848	0.9¢	$524,009	1.0¢	-	-
2024	-	-	$414,740	0.8¢	$376,040	0.8¢	-	-
2025	-	-	$87,216	0.2¢	-	-	-	-
Total Impact	N/A	8.2¢	N/A	1.9¢	N/A	3.0¢	N/A	3.8¢
General Key Assumptions	Level Debt Service (i.e. no structuring)		30 Months Cap. Interest 4.5 years interest only		24 Months Cap. Interest 4 years interest only		5 years interest only	

*Note: Additional revenue needed in addition to prior years tax rate increases.

Potential Refunding Opportunity

Summary of Bonds Refunded	
Series	**2007**
Coupon(s)	4.125 – 5.000%
Maturities Refunded	2018 – 2037
Par Refunded	$21,390,000
Call Date	8/1/2017

Summary of Refunding Results	
Gross Savings	$2,634,816
Net Present Value Savings	$1,987,840
Percent Savings	9.31%
All-In TIC	2.92%
Negative Arbitrage	$605,885

	Series 2007 Bonds Prior Bond Debt Service			Series 2016 Refunding Bonds Estimated Market Rates as of 1/28/2016			Debt Service Savings
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Total
2017	$0	$959,888	$959,888	$260,000	$581,728	$841,728	$118,160
2018	-	959,888	959,888	65,000	776,150	841,150	118,738
2019	1,305,000	933,788	2,238,788	1,355,000	761,950	2,116,950	121,838
2020	1,320,000	879,638	2,199,638	1,345,000	734,950	2,079,950	119,688
2021	1,345,000	822,166	2,167,166	1,355,000	694,400	2,049,400	117,766
2022	1,365,000	758,619	2,123,619	1,370,000	633,050	2,003,050	120,569
2023	1,390,000	694,088	2,084,088	1,385,000	578,025	1,963,025	121,063
2024	1,410,000	632,838	2,042,838	1,400,000	522,250	1,922,250	120,588
2025	1,435,000	570,603	2,005,603	1,435,000	451,375	1,886,375	119,228
2026	1,460,000	507,275	1,967,275	1,470,000	378,750	1,848,750	118,525
2027	1,485,000	441,925	1,926,925	1,505,000	304,375	1,809,375	117,550
2028	635,000	394,225	1,029,225	655,000	256,925	911,925	117,300
2029	665,000	364,144	1,029,144	670,000	237,050	907,050	122,094
2030	695,000	331,844	1,026,844	690,000	216,650	906,650	120,194
2031	730,000	298,000	1,028,000	710,000	195,650	905,650	122,350
2032	765,000	262,494	1,027,494	735,000	173,975	908,975	118,519
2033	800,000	225,325	1,025,325	755,000	151,153	906,153	119,172
2034	840,000	187,425	1,027,425	780,000	126,681	906,681	120,744
2035	875,000	148,838	1,023,838	805,000	100,925	905,925	117,912
2036	915,000	108,563	1,023,563	830,000	73,838	903,838	119,725
2037	955,000	66,488	1,021,488	855,000	45,403	900,403	121,084
2038	1,000,000	22,500	1,022,500	885,000	15,488	900,488	122,013
Total	**$21,390,000**	**$10,570,556**	**$31,960,556**	**$21,315,000**	**$8,010,740**	**$29,325,740**	**$2,634,816**

Assumes Public Market Issuance (Competitive Sale) closing May 1, 2016 and estimated market rates as of January 28, 2016.
Assumes escrow is funded with SLGS.
All numbers are preliminary, subject to change and net of estimated local costs of issuance plus an underwriter's discount of $5.00 per bond.

Series 2016 Financing Summary

Tax-Supported Projects	Water and Sewer Self Supporting Projects
Series 2016 Bonds	
New Money	New Money
$17 Million General Fund	$5.6 Million Water Fund
	$6 Million Sewer Fund
Refunding	Refunding
$8.1 Million (Estimate)	$12.9 Million (Estimate)
Total Tax-Supported	Total Self-Supporting
$25.1 Million	$24.5 Million

Total Series 2016 Bond Size: $49.6 Million

Timetable

Date	Action
February 9, 2016	City Council Meeting: Davenport to present capital needs analysis, refunding updated and Plan of Finance.
February 23, 2016	Finance Committee Meeting: City Staff to present financial polices including potential changes of existing policies and introduction of new Stormwater policies.
Balance of February/Early March	• Develop financing documents and Credit Package • Schedule meetings with National Credit Rating Agencies
March 22, 2016	City Council Meeting: City Staff and Davenport present update on the plan of finance and refunding opportunity.
Early April	City meets with National Credit Rating Agencies.
Mid-April	Credit Ratings Received.
Late April/Early May	Post Preliminary Official Statement
Mid May	Sale/Pricing of Series 2016 Bonds
Late May/Early June	Close on Series 2016 Bonds.

Appendix - Detailed Scenarios

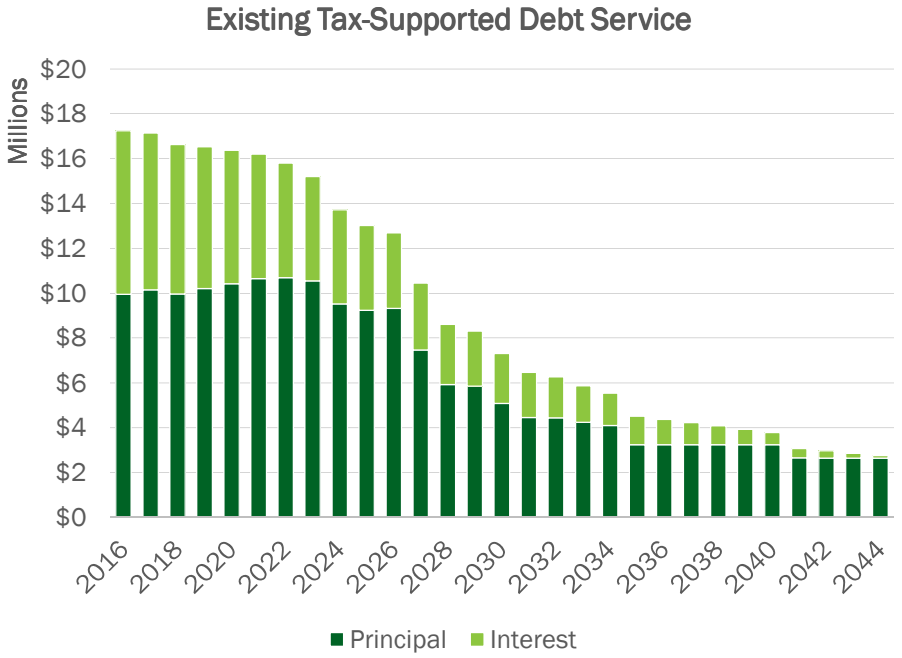
City of Lynchburg, Virginia

Scenario 1A

City of Lynchburg, Virginia

Existing Tax-Supported Debt Service

Total Existing Tax-Supported Debt Service				
FY	Principal	Interest	Total	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	
2018	9,970,153	6,656,857	16,627,010	
2019	10,209,727	6,316,175	16,525,901	
2020	10,427,916	5,936,582	16,364,498	
2021	10,661,249	5,536,769	16,198,018	8.1%
2022	10,700,038	5,095,793	15,795,832	16.2%
2023	10,551,532	4,641,485	15,193,016	24.3%
2024	9,514,319	4,200,237	13,714,557	31.5%
2025	9,228,453	3,790,970	13,019,423	38.5%
2026	9,312,185	3,384,044	12,696,229	45.6%
2027	7,469,058	2,982,822	10,451,880	51.2%
2028	5,921,280	2,683,565	8,604,845	55.7%
2029	5,858,878	2,441,147	8,300,025	60.2%
2030	5,088,376	2,214,061	7,302,437	64.1%
2031	4,453,100	2,008,514	6,461,614	67.5%
2032	4,444,310	1,818,388	6,262,698	70.8%
2033	4,236,280	1,631,434	5,867,714	74.0%
2034	4,095,640	1,450,494	5,546,134	77.2%
2035	3,245,000	1,274,477	4,519,477	79.6%
2036	3,245,000	1,129,408	4,374,408	82.1%
2037	3,240,000	984,340	4,224,340	84.6%
2038	3,240,000	839,471	4,079,471	87.0%
2039	3,240,000	694,603	3,934,603	89.5%
2040	3,240,000	549,734	3,789,734	91.9%
2041	2,655,000	424,200	3,079,200	94.0%
2042	2,650,000	318,000	2,968,000	96.0%
2043	2,650,000	212,000	2,862,000	98.0%
2044	2,650,000	106,000	2,756,000	100.0%
Total	**$182,303,043**	**$83,593,187**	**$265,896,229**	



City Policy: The 10-Year Principal Payout ratio shall not be less than 60% at the end of each adopted five-year Capital Improvement Plan.

Key Assumptions – Scenario 1A

- In order to determine the effect of a potential new debt issuance(s), Davenport analyzed two potential borrowing scenarios for the City's immediate new money needs. At this time, Davenport has assumed the following:

1) $17 million General Fund:

   – Borrowing/closing occurs Summer 2016;

   – Interest Rate of 4.50%; and,

   – Level Debt Service with principal amortized over 20 years.

2) $10 Million College Lake Dam:

   Interim Financing:

   – Borrowing/closing occurs Summer 2017;

   – Interest only; and,

   – Interest Rate of 3.00%.

   Permanent Financing/Takeout.

   – Borrowing/closing occurs in Summer 2020;

   – Interest Rate of 4.50%; and,

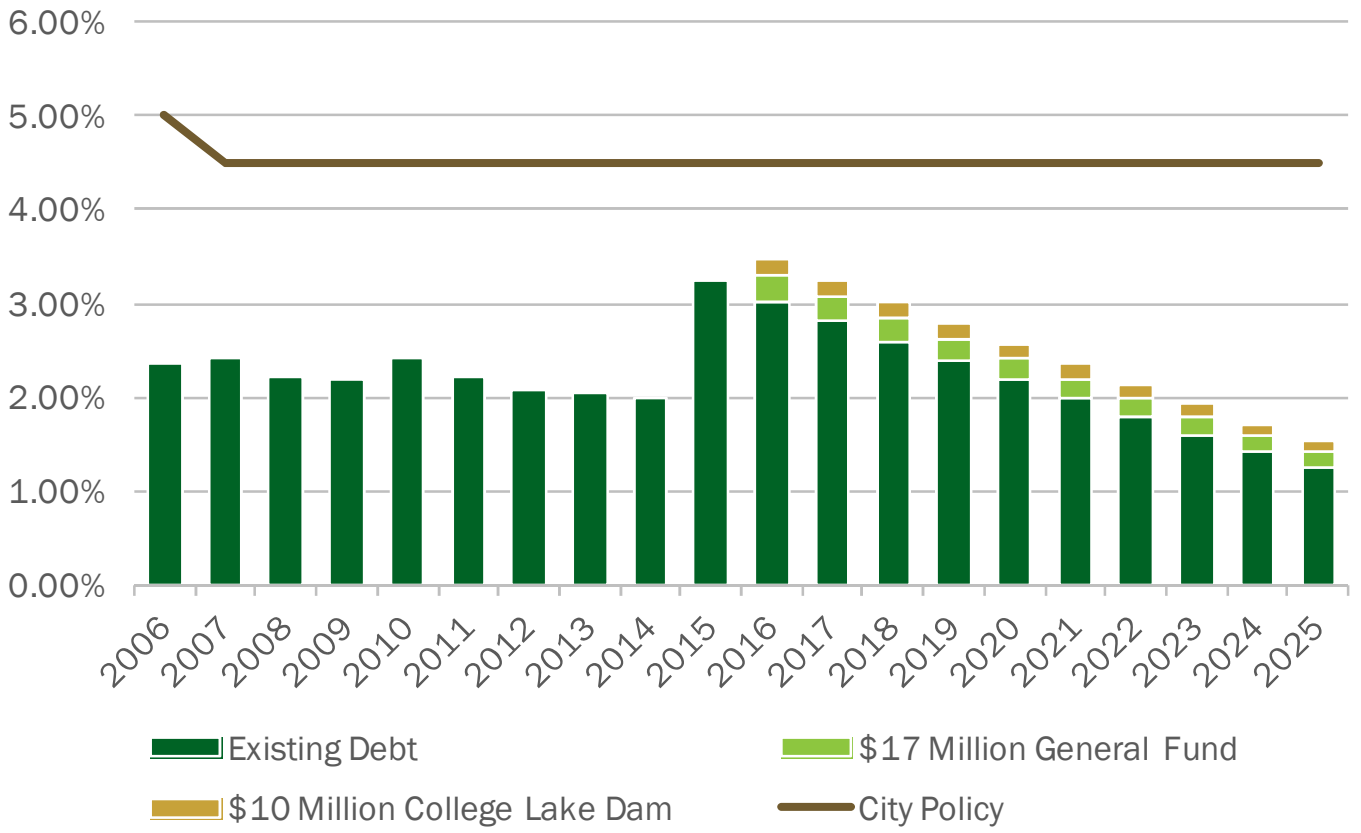
   – Level debt service over 20 years.

Projected Debt Service

	Existing Tax Supported Debt			Potential $17 Million General Fund New Money			Projected $10 Million College Lake Dam Interim Financing & Takeout			Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	541,894	765,000	1,306,894	0	0	0	10,692,617	7,751,273	18,443,890	
2018	9,970,153	6,656,857	16,627,010	566,280	740,615	1,306,894	0	300,000	300,000	10,536,433	7,697,472	17,933,905	
2019	10,209,727	6,316,175	16,525,901	591,762	715,132	1,306,894	0	300,000	300,000	10,801,489	7,331,307	17,832,796	
2020	10,427,916	5,936,582	16,364,498	618,392	688,503	1,306,894	0	300,000	300,000	11,046,308	6,925,085	17,671,393	
2021	10,661,249	5,536,769	16,198,018	646,219	660,675	1,306,894	318,761	450,000	768,761	11,626,229	6,647,445	17,504,912	
2022	10,700,038	5,095,793	15,795,832	675,299	631,595	1,306,894	333,106	435,656	768,761	11,708,443	6,163,045	17,102,726	8.1%
2023	10,551,532	4,641,485	15,193,016	705,688	601,207	1,306,894	348,095	420,666	768,761	11,605,315	5,663,357	16,499,911	16.1%
2024	9,514,319	4,200,237	13,714,557	737,443	569,451	1,306,894	363,760	405,002	768,761	10,615,523	5,174,690	15,021,451	23.5%
2025	9,228,453	3,790,970	13,019,423	770,628	536,266	1,306,894	380,129	388,632	768,761	10,379,210	4,715,868	14,326,317	30.6%
2026	9,312,185	3,384,044	12,696,229	805,307	501,588	1,306,894	397,235	371,527	768,761	10,514,727	4,257,158	14,003,123	37.9%
2027	7,469,058	2,982,822	10,451,880	841,546	465,349	1,306,894	415,110	353,651	768,761	8,725,714	3,801,822	11,758,774	43.9%
2028	5,921,280	2,683,565	8,604,845	879,415	427,479	1,306,894	433,790	334,971	768,761	7,234,485	3,446,016	9,911,740	48.9%
2029	5,858,878	2,441,147	8,300,025	918,989	387,906	1,306,894	453,311	315,451	768,761	7,231,178	3,144,503	9,606,920	53.9%
2030	5,088,376	2,214,061	7,302,437	960,343	346,551	1,306,894	473,710	295,052	768,761	6,522,429	2,855,664	8,609,331	58.4%
2031	4,453,100	2,008,514	6,461,614	1,003,559	303,336	1,306,894	495,027	273,735	768,761	5,951,685	2,585,584	7,768,508	62.6%
2032	4,444,310	1,818,388	6,262,698	1,048,719	258,176	1,306,894	517,303	251,458	768,761	6,010,332	2,328,022	7,569,593	66.7%
2033	4,236,280	1,631,434	5,867,714	1,095,911	210,983	1,306,894	540,582	228,180	768,761	5,872,773	2,070,597	7,174,609	70.8%
2034	4,095,640	1,450,494	5,546,134	1,145,227	161,667	1,306,894	564,908	203,854	768,761	5,805,775	1,816,015	6,853,029	74.8%
2035	3,245,000	1,274,477	4,519,477	1,196,762	110,132	1,306,894	590,329	178,433	768,761	5,032,091	1,563,042	5,826,371	78.3%
2036	3,245,000	1,129,408	4,374,408	1,250,617	56,278	1,306,894	616,893	151,868	768,761	5,112,510	1,337,554	5,681,303	81.8%
2037	3,240,000	984,340	4,224,340	0	0	0	644,654	124,108	768,761	3,884,654	1,108,448	4,224,340	84.5%
2038	3,240,000	839,471	4,079,471	0	0	0	673,663	95,098	768,761	3,913,663	934,570	4,079,471	87.2%
2039	3,240,000	694,603	3,934,603	0	0	0	703,978	64,784	768,761	3,943,978	759,386	3,934,603	89.9%
2040	3,240,000	549,734	3,789,734	0	0	0	735,657	33,105	768,761	3,975,657	582,839	3,789,734	92.7%
2041	2,655,000	424,200	3,079,200	0	0	0	0	0	0	2,655,000	424,200	3,079,200	94.5%
2042	2,650,000	318,000	2,968,000	0	0	0	0	0	0	2,650,000	318,000	2,968,000	96.3%
2043	2,650,000	212,000	2,862,000	0	0	0	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	**$182,303,043**	**$83,593,187**	**$265,896,229**	**$17,000,000**	**$9,137,889**	**$26,137,889**	**$10,000,000**	**$6,275,229**	**$16,275,229**	**$209,303,043**	**$99,006,304**	**$292,034,118**	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

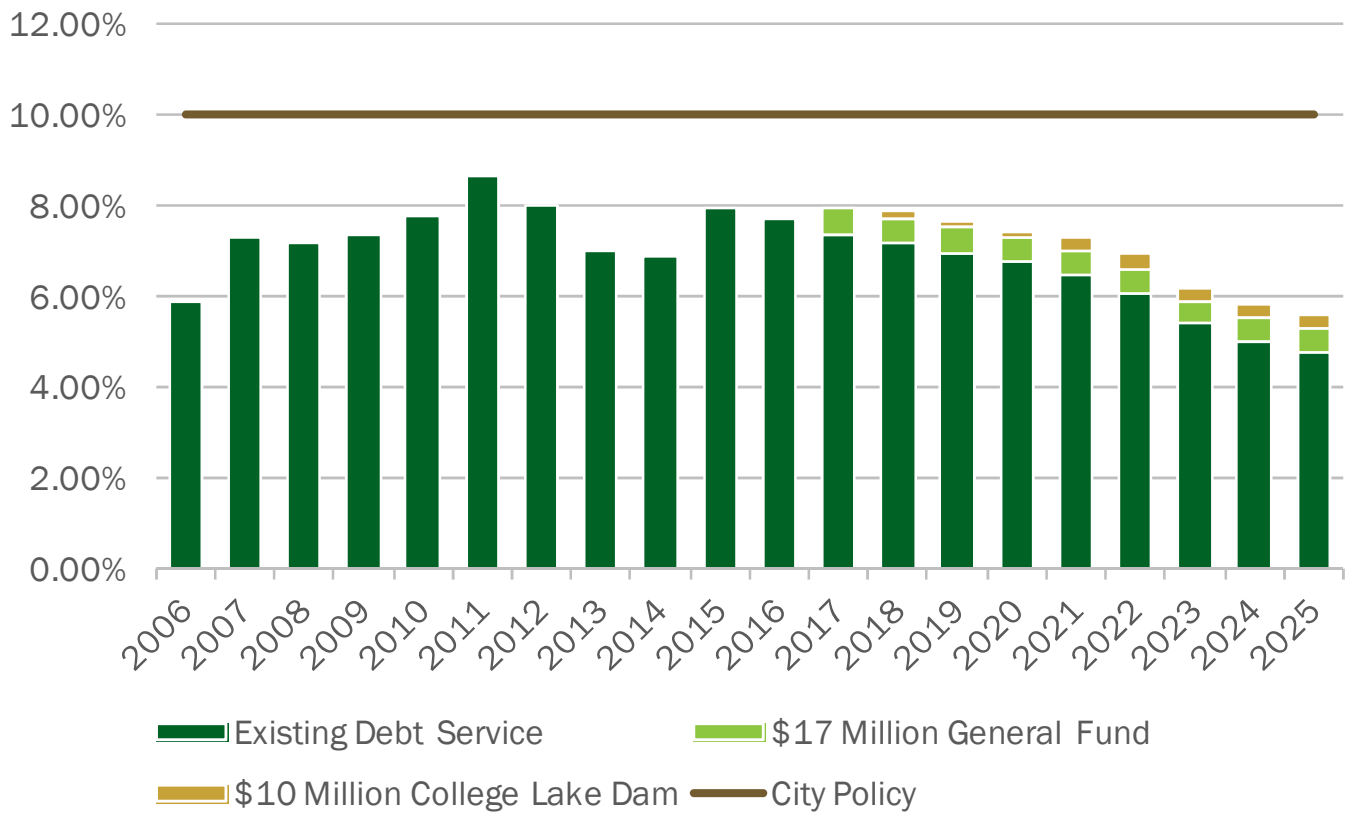


Including the potential $17 million General Fund bond issuance and $10 million College Lake Dam bond issuance, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

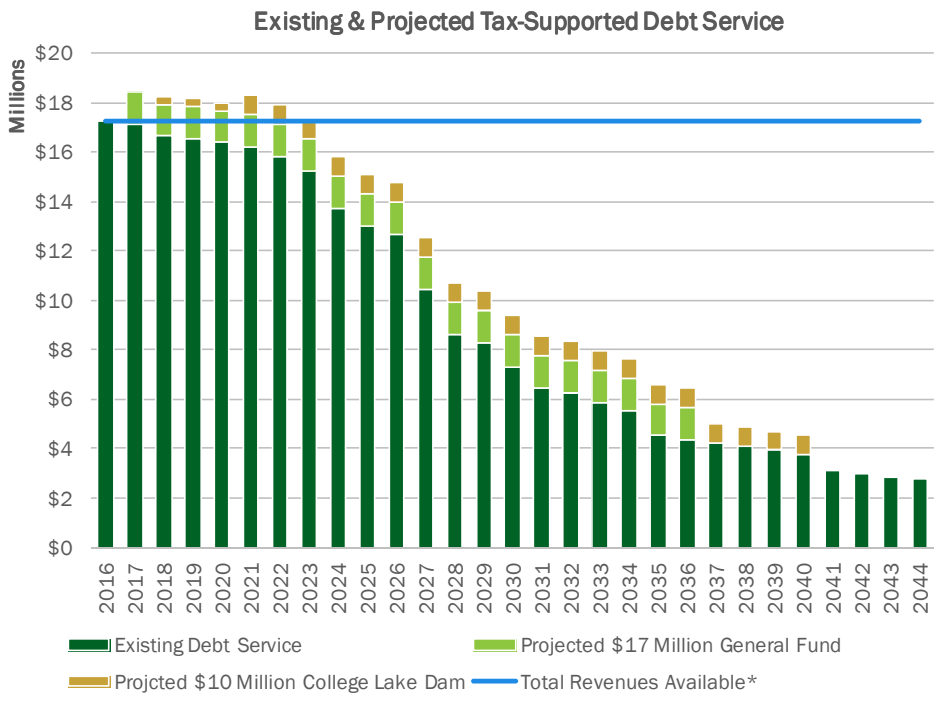


Including the potential $17 million General Fund bond issuance and $10 million College Lake Dam bond issuance, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed
2016	$17,240,169	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	1,306,894	0	18,443,890	17,240,169	1,203,721
2018	16,627,010	1,306,894	300,000	18,233,905	17,240,169	993,736
2019	16,525,901	1,306,894	300,000	18,132,796	17,240,169	892,627
2020	16,364,498	1,306,894	300,000	17,971,393	17,240,169	731,224
2021	16,198,018	1,306,894	768,761	18,273,674	17,240,169	1,033,505
2022	15,795,832	1,306,894	768,761	17,871,488	17,240,169	631,319
2023	15,193,016	1,306,894	768,761	17,268,672	17,240,169	28,504
2024	13,714,557	1,306,894	768,761	15,790,213	17,240,169	
2025	13,019,423	1,306,894	768,761	15,095,079	17,240,169	
2026	12,696,229	1,306,894	768,761	14,771,885	17,240,169	
2027	10,451,880	1,306,894	768,761	12,527,536	17,240,169	
2028	8,604,845	1,306,894	768,761	10,680,501	17,240,169	
2029	8,300,025	1,306,894	768,761	10,375,681	17,240,169	
2030	7,302,437	1,306,894	768,761	9,378,093	17,240,169	
2031	6,461,614	1,306,894	768,761	8,537,270	17,240,169	
2032	6,262,698	1,306,894	768,761	8,338,354	17,240,169	
2033	5,867,714	1,306,894	768,761	7,943,370	17,240,169	
2034	5,546,134	1,306,894	768,761	7,621,790	17,240,169	
2035	4,519,477	1,306,894	768,761	6,595,133	17,240,169	
2036	4,374,408	1,306,894	768,761	6,450,064	17,240,169	
2037	4,224,340	0	768,761	4,993,101	17,240,169	
2038	4,079,471	0	768,761	4,848,233	17,240,169	
2039	3,934,603	0	768,761	4,703,364	17,240,169	
2040	3,789,734	0	768,761	4,558,496	17,240,169	
2041	3,079,200	0	0	3,079,200	17,240,169	
2042	2,968,000	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$26,137,889**	**$16,275,229**	**$308,309,347**		



Note: The City will need additional revenues dedicated for debt service in Fiscal Years 2017 - 2023.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements				Existing DS Budget	Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Total	Total Non-Operating Revenue Available for Debt Service	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169			17,240,169	17,240,169	-	-	-	
2017	17,136,995	1,306,894	0	18,443,890	17,240,169	(1,203,721)	-	(1,203,721)	2.4¢
2018	16,627,010	1,306,894	300,000	18,233,905	17,240,169	(993,736)	1,203,721	209,985	--
2019	16,525,901	1,306,894	300,000	18,132,796	17,240,169	(892,627)	1,203,721	311,094	--
2020	16,364,498	1,306,894	300,000	17,971,393	17,240,169	(731,224)	1,203,721	472,497	--
2021	16,198,018	1,306,894	768,761	18,273,674	17,240,169	(1,033,505)	1,203,721	170,216	--
2022	15,795,832	1,306,894	768,761	17,871,488	17,240,169	(631,319)	1,203,721	572,402	--
2023	15,193,016	1,306,894	768,761	17,268,672	17,240,169	(28,504)	1,203,721	1,175,217	--
2024	13,714,557	1,306,894	768,761	15,790,213	17,240,169	1,449,956	1,203,721	2,653,677	--
2025	13,019,423	1,306,894	768,761	15,095,079	17,240,169	2,145,090	1,203,721	3,348,811	--
2026	12,696,229	1,306,894	768,761	14,771,885	17,240,169	2,468,284	1,203,721	3,672,005	--
2027	10,451,880	1,306,894	768,761	12,527,536	17,240,169	4,712,633	1,203,721	5,916,354	--
2028	8,604,845	1,306,894	768,761	10,680,501	17,240,169	6,559,668	1,203,721	7,763,389	--
2029	8,300,025	1,306,894	768,761	10,375,681	17,240,169	6,864,488	1,203,721	8,068,209	--
2030	7,302,437	1,306,894	768,761	9,378,093	17,240,169	7,862,076	1,203,721	9,065,797	--
2031	6,461,614	1,306,894	768,761	8,537,270	17,240,169	8,702,899	1,203,721	9,906,620	--
2032	6,262,698	1,306,894	768,761	8,338,354	17,240,169	8,901,815	1,203,721	10,105,536	--
2033	5,867,714	1,306,894	768,761	7,943,370	17,240,169	9,296,798	1,203,721	10,500,519	--
2034	5,546,134	1,306,894	768,761	7,621,790	17,240,169	9,618,378	1,203,721	10,822,099	--
2035	4,519,477	1,306,894	768,761	6,595,133	17,240,169	10,645,036	1,203,721	11,848,757	--
2036	4,374,408	1,306,894	768,761	6,450,064	17,240,169	10,790,104	1,203,721	11,993,826	--
2037	4,224,340		768,761	4,993,101	17,240,169	12,247,067	1,203,721	13,450,789	--
2038	4,079,471		768,761	4,848,233	17,240,169	12,391,936	1,203,721	13,595,657	--
2039	3,934,603		768,761	4,703,364	17,240,169	12,536,804	1,203,721	13,740,526	--
2040	3,789,734		768,761	4,558,496	17,240,169	12,681,673	1,203,721	13,885,394	--
2041	3,079,200			3,079,200	17,240,169	14,160,969	1,203,721	15,364,690	--
2042	2,968,000			2,968,000	17,240,169	14,272,169	1,203,721	15,475,890	--
2043	2,862,000			2,862,000	17,240,169	14,378,169	1,203,721	15,581,890	--
2044	2,756,000			2,756,000	17,240,169	14,484,169	1,203,721	15,687,890	--
							Total Equivalent Tax Impact:		2.4¢

Scenario 1B

City of Lynchburg, Virginia

Key Assumptions – Scenario 1B

1) $17 million General Fund

- Borrowing/closing occurs Summer 2016;
- Interest Rate of 4.50%;
- 30 months of capitalized interest;
- 4.5 Years Interest only (through Fiscal Year 2023); and
- Level Debt Service with principal amortized over the remaining 13 years.

2) $10 Million College Lake Dam:

Interim Financing:

- Borrowing/closing occurs Summer 2017;
- Interest Rate of 3.00%; and,
- 12 months of capitalized interest.

Permanent Financing/Takeout.

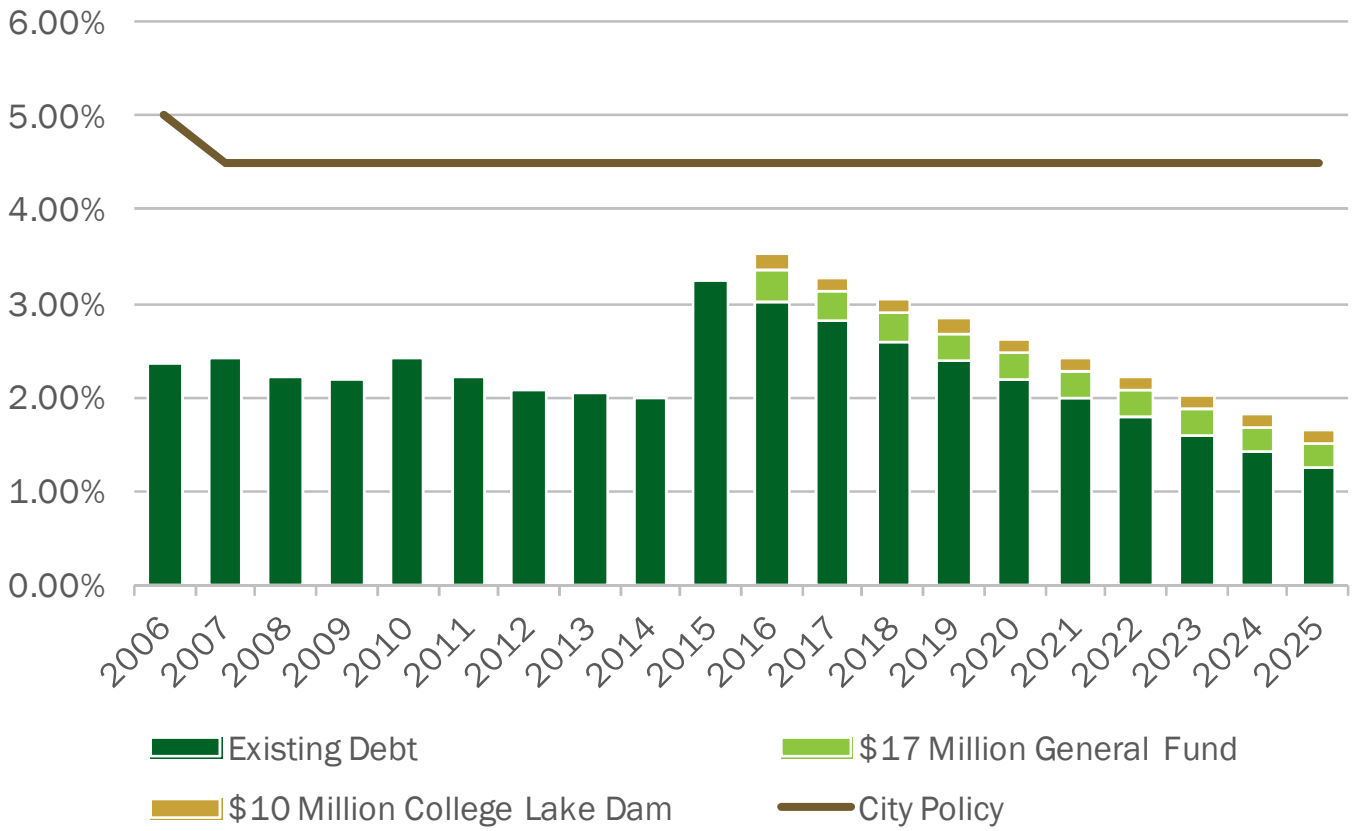
- Borrowing/closing occurs in Summer 2020;
- 2 years interest only;
- Interest Rate of 4.50%; and,
- Level debt service over the remaining 18 years.

Projected Debt Service

	Existing Tax Supported Debt			Potential $17 Million General Fund New Money			Projected $10 Million College Lake Dam Interim Financing & Takeout			Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	0	0	0	0	0	0	10,150,722	6,986,273	17,136,995	
2018	9,970,153	6,656,857	16,627,010	0	0	0	0	0	0	9,970,153	6,656,857	16,627,010	
2019	10,209,727	6,316,175	16,525,901	0	430,988	430,988	0	309,000	309,000	10,209,727	7,056,162	16,956,889	
2020	10,427,916	5,936,582	16,364,498	0	861,975	861,975	0	309,000	309,000	10,427,916	7,107,557	17,226,473	
2021	10,661,249	5,536,769	16,198,018	0	861,975	861,975	0	463,500	463,500	10,661,249	6,862,244	17,059,993	
2022	10,700,038	5,095,793	15,795,832	0	861,975	861,975	0	463,500	463,500	10,700,038	6,421,268	16,657,807	7.1%
2023	10,551,532	4,641,485	15,193,016	0	861,975	861,975	385,000	463,500	848,500	10,936,532	5,966,960	16,054,991	14.4%
2024	9,514,319	4,200,237	13,714,557	1,115,000	861,975	1,976,975	400,000	446,175	846,175	11,029,319	5,508,387	15,691,532	21.7%
2025	9,228,453	3,790,970	13,019,423	1,165,000	811,800	1,976,800	420,000	428,175	848,175	10,813,453	5,030,945	14,996,223	28.9%
2026	9,312,185	3,384,044	12,696,229	1,220,000	759,375	1,979,375	440,000	409,275	849,275	10,972,185	4,552,694	14,675,604	36.2%
2027	7,469,058	2,982,822	10,451,880	1,275,000	704,475	1,979,475	460,000	389,475	849,475	9,204,058	4,076,772	12,431,355	42.3%
2028	5,921,280	2,683,565	8,604,845	1,330,000	647,100	1,977,100	480,000	368,775	848,775	7,731,280	3,699,440	10,581,945	47.5%
2029	5,858,878	2,441,147	8,300,025	1,390,000	587,250	1,977,250	500,000	347,175	847,175	7,748,878	3,375,572	10,277,275	52.6%
2030	5,088,376	2,214,061	7,302,437	1,455,000	524,700	1,979,700	520,000	324,675	844,675	7,063,376	3,063,436	9,282,137	57.3%
2031	4,453,100	2,008,514	6,461,614	1,520,000	459,225	1,979,225	545,000	301,275	846,275	6,518,100	2,769,014	8,440,839	61.7%
2032	4,444,310	1,818,388	6,262,698	1,585,000	390,825	1,975,825	570,000	276,750	846,750	6,599,310	2,485,963	8,238,523	66.0%
2033	4,236,280	1,631,434	5,867,714	1,660,000	319,500	1,979,500	595,000	251,100	846,100	6,491,280	2,202,034	7,847,214	70.4%
2034	4,095,640	1,450,494	5,546,134	1,735,000	244,800	1,979,800	620,000	224,325	844,325	6,450,640	1,919,619	7,525,934	74.6%
2035	3,245,000	1,274,477	4,519,477	1,810,000	166,725	1,976,725	650,000	196,425	846,425	5,705,000	1,637,627	6,496,202	78.4%
2036	3,245,000	1,129,408	4,374,408	1,895,000	85,275	1,980,275	680,000	167,175	847,175	5,820,000	1,381,858	6,354,683	82.3%
2037	3,240,000	984,340	4,224,340	0	0	0	710,000	136,575	846,575	3,950,000	1,120,915	4,224,340	84.9%
2038	3,240,000	839,471	4,079,471	0	0	0	740,000	104,625	844,625	3,980,000	944,096	4,079,471	87.6%
2039	3,240,000	694,603	3,934,603	0	0	0	775,000	71,325	846,325	4,015,000	765,928	3,934,603	90.3%
2040	3,240,000	549,734	3,789,734	0	0	0	810,000	36,450	846,450	4,050,000	586,184	3,789,734	92.9%
2041	2,655,000	424,200	3,079,200	0	0	0	0	0	0	2,655,000	424,200	3,079,200	94.7%
2042	2,650,000	318,000	2,968,000	0	0	0	0	0	0	2,650,000	318,000	2,968,000	96.5%
2043	2,650,000	212,000	2,862,000	0	0	0	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	**$182,303,043**	**$83,593,187**	**$265,896,229**	**$19,155,000**	**$10,441,913**	**$29,596,913**	**$10,300,000**	**$6,488,250**	**$16,788,250**	**$211,758,043**	**$100,523,349**	**$295,493,142**	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

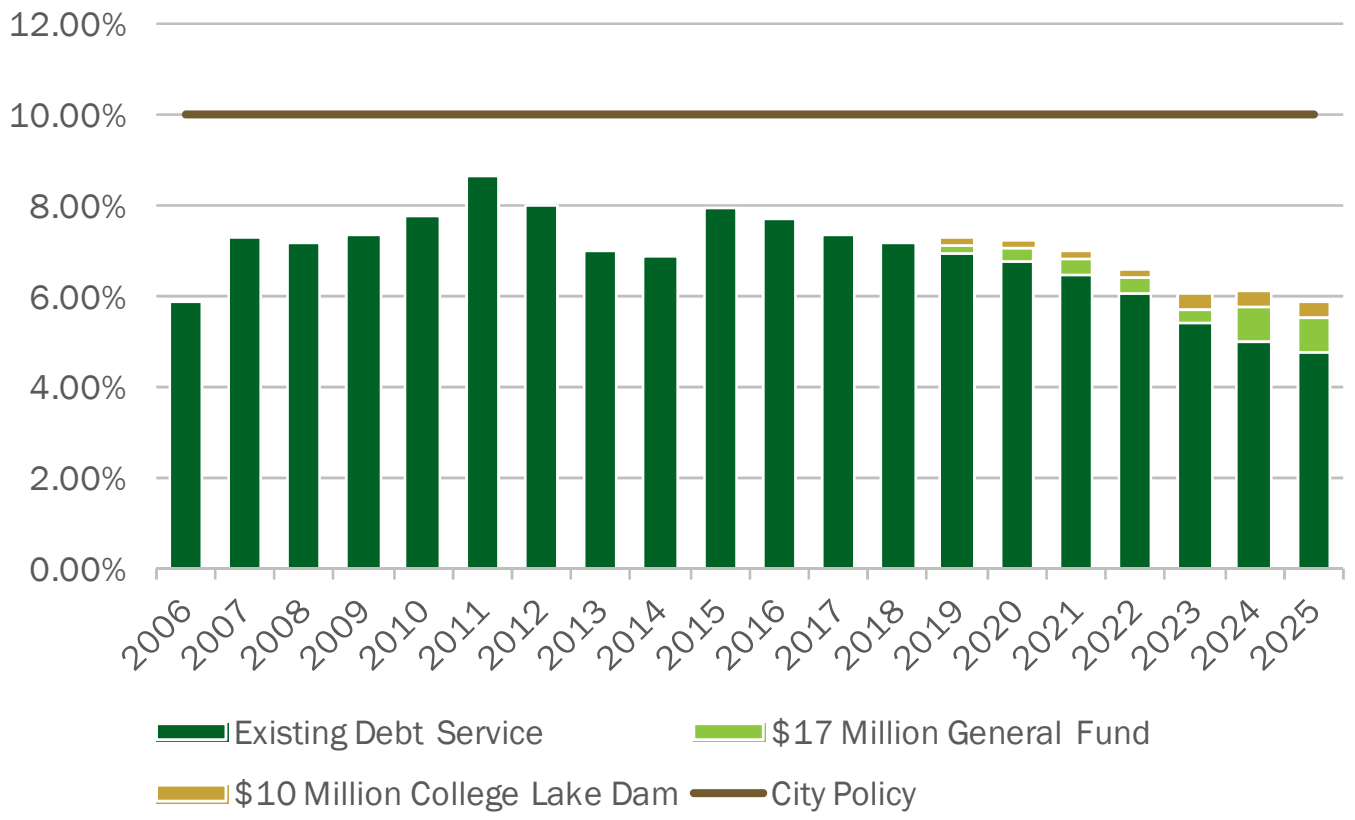


Including the potential $17 million General Fund bond issuance and $10 million College Lake Dam bond issuance, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

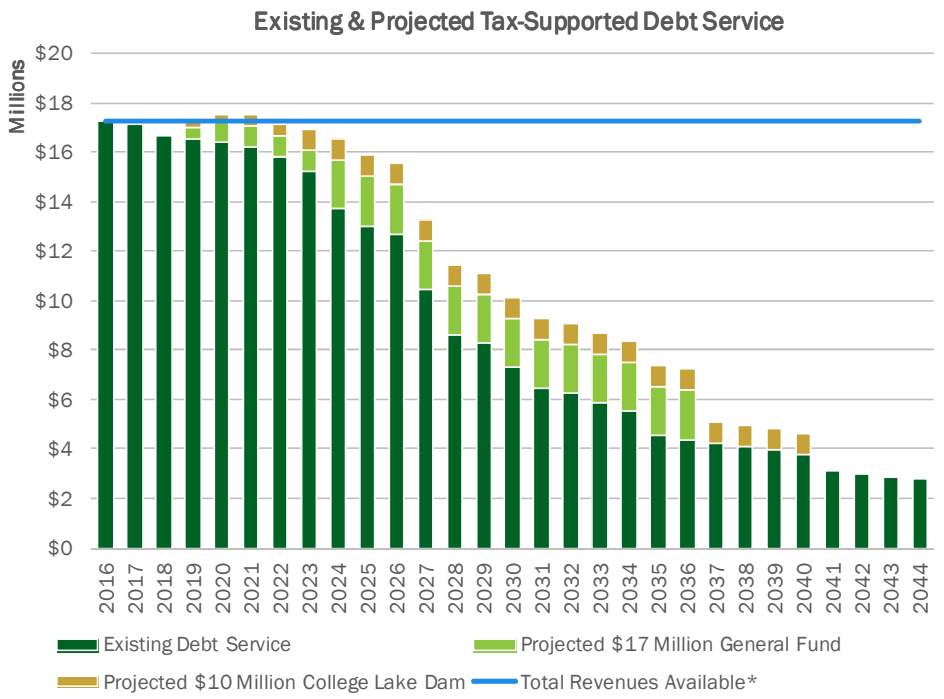


Including the potential $17 million General Fund bond issuance and $10 million College Lake Dam bond issuance, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed (Surplus)
2016	$17,240,169	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	0	0	17,136,995	17,240,169	(103,173)
2018	16,627,010	0	0	16,627,010	17,240,169	(613,158)
2019	16,525,901	430,988	309,000	17,265,889	17,240,169	25,720
2020	16,364,498	861,975	309,000	17,535,473	17,240,169	295,305
2021	16,198,018	861,975	463,500	17,523,493	17,240,169	283,324
2022	15,795,832	861,975	463,500	17,121,307	17,240,169	
2023	15,193,016	861,975	848,500	16,903,491	17,240,169	
2024	13,714,557	1,976,975	846,175	16,537,707	17,240,169	
2025	13,019,423	1,976,800	848,175	15,844,398	17,240,169	
2026	12,696,229	1,979,375	849,275	15,524,879	17,240,169	
2027	10,451,880	1,979,475	849,475	13,280,830	17,240,169	
2028	8,604,845	1,977,100	848,775	11,430,720	17,240,169	
2029	8,300,025	1,977,250	847,175	11,124,450	17,240,169	
2030	7,302,437	1,979,700	844,675	10,126,812	17,240,169	
2031	6,461,614	1,979,225	846,275	9,287,114	17,240,169	
2032	6,262,698	1,975,825	846,750	9,085,273	17,240,169	
2033	5,867,714	1,979,500	846,100	8,693,314	17,240,169	
2034	5,546,134	1,979,800	844,325	8,370,259	17,240,169	
2035	4,519,477	1,976,725	846,425	7,342,627	17,240,169	
2036	4,374,408	1,980,275	847,175	7,201,858	17,240,169	
2037	4,224,340	0	846,575	5,070,915	17,240,169	
2038	4,079,471	0	844,625	4,924,096	17,240,169	
2039	3,934,603	0	846,325	4,780,928	17,240,169	
2040	3,789,734	0	846,450	4,636,184	17,240,169	
2041	3,079,200	0	0	3,079,200	17,240,169	
2042	2,968,000	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$29,596,913**	**$16,788,250**	**$312,281,392**		



Note: The surplus revenues generated in Fiscal Year 2017 and Fiscal Year 2018 will be placed into a Capital Reserve Fund and will be sufficient to cover the additional revenues needed in Fiscal Years 2019-2021.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements				Existing DS Budget			Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Total	Total Non-Operating Revenue Available for Debt Service	FY 2017 & 2018 Surplus Into Capital Reserve Fund	Total Revenues Available	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169			17,240,169	17,240,169	-	17,240,169	-	-	-	
2017	17,136,995	0	0	17,136,995	17,240,169	-	17,240,169	103,173	-	103,173	--
2018	16,627,010	0	0	16,627,010	17,240,169	-	17,240,169	613,158	-	613,158	--
2019	16,525,901	430,988	309,000	17,265,889	17,240,169	25,721	17,265,889	0	-	0	--
2020	16,364,498	861,975	309,000	17,535,473	17,240,169	295,305	17,535,474	0	-	0	--
2021	16,198,018	861,975	463,500	17,523,493	17,240,169	395,306	17,635,475	111,982	-	111,982	--
2022	15,795,832	861,975	463,500	17,121,307	17,240,169	-	17,240,169	118,862	-	118,862	--
2023	15,193,016	861,975	848,500	16,903,491	17,240,169	-	17,240,169	336,677	-	336,677	--
2024	13,714,557	1,976,975	846,175	16,537,707	17,240,169	-	17,240,169	702,462	-	702,462	--
2025	13,019,423	1,976,800	848,175	15,844,398	17,240,169	-	17,240,169	1,395,771	-	1,395,771	--
2026	12,696,229	1,979,375	849,275	15,524,879	17,240,169	-	17,240,169	1,715,290	-	1,715,290	--
2027	10,451,880	1,979,475	849,475	13,280,830	17,240,169	-	17,240,169	3,959,339	-	3,959,339	--
2028	8,604,845	1,977,100	848,775	11,430,720	17,240,169	-	17,240,169	5,809,448	-	5,809,448	--
2029	8,300,025	1,977,250	847,175	11,124,450	17,240,169	-	17,240,169	6,115,718	-	6,115,718	--
2030	7,302,437	1,979,700	844,675	10,126,812	17,240,169	-	17,240,169	7,113,357	-	7,113,357	--
2031	6,461,614	1,979,225	846,275	9,287,114	17,240,169	-	17,240,169	7,953,055	-	7,953,055	--
2032	6,262,698	1,975,825	846,750	9,085,273	17,240,169	-	17,240,169	8,154,895	-	8,154,895	--
2033	5,867,714	1,979,500	846,100	8,693,314	17,240,169	-	17,240,169	8,546,854	-	8,546,854	--
2034	5,546,134	1,979,800	844,325	8,370,259	17,240,169	-	17,240,169	8,869,909	-	8,869,909	--
2035	4,519,477	1,976,725	846,425	7,342,627	17,240,169	-	17,240,169	9,897,542	-	9,897,542	--
2036	4,374,408	1,980,275	847,175	7,201,858	17,240,169	-	17,240,169	10,038,310	-	10,038,310	--
2037	4,224,340		846,575	5,070,915	17,240,169	-	17,240,169	12,169,254	-	12,169,254	--
2038	4,079,471		844,625	4,924,096	17,240,169	-	17,240,169	12,316,072	-	12,316,072	--
2039	3,934,603		846,325	4,780,928	17,240,169	-	17,240,169	12,459,241	-	12,459,241	--
2040	3,789,734		846,450	4,636,184	17,240,169	-	17,240,169	12,603,984	-	12,603,984	--
2041	3,079,200			3,079,200	17,240,169	-	17,240,169	14,160,969	-	14,160,969	--
2042	2,968,000			2,968,000	17,240,169	-	17,240,169	14,272,169	-	14,272,169	--
2043	2,862,000			2,862,000	17,240,169	-	17,240,169	14,378,169	-	14,378,169	--
2044	2,756,000			2,756,000	17,240,169		17,240,169	14,484,169	-	14,484,169	--
									Total Equivalent Tax Impact:		0.0¢

Scenario 2A

City of Lynchburg, Virginia

Key Assumptions – Scenario 2A

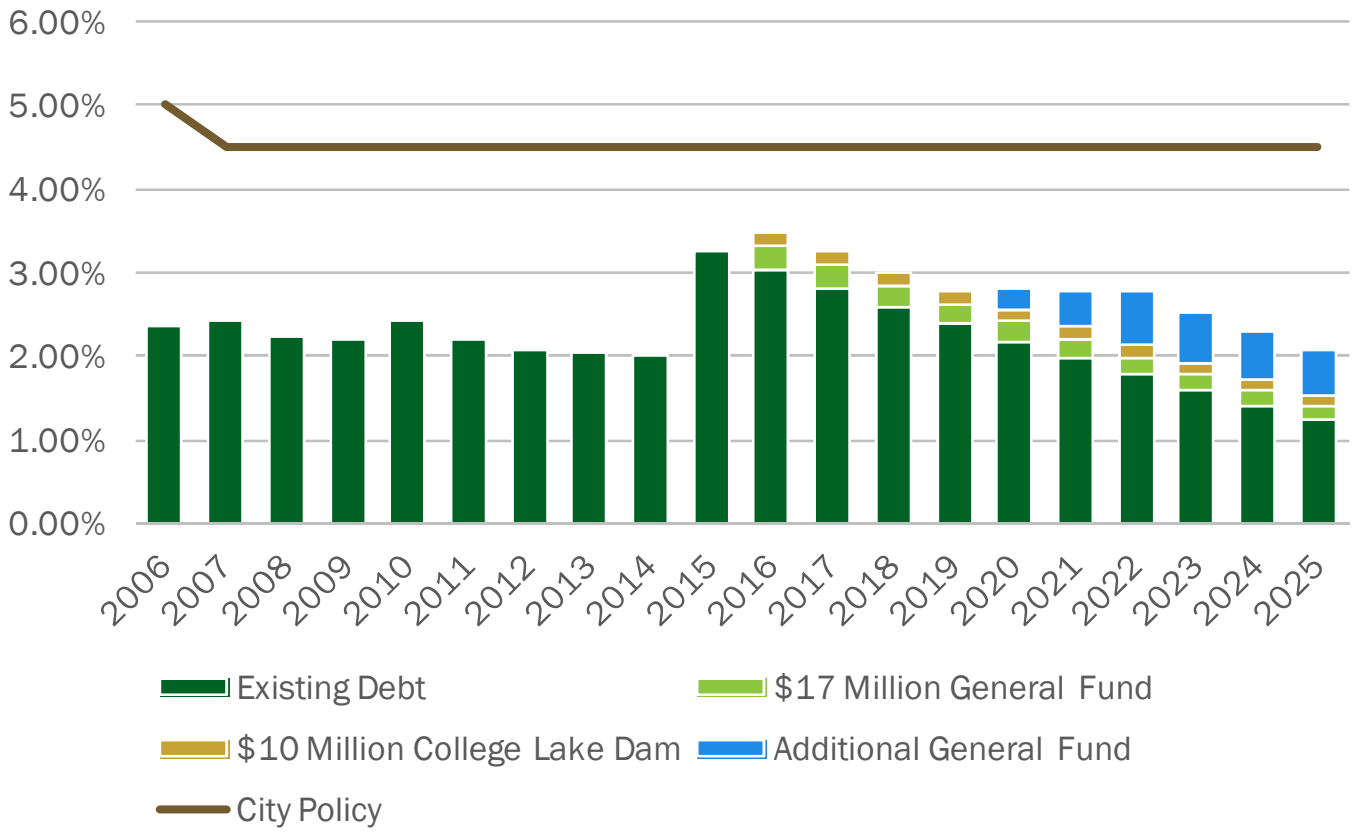
- Scenario 2A has all of the same assumptions as Scenario 1A except for the following:
  - An additional $15 million of General Fund New Money needs.
    - Borrowing/closing occurs Summer 2019, 2020 and 2021;
    - Interest Rate of 4.50%; and,
    - Level Debt Service with principal amortized over 20 years.

Projected Debt Service

	Existing Tax Supported Debt			General Fund	College Lake Dam	Additional $15 Million	Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Total Debt Service	Total Debt Service	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	1,306,894	0	0	10,692,617	7,751,273	18,443,890	
2018	9,970,153	6,656,857	16,627,010	1,306,894	300,000	0	10,536,433	7,697,472	17,933,905	
2019	10,209,727	6,316,175	16,525,901	1,306,894	300,000	0	10,801,489	7,331,307	17,832,796	
2020	10,427,916	5,936,582	16,364,498	1,306,894	300,000	1,153,142	11,046,308	6,925,085	17,671,393	
2021	10,661,249	5,536,769	16,198,018	1,306,894	768,761	2,306,284	11,626,229	6,647,445	17,504,912	
2022	10,700,038	5,095,793	15,795,832	1,306,894	768,761	3,459,426	11,708,443	6,163,045	17,102,726	8.1%
2023	10,551,532	4,641,485	15,193,016	1,306,894	768,761	3,459,426	11,605,315	5,663,357	16,499,911	16.1%
2024	9,514,319	4,200,237	13,714,557	1,306,894	768,761	3,459,426	10,615,523	5,174,690	15,021,451	23.5%
2025	9,228,453	3,790,970	13,019,423	1,306,894	768,761	3,459,426	10,379,210	4,715,868	14,326,317	30.6%
2026	9,312,185	3,384,044	12,696,229	1,306,894	768,761	3,459,426	10,514,727	4,257,158	14,003,123	37.9%
2027	7,469,058	2,982,822	10,451,880	1,306,894	768,761	3,459,426	8,725,714	3,801,822	11,758,774	43.9%
2028	5,921,280	2,683,565	8,604,845	1,306,894	768,761	3,459,426	7,234,485	3,446,016	9,911,740	48.9%
2029	5,858,878	2,441,147	8,300,025	1,306,894	768,761	3,459,426	7,231,178	3,144,503	9,606,920	53.9%
2030	5,088,376	2,214,061	7,302,437	1,306,894	768,761	3,459,426	6,522,429	2,855,664	8,609,331	58.4%
2031	4,453,100	2,008,514	6,461,614	1,306,894	768,761	3,459,426	5,951,685	2,585,584	7,768,508	62.6%
2032	4,444,310	1,818,388	6,262,698	1,306,894	768,761	3,459,426	6,010,332	2,328,022	7,569,593	66.7%
2033	4,236,280	1,631,434	5,867,714	1,306,894	768,761	3,459,426	5,872,773	2,070,597	7,174,609	70.8%
2034	4,095,640	1,450,494	5,546,134	1,306,894	768,761	3,459,426	5,805,775	1,816,015	6,853,029	74.8%
2035	3,245,000	1,274,477	4,519,477	1,306,894	768,761	3,459,426	5,032,091	1,563,042	5,826,371	78.3%
2036	3,245,000	1,129,408	4,374,408	1,306,894	768,761	3,459,426	5,112,510	1,337,554	5,681,303	81.8%
2037	3,240,000	984,340	4,224,340	0	768,761	3,459,426	3,884,654	1,108,448	4,224,340	84.5%
2038	3,240,000	839,471	4,079,471	0	768,761	3,459,426	3,913,663	934,570	4,079,471	87.2%
2039	3,240,000	694,603	3,934,603	0	768,761	3,459,426	3,943,978	759,386	3,934,603	89.9%
2040	3,240,000	549,734	3,789,734	0	768,761	2,306,284	3,975,657	582,839	3,789,734	92.7%
2041	2,655,000	424,200	3,079,200	0	0	1,153,142	2,655,000	424,200	3,079,200	94.5%
2042	2,650,000	318,000	2,968,000	0	0	0	2,650,000	318,000	2,968,000	96.3%
2043	2,650,000	212,000	2,862,000	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	$182,303,043	$83,593,187	$265,896,229	$26,137,889	$16,275,229	$69,188,530	$209,303,043	$99,006,304	$292,034,118	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

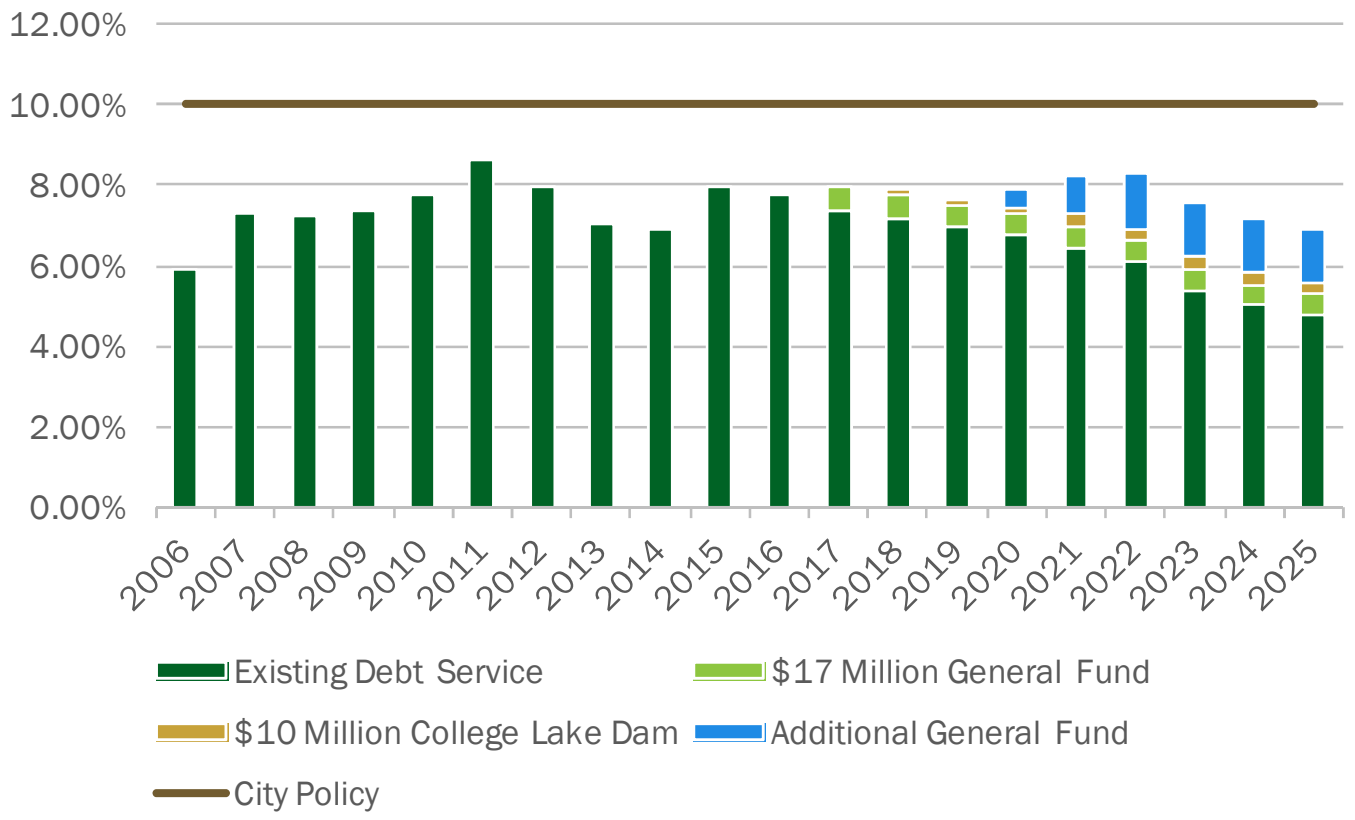


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance, and three additional $15 million bond issuances, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

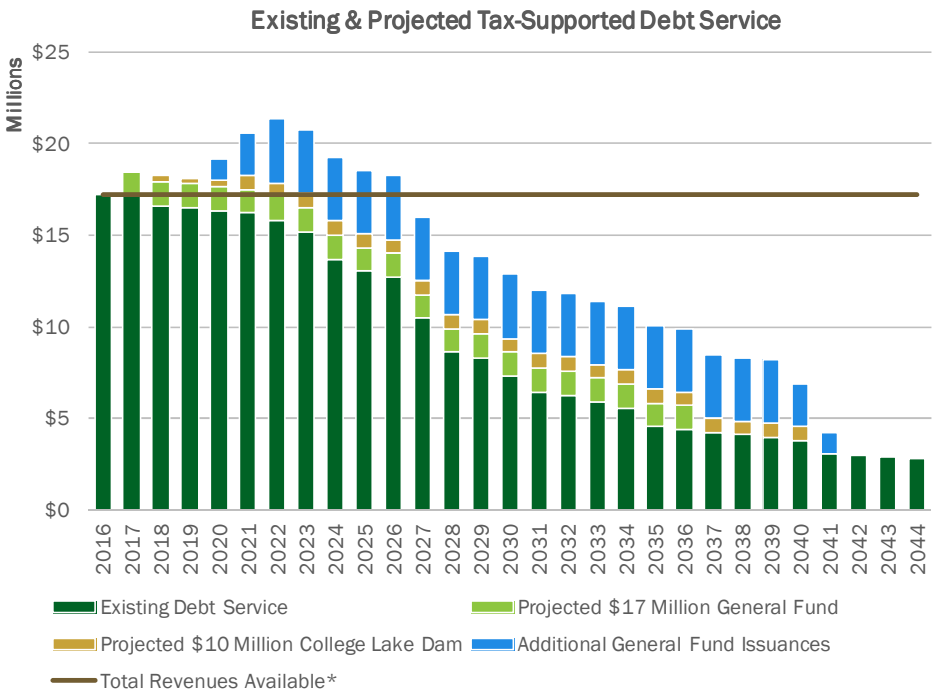


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance and three additional $15 million bond issuances, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Additional General Fund Issuances	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed
2016	$17,240,169	$0	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	1,306,894	0	0	18,443,890	17,240,169	1,203,721
2018	16,627,010	1,306,894	300,000	0	18,233,905	17,240,169	993,736
2019	16,525,901	1,306,894	300,000	0	18,132,796	17,240,169	892,627
2020	16,364,498	1,306,894	300,000	1,153,142	19,124,535	17,240,169	1,884,366
2021	16,198,018	1,306,894	768,761	2,306,284	20,579,958	17,240,169	3,339,789
2022	15,795,832	1,306,894	768,761	3,459,426	21,330,914	17,240,169	4,090,746
2023	15,193,016	1,306,894	768,761	3,459,426	20,728,099	17,240,169	3,487,930
2024	13,714,557	1,306,894	768,761	3,459,426	19,249,639	17,240,169	2,009,470
2025	13,019,423	1,306,894	768,761	3,459,426	18,554,505	17,240,169	1,314,337
2026	12,696,229	1,306,894	768,761	3,459,426	18,231,311	17,240,169	991,143
2027	10,451,880	1,306,894	768,761	3,459,426	15,986,962	17,240,169	
2028	8,604,845	1,306,894	768,761	3,459,426	14,139,928	17,240,169	
2029	8,300,025	1,306,894	768,761	3,459,426	13,835,108	17,240,169	
2030	7,302,437	1,306,894	768,761	3,459,426	12,837,519	17,240,169	
2031	6,461,614	1,306,894	768,761	3,459,426	11,996,696	17,240,169	
2032	6,262,698	1,306,894	768,761	3,459,426	11,797,781	17,240,169	
2033	5,867,714	1,306,894	768,761	3,459,426	11,402,797	17,240,169	
2034	5,546,134	1,306,894	768,761	3,459,426	11,081,217	17,240,169	
2035	4,519,477	1,306,894	768,761	3,459,426	10,054,559	17,240,169	
2036	4,374,408	1,306,894	768,761	3,459,426	9,909,491	17,240,169	
2037	4,224,340	0	768,761	3,459,426	8,452,528	17,240,169	
2038	4,079,471	0	768,761	3,459,426	8,307,659	17,240,169	
2039	3,934,603	0	768,761	3,459,426	8,162,791	17,240,169	
2040	3,789,734	0	768,761	2,306,284	6,864,780	17,240,169	
2041	3,079,200	0	0	1,153,142	4,232,342	17,240,169	
2042	2,968,000	0	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$26,137,889**	**$16,275,229**	**$69,188,530**	**$377,497,877**		



Note: The City will need additional revenues dedicated for debt service in Fiscal Years 2017-2025.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements					Existing DS Budget	Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Additional $15 Million General Fund Issuances	Total	Total Non-Operating Revenue Available for Debt Service	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169				17,240,169	17,240,169	-	-	-	
2017	17,136,995	1,306,894	0	0	18,443,890	17,240,169	(1,203,721)	-	(1,203,721)	2.4¢
2018	16,627,010	1,306,894	300,000	0	18,233,905	17,240,169	(993,736)	1,203,721	209,985	--
2019	16,525,901	1,306,894	300,000	0	18,132,796	17,240,169	(892,627)	1,203,721	311,094	--
2020	16,364,498	1,306,894	300,000	1,153,142	19,124,535	17,240,169	(1,884,366)	1,203,721	(680,645)	1.4¢
2021	16,198,018	1,306,894	768,761	2,306,284	20,579,958	17,240,169	(3,339,789)	1,884,366	(1,455,423)	2.9¢
2022	15,795,832	1,306,894	768,761	3,459,426	21,330,914	17,240,169	(4,090,746)	3,339,789	(750,956)	1.5¢
2023	15,193,016	1,306,894	768,761	3,459,426	20,728,099	17,240,169	(3,487,930)	4,090,746	602,816	--
2024	13,714,557	1,306,894	768,761	3,459,426	19,249,639	17,240,169	(2,009,470)	4,090,746	2,081,275	--
2025	13,019,423	1,306,894	768,761	3,459,426	18,554,505	17,240,169	(1,314,337)	4,090,746	2,776,409	--
2026	12,696,229	1,306,894	768,761	3,459,426	18,231,311	17,240,169	(991,143)	4,090,746	3,099,603	--
2027	10,451,880	1,306,894	768,761	3,459,426	15,986,962	17,240,169	1,253,206	4,090,746	5,343,952	--
2028	8,604,845	1,306,894	768,761	3,459,426	14,139,928	17,240,169	3,100,241	4,090,746	7,190,987	--
2029	8,300,025	1,306,894	768,761	3,459,426	13,835,108	17,240,169	3,405,061	4,090,746	7,495,807	--
2030	7,302,437	1,306,894	768,761	3,459,426	12,837,519	17,240,169	4,402,649	4,090,746	8,493,395	--
2031	6,461,614	1,306,894	768,761	3,459,426	11,996,696	17,240,169	5,243,473	4,090,746	9,334,218	--
2032	6,262,698	1,306,894	768,761	3,459,426	11,797,781	17,240,169	5,442,388	4,090,746	9,533,134	--
2033	5,867,714	1,306,894	768,761	3,459,426	11,402,797	17,240,169	5,837,372	4,090,746	9,928,118	--
2034	5,546,134	1,306,894	768,761	3,459,426	11,081,217	17,240,169	6,158,952	4,090,746	10,249,698	--
2035	4,519,477	1,306,894	768,761	3,459,426	10,054,559	17,240,169	7,185,609	4,090,746	11,276,355	--
2036	4,374,408	1,306,894	768,761	3,459,426	9,909,491	17,240,169	7,330,678	4,090,746	11,421,424	--
2037	4,224,340		768,761	3,459,426	8,452,528	17,240,169	8,787,641	4,090,746	12,878,387	--
2038	4,079,471		768,761	3,459,426	8,307,659	17,240,169	8,932,509	4,090,746	13,023,255	--
2039	3,934,603		768,761	3,459,426	8,162,791	17,240,169	9,077,378	4,090,746	13,168,124	--
2040	3,789,734		768,761	2,306,284	6,864,780	17,240,169	10,375,389	4,090,746	14,466,134	--
2041	3,079,200			1,153,142	4,232,342	17,240,169	13,007,826	4,090,746	17,098,572	--
2042	2,968,000				2,968,000	17,240,169	14,272,169	4,090,746	18,362,914	--
2043	2,862,000				2,862,000	17,240,169	14,378,169	4,090,746	18,468,914	--
2044	2,756,000				2,756,000	17,240,169	14,484,169	4,090,746	18,574,914	--
									Total Equivalent Tax Impact:	8.2¢

Scenario 2B

City of Lynchburg, Virginia

Key Assumptions – Scenario 2B

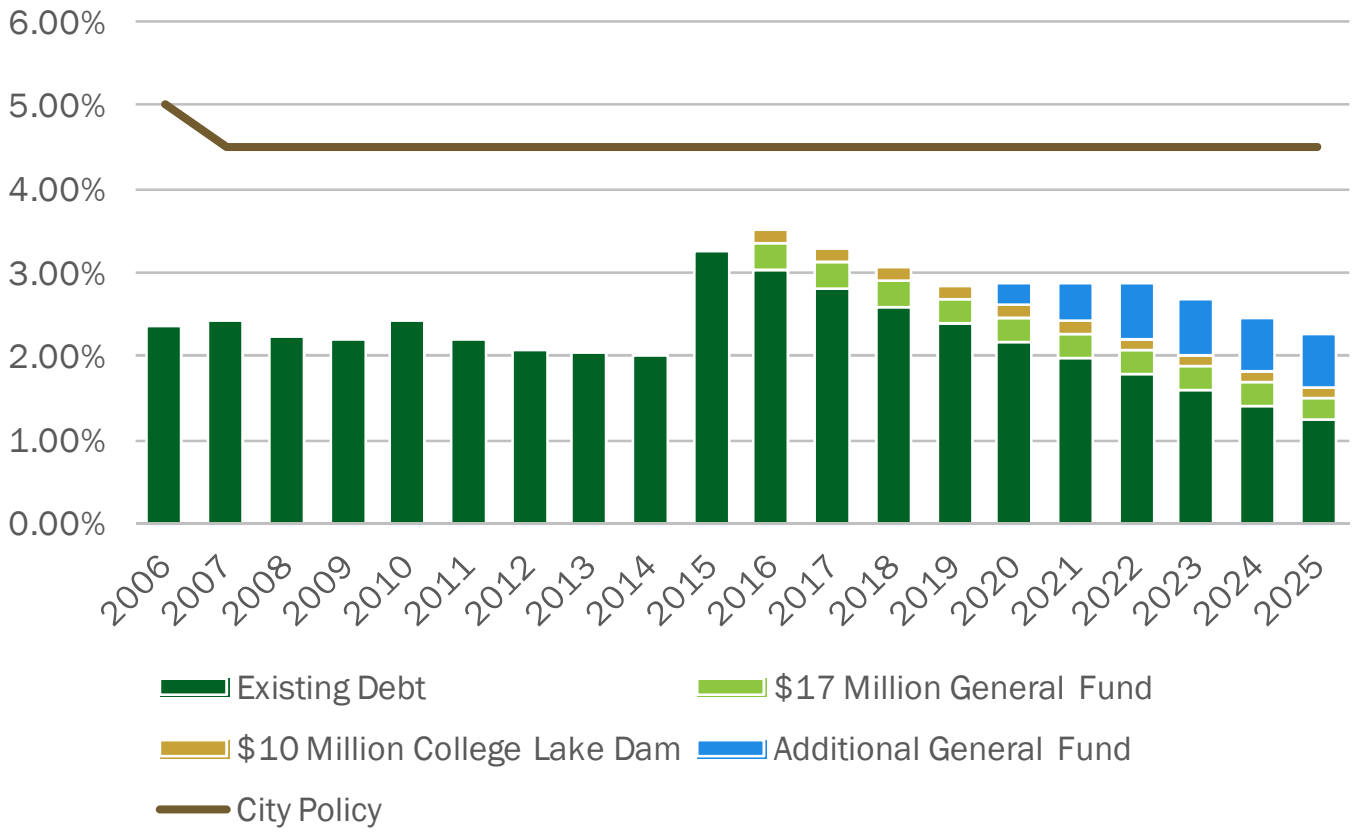
- Scenario 2B has all of the same assumptions as Scenario 1B except for the following:
  - An additional $15 million of General Fund New Money needs.
    - Borrowing/closing occurs Summer 2019, 2020 and 2021;
    - Interest Rate of 4.50%;
    - 36 Months Capitalized Interest;
    - 4 additional years of interest only; and,
    - Level Debt Service with principal amortized over the remaining 13 years.

Projected Debt Service

	Existing Tax Supported Debt			General Fund	College Lake Dam	Additional $15 Million	Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Total Debt Service	Total Debt Service	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	0	0	0	10,150,722	6,986,273	17,136,995	
2018	9,970,153	6,656,857	16,627,010	0	0	0	9,970,153	6,656,857	16,627,010	
2019	10,209,727	6,316,175	16,525,901	430,988	309,000	0	10,209,727	7,056,162	16,956,889	
2020	10,427,916	5,936,582	16,364,498	861,975	309,000	0	10,427,916	7,107,557	17,226,473	
2021	10,661,249	5,536,769	16,198,018	861,975	463,500	0	10,661,249	6,862,244	17,059,993	
2022	10,700,038	5,095,793	15,795,832	861,975	463,500	0	10,700,038	6,421,268	16,657,807	7.1%
2023	10,551,532	4,641,485	15,193,016	861,975	848,500	780,525	10,936,532	5,966,960	16,054,991	14.4%
2024	9,514,319	4,200,237	13,714,557	1,976,975	846,175	1,561,050	11,029,319	5,508,387	15,691,532	21.7%
2025	9,228,453	3,790,970	13,019,423	1,976,800	848,175	2,341,575	10,813,453	5,030,945	14,996,223	28.9%
2026	9,312,185	3,384,044	12,696,229	1,979,375	849,275	2,341,575	10,972,185	4,552,694	14,675,604	36.2%
2027	7,469,058	2,982,822	10,451,880	1,979,475	849,475	3,351,575	9,204,058	4,076,772	12,431,355	42.3%
2028	5,921,280	2,683,565	8,604,845	1,977,100	848,775	4,361,125	7,731,280	3,699,440	10,581,945	47.5%
2029	5,858,878	2,441,147	8,300,025	1,977,250	847,175	5,373,200	7,748,878	3,375,572	10,277,275	52.6%
2030	5,088,376	2,214,061	7,302,437	1,979,700	844,675	5,375,550	7,063,376	3,063,436	9,282,137	57.3%
2031	4,453,100	2,008,514	6,461,614	1,979,225	846,275	5,376,375	6,518,100	2,769,014	8,440,839	61.7%
2032	4,444,310	1,818,388	6,262,698	1,975,825	846,750	5,375,450	6,599,310	2,485,963	8,238,523	66.0%
2033	4,236,280	1,631,434	5,867,714	1,979,500	846,100	5,372,550	6,491,280	2,202,034	7,847,214	70.4%
2034	4,095,640	1,450,494	5,546,134	1,979,800	844,325	5,372,450	6,450,640	1,919,619	7,525,934	74.6%
2035	3,245,000	1,274,477	4,519,477	1,976,725	846,425	5,374,700	5,705,000	1,637,627	6,496,202	78.4%
2036	3,245,000	1,129,408	4,374,408	1,980,275	847,175	5,373,850	5,820,000	1,381,858	6,354,683	82.3%
2037	3,240,000	984,340	4,224,340	0	846,575	5,374,675	3,950,000	1,120,915	4,224,340	84.9%
2038	3,240,000	839,471	4,079,471	0	844,625	5,371,725	3,980,000	944,096	4,079,471	87.6%
2039	3,240,000	694,603	3,934,603	0	846,325	5,374,775	4,015,000	765,928	3,934,603	90.3%
2040	3,240,000	549,734	3,789,734	0	846,450	3,583,150	4,050,000	586,184	3,789,734	92.9%
2041	2,655,000	424,200	3,079,200	0	0	1,792,175	2,655,000	424,200	3,079,200	94.7%
2042	2,650,000	318,000	2,968,000	0	0	0	2,650,000	318,000	2,968,000	96.5%
2043	2,650,000	212,000	2,862,000	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	$182,303,043	$83,593,187	$265,896,229	$29,596,913	$16,788,250	$79,228,050	$211,758,043	$100,523,349	$295,493,142	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

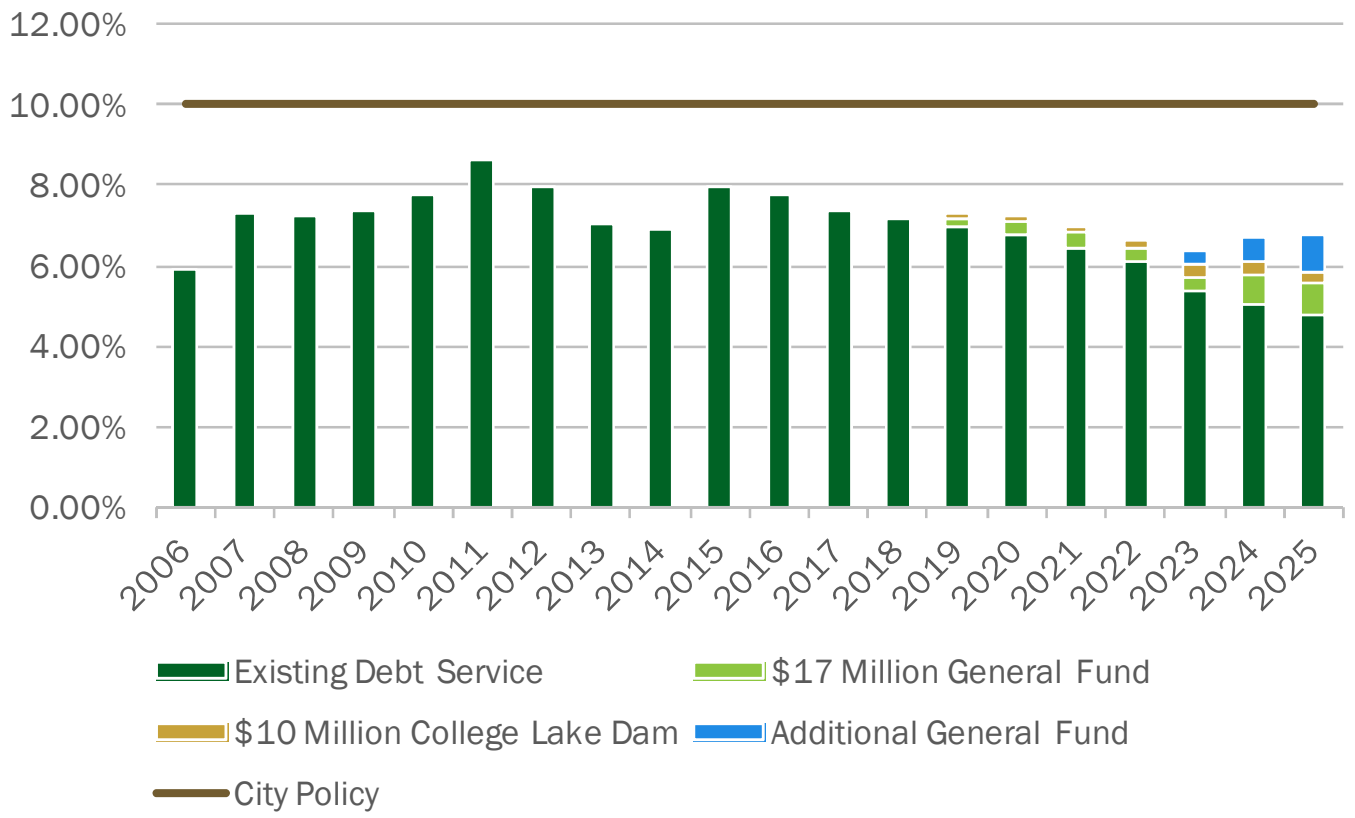


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance, and three additional $15 million bond issuances, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

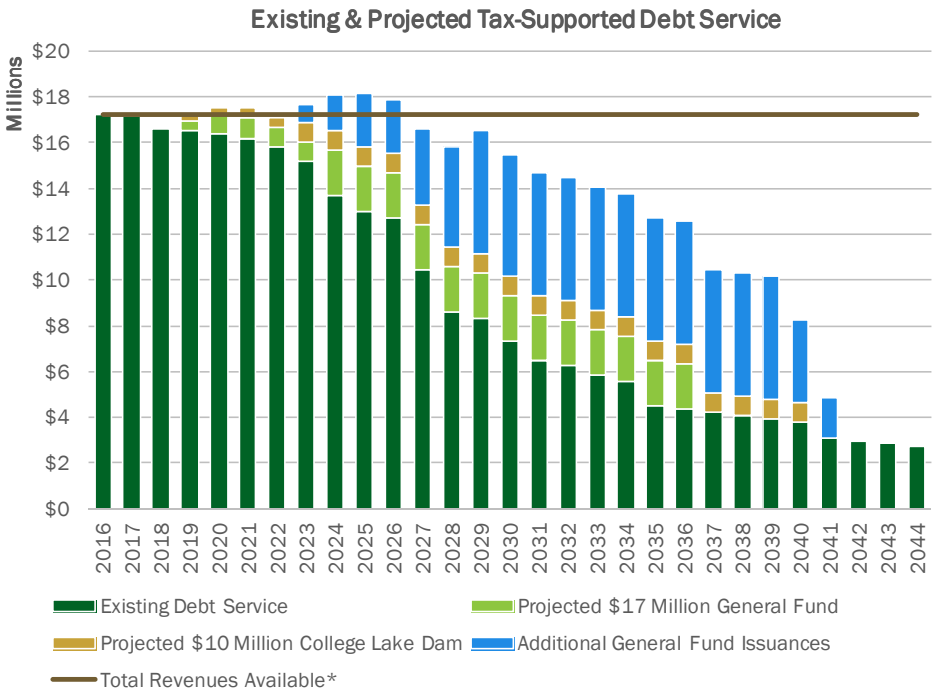


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance and three additional $15 million bond issuances, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Additional General Fund Issuances	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed
2016	$17,240,169	$0	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	0	0	0	17,136,995	17,240,169	(103,173)
2018	16,627,010	0	0	0	16,627,010	17,240,169	(613,158)
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,720
2020	16,364,498	861,975	309,000	0	17,535,473	17,240,169	295,305
2021	16,198,018	861,975	463,500	0	17,523,493	17,240,169	283,324
2022	15,795,832	861,975	463,500	0	17,121,307	17,240,169	
2023	15,193,016	861,975	848,500	780,525	17,684,016	17,240,169	443,848
2024	13,714,557	1,976,975	846,175	1,561,050	18,098,757	17,240,169	858,588
2025	13,019,423	1,976,800	848,175	2,341,575	18,185,973	17,240,169	945,804
2026	12,696,229	1,979,375	849,275	2,341,575	17,866,454	17,240,169	626,285
2027	10,451,880	1,979,475	849,475	3,351,575	16,632,405	17,240,169	
2028	8,604,845	1,977,100	848,775	4,361,125	15,791,845	17,240,169	
2029	8,300,025	1,977,250	847,175	5,373,200	16,497,650	17,240,169	
2030	7,302,437	1,979,700	844,675	5,375,550	15,502,362	17,240,169	
2031	6,461,614	1,979,225	846,275	5,376,375	14,663,489	17,240,169	
2032	6,262,698	1,975,825	846,750	5,375,450	14,460,723	17,240,169	
2033	5,867,714	1,979,500	846,100	5,372,550	14,065,864	17,240,169	
2034	5,546,134	1,979,800	844,325	5,372,450	13,742,709	17,240,169	
2035	4,519,477	1,976,725	846,425	5,374,700	12,717,327	17,240,169	
2036	4,374,408	1,980,275	847,175	5,373,850	12,575,708	17,240,169	
2037	4,224,340	0	846,575	5,374,675	10,445,590	17,240,169	
2038	4,079,471	0	844,625	5,371,725	10,295,821	17,240,169	
2039	3,934,603	0	846,325	5,374,775	10,155,703	17,240,169	
2040	3,789,734	0	846,450	3,583,150	8,219,334	17,240,169	
2041	3,079,200	0	0	1,792,175	4,871,375	17,240,169	
2042	2,968,000	0	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$29,596,913**	**$16,788,250**	**$79,228,050**	**$391,509,442**		



Note: The surplus revenues generated in Fiscal Year 2017 and Fiscal Year 2018 will be placed into a Capital Reserve Fund will be sufficient to cover the additional revenues needed in Fiscal Years 2019-2021. However, the City will need additional revenues in Fiscal Years 2023-2026.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements					Existing DS Budget			Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Additional $15 Million General Fund Issuances	Total	Total Non-Operating Revenue Available for Debt Service	FY 2017 & 2017 Surplus Into Capital Reserve Fund	Total Revenues Available	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169				17,240,169	17,240,169	-	17,240,169	-	-	-	
2017	17,136,995	0	0	0	17,136,995	17,240,169	-	17,240,169	103,173	-	103,173	--
2018	16,627,010	0	0	0	16,627,010	17,240,169	-	17,240,169	613,158	-	613,158	--
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,721	17,265,890	1	-	1	--
2020	16,364,498	861,975	309,000	0	17,535,473	17,240,169	295,305	17,535,474	0	-	0	--
2021	16,198,018	861,975	463,500	0	17,523,493	17,240,169	377,306	17,617,475	93,982	-	93,982	--
2022	15,795,832	861,975	463,500	0	17,121,307	17,240,169	-	17,240,169	118,862	-	118,862	--
2023	15,193,016	861,975	848,500	780,525	17,684,016	17,240,169	-	17,240,169	(443,848)	-	(443,848)	0.9¢
2024	13,714,557	1,976,975	846,175	1,561,050	18,098,757	17,240,169	-	17,240,169	(858,588)	443,848	(414,740)	0.8¢
2025	13,019,423	1,976,800	848,175	2,341,575	18,185,973	17,240,169	-	17,240,169	(945,804)	858,588	(87,216)	0.2¢
2026	12,696,229	1,979,375	849,275	2,341,575	17,866,454	17,240,169	-	17,240,169	(626,285)	945,804	319,519	--
2027	10,451,880	1,979,475	849,475	3,351,575	16,632,405	17,240,169	-	17,240,169	607,764	945,804	1,553,568	--
2028	8,604,845	1,977,100	848,775	4,361,125	15,791,845	17,240,169	-	17,240,169	1,448,323	945,804	2,394,128	--
2029	8,300,025	1,977,250	847,175	5,373,200	16,497,650	17,240,169	-	17,240,169	742,518	945,804	1,688,323	--
2030	7,302,437	1,979,700	844,675	5,375,550	15,502,362	17,240,169	-	17,240,169	1,737,807	945,804	2,683,611	--
2031	6,461,614	1,979,225	846,275	5,376,375	14,663,489	17,240,169	-	17,240,169	2,576,680	945,804	3,522,484	--
2032	6,262,698	1,975,825	846,750	5,375,450	14,460,723	17,240,169	-	17,240,169	2,779,445	945,804	3,725,250	--
2033	5,867,714	1,979,500	846,100	5,372,550	14,065,864	17,240,169	-	17,240,169	3,174,304	945,804	4,120,109	--
2034	5,546,134	1,979,800	844,325	5,372,450	13,742,709	17,240,169	-	17,240,169	3,497,459	945,804	4,443,264	--
2035	4,519,477	1,976,725	846,425	5,374,700	12,717,327	17,240,169	-	17,240,169	4,522,842	945,804	5,468,646	--
2036	4,374,408	1,980,275	847,175	5,373,850	12,575,708	17,240,169	-	17,240,169	4,664,460	945,804	5,610,265	--
2037	4,224,340		846,575	5,374,675	10,445,590	17,240,169	-	17,240,169	6,794,579	945,804	7,740,383	--
2038	4,079,471		844,625	5,371,725	10,295,821	17,240,169	-	17,240,169	6,944,347	945,804	7,890,152	--
2039	3,934,603		846,325	5,374,775	10,155,703	17,240,169	-	17,240,169	7,084,466	945,804	8,030,270	--
2040	3,789,734		846,450	3,583,150	8,219,334	17,240,169	-	17,240,169	9,020,834	945,804	9,966,639	--
2041	3,079,200			1,792,175	4,871,375	17,240,169	-	17,240,169	12,368,794	945,804	13,314,598	--
2042	2,968,000				2,968,000	17,240,169	-	17,240,169	14,272,169	945,804	15,217,973	--
2043	2,862,000				2,862,000	17,240,169	-	17,240,169	14,378,169	945,804	15,323,973	--
2044	2,756,000				2,756,000	17,240,169	-	17,240,169	14,484,169	945,804	15,429,973	--
										Total Equivalent Tax Impact:		1.9¢

Scenario 2C

City of Lynchburg, Virginia

Key Assumptions – Scenario 2C

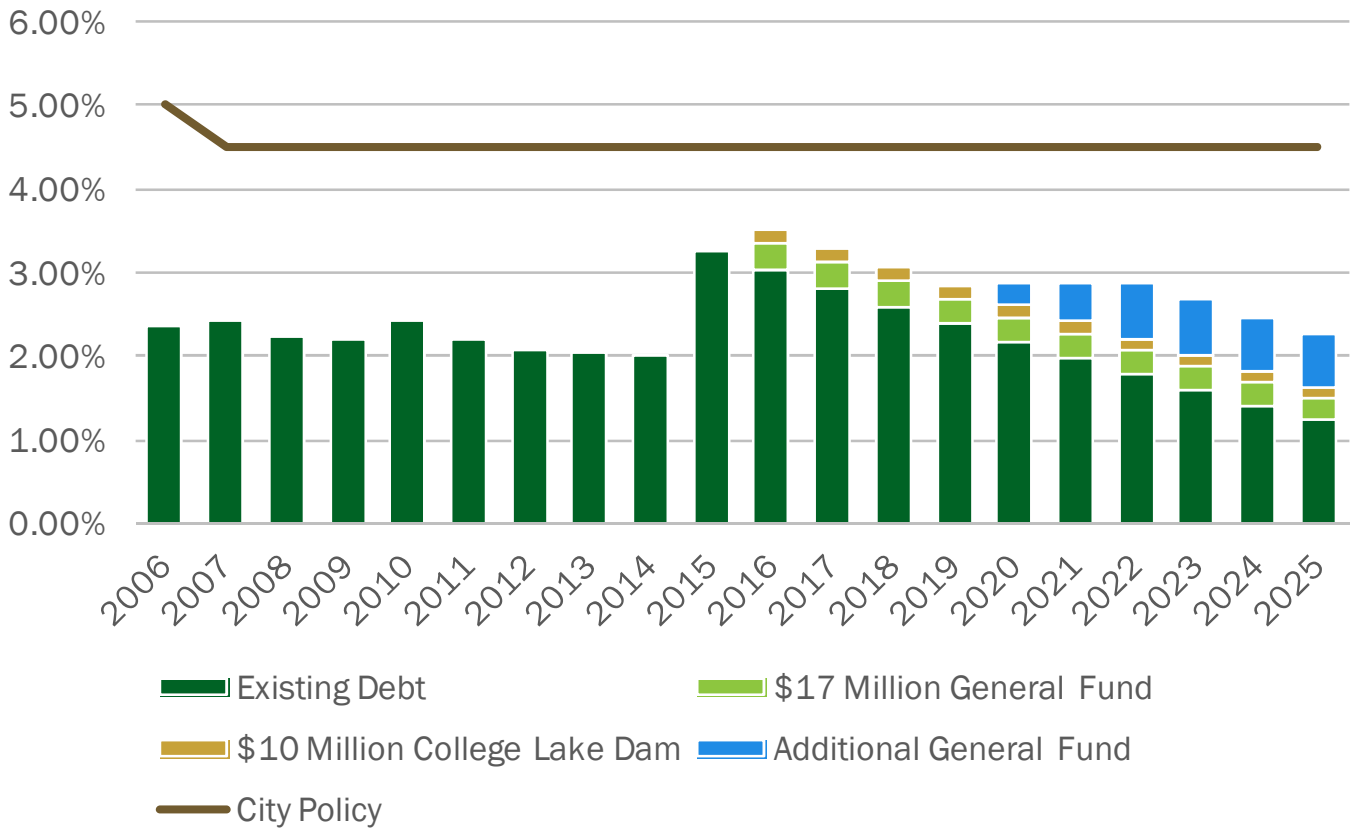
- Scenario 2C has all of the same assumptions as Scenario 1B except for the following:
  - An additional $15 million of General Fund New Money needs.
    - Borrowing/closing occurs Summer 2019, 2020 and 2021;
    - Interest Rate of 4.50%;
    - 24 Months Capitalized Interest;
    - 4 additional years of interest only; and,
    - Level Debt Service with principal amortized over the remaining 14 years.

Projected Debt Service

	Existing Tax Supported Debt			General Fund	College Lake Dam	Additional $15 Million	Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Total Debt Service	Total Debt Service	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	0	0	0	10,150,722	6,986,273	17,136,995	
2018	9,970,153	6,656,857	16,627,010	0	0	0	9,970,153	6,656,857	16,627,010	
2019	10,209,727	6,316,175	16,525,901	430,988	309,000	0	10,209,727	7,056,162	16,956,889	
2020	10,427,916	5,936,582	16,364,498	861,975	309,000	0	10,427,916	7,107,557	17,226,473	
2021	10,661,249	5,536,769	16,198,018	861,975	463,500	0	10,661,249	6,862,244	17,059,993	
2022	10,700,038	5,095,793	15,795,832	861,975	463,500	741,825	10,700,038	6,421,268	16,657,807	7.1%
2023	10,551,532	4,641,485	15,193,016	861,975	848,500	1,483,650	10,936,532	5,966,960	16,054,991	14.4%
2024	9,514,319	4,200,237	13,714,557	1,976,975	846,175	2,225,475	11,029,319	5,508,387	15,691,532	21.7%
2025	9,228,453	3,790,970	13,019,423	1,976,800	848,175	2,225,475	10,813,453	5,030,945	14,996,223	28.9%
2026	9,312,185	3,384,044	12,696,229	1,979,375	849,275	3,095,475	10,972,185	4,552,694	14,675,604	36.2%
2027	7,469,058	2,982,822	10,451,880	1,979,475	849,475	3,966,325	9,204,058	4,076,772	12,431,355	42.3%
2028	5,921,280	2,683,565	8,604,845	1,977,100	848,775	4,836,225	7,731,280	3,699,440	10,581,945	47.5%
2029	5,858,878	2,441,147	8,300,025	1,977,250	847,175	4,838,375	7,748,878	3,375,572	10,277,275	52.6%
2030	5,088,376	2,214,061	7,302,437	1,979,700	844,675	4,839,900	7,063,376	3,063,436	9,282,137	57.3%
2031	4,453,100	2,008,514	6,461,614	1,979,225	846,275	4,840,575	6,518,100	2,769,014	8,440,839	61.7%
2032	4,444,310	1,818,388	6,262,698	1,975,825	846,750	4,840,175	6,599,310	2,485,963	8,238,523	66.0%
2033	4,236,280	1,631,434	5,867,714	1,979,500	846,100	4,838,475	6,491,280	2,202,034	7,847,214	70.4%
2034	4,095,640	1,450,494	5,546,134	1,979,800	844,325	4,840,250	6,450,640	1,919,619	7,525,934	74.6%
2035	3,245,000	1,274,477	4,519,477	1,976,725	846,425	4,840,050	5,705,000	1,637,627	6,496,202	78.4%
2036	3,245,000	1,129,408	4,374,408	1,980,275	847,175	4,837,650	5,820,000	1,381,858	6,354,683	82.3%
2037	3,240,000	984,340	4,224,340	0	846,575	4,837,825	3,950,000	1,120,915	4,224,340	84.9%
2038	3,240,000	839,471	4,079,471	0	844,625	4,835,125	3,980,000	944,096	4,079,471	87.6%
2039	3,240,000	694,603	3,934,603	0	846,325	4,834,325	4,015,000	765,928	3,934,603	90.3%
2040	3,240,000	549,734	3,789,734	0	846,450	3,219,975	4,050,000	586,184	3,789,734	92.9%
2041	2,655,000	424,200	3,079,200	0	0	1,609,300	2,655,000	424,200	3,079,200	94.7%
2042	2,650,000	318,000	2,968,000	0	0	0	2,650,000	318,000	2,968,000	96.5%
2043	2,650,000	212,000	2,862,000	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	$182,303,043	$83,593,187	$265,896,229	$29,596,913	$16,788,250	$76,626,450	$211,758,043	$100,523,349	$295,493,142	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

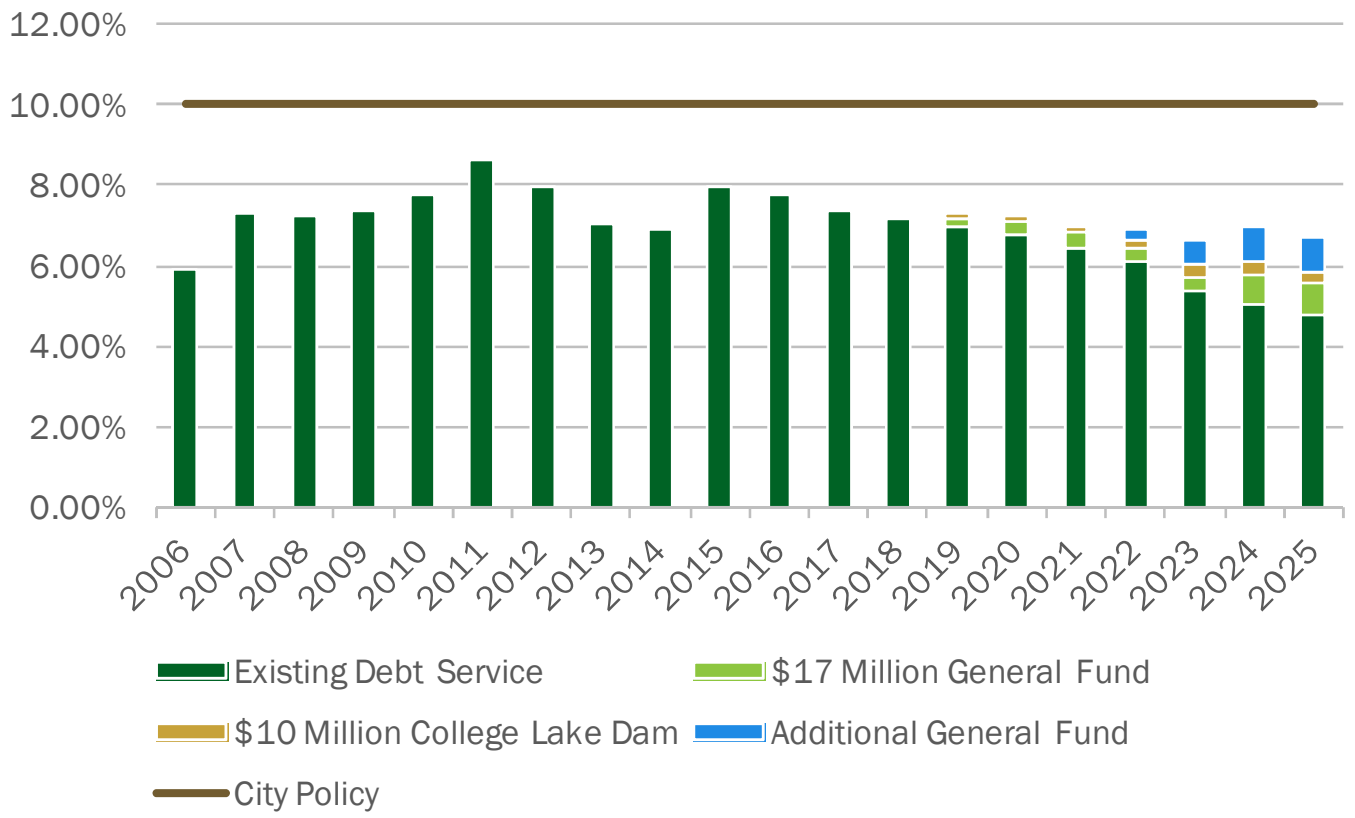


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance, and three additional $15 million bond issuances, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

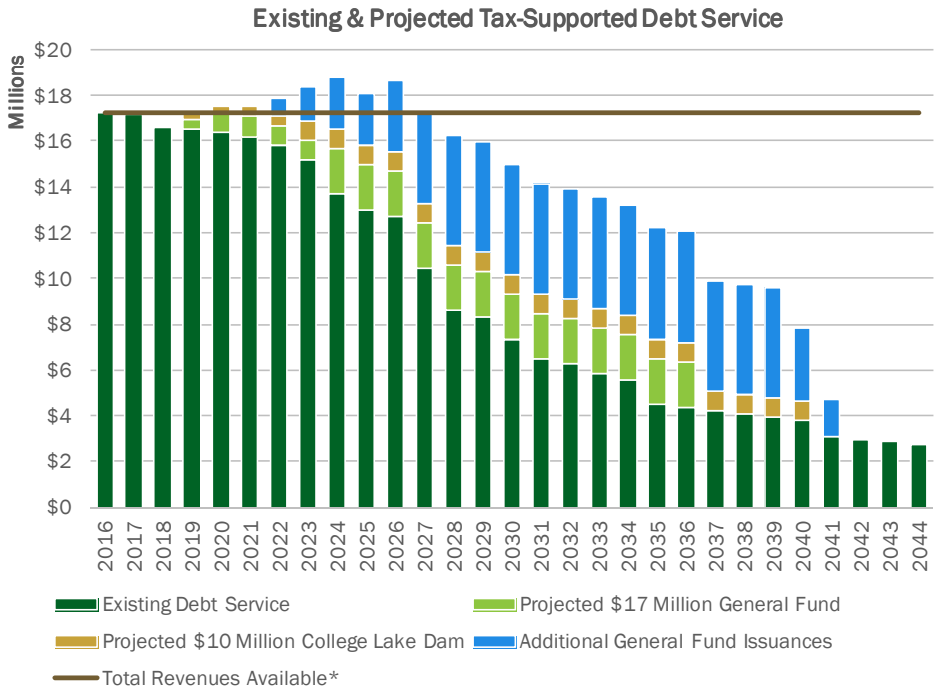


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance and three additional $15 million bond issuances, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Additional General Fund Issuances	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed
2016	$17,240,169	$0	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	0	0	0	17,136,995	17,240,169	(103,173)
2018	16,627,010	0	0	0	16,627,010	17,240,169	(613,158)
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,720
2020	16,364,498	861,975	309,000	0	17,535,473	17,240,169	295,305
2021	16,198,018	861,975	463,500	0	17,523,493	17,240,169	283,324
2022	15,795,832	861,975	463,500	741,825	17,863,132	17,240,169	622,963
2023	15,193,016	861,975	848,500	1,483,650	18,387,141	17,240,169	1,146,973
2024	13,714,557	1,976,975	846,175	2,225,475	18,763,182	17,240,169	1,523,013
2025	13,019,423	1,976,800	848,175	2,225,475	18,069,873	17,240,169	829,704
2026	12,696,229	1,979,375	849,275	3,095,475	18,620,354	17,240,169	1,380,185
2027	10,451,880	1,979,475	849,475	3,966,325	17,247,155	17,240,169	
2028	8,604,845	1,977,100	848,775	4,836,225	16,266,945	17,240,169	
2029	8,300,025	1,977,250	847,175	4,838,375	15,962,825	17,240,169	
2030	7,302,437	1,979,700	844,675	4,839,900	14,966,712	17,240,169	
2031	6,461,614	1,979,225	846,275	4,840,575	14,127,689	17,240,169	
2032	6,262,698	1,975,825	846,750	4,840,175	13,925,448	17,240,169	
2033	5,867,714	1,979,500	846,100	4,838,475	13,531,789	17,240,169	
2034	5,546,134	1,979,800	844,325	4,840,250	13,210,509	17,240,169	
2035	4,519,477	1,976,725	846,425	4,840,050	12,182,677	17,240,169	
2036	4,374,408	1,980,275	847,175	4,837,650	12,039,508	17,240,169	
2037	4,224,340	0	846,575	4,837,825	9,908,740	17,240,169	
2038	4,079,471	0	844,625	4,835,125	9,759,221	17,240,169	
2039	3,934,603	0	846,325	4,834,325	9,615,253	17,240,169	
2040	3,789,734	0	846,450	3,219,975	7,856,159	17,240,169	
2041	3,079,200	0	0	1,609,300	4,688,500	17,240,169	
2042	2,968,000	0	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$29,596,913**	**$16,788,250**	**$76,626,450**	**$388,907,842**		



Note: The surplus revenues generated in Fiscal Year 2017 and Fiscal Year 2018 will be placed into a Capital Reserve Fund and will be sufficient to cover the additional revenues needed in Fiscal Years 2019-2021. However, the City will need additional revenues in Fiscal Years 2022-2026.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements					Existing DS Budget			Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Additional $15 Million General Fund Issuances	Total	Total Non-Operating Revenue Available for Debt Service	FY 2017 & 2017 Surplus Into Capital Reserve Fund	Total Revenues Available	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169				17,240,169	17,240,169	-	17,240,169	-	-	-	
2017	17,136,995	0	0	0	17,136,995	17,240,169	-	17,240,169	103,173	-	103,173	--
2018	16,627,010	0	0	0	16,627,010	17,240,169	-	17,240,169	613,158	-	613,158	--
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,721	17,265,890	1	-	1	--
2020	16,364,498	861,975	309,000	0	17,535,473	17,240,169	295,305	17,535,474	0	-	0	--
2021	16,198,018	861,975	463,500	0	17,523,493	17,240,169	377,306	17,617,475	93,982	-	93,982	--
2022	15,795,832	861,975	463,500	741,825	17,863,132	17,240,169	-	17,240,169	(622,963)	-	(622,963)	**1.2¢**
2023	15,193,016	861,975	848,500	1,483,650	18,387,141	17,240,169	-	17,240,169	(1,146,973)	622,963	(524,009)	**1.0¢**
2024	13,714,557	1,976,975	846,175	2,225,475	18,763,182	17,240,169	-	17,240,169	(1,523,013)	1,146,973	(376,040)	**0.8¢**
2025	13,019,423	1,976,800	848,175	2,225,475	18,069,873	17,240,169	-	17,240,169	(829,704)	1,523,013	693,309	--
2026	12,696,229	1,979,375	849,275	3,095,475	18,620,354	17,240,169	-	17,240,169	(1,380,185)	1,523,013	142,828	--
2027	10,451,880	1,979,475	849,475	3,966,325	17,247,155	17,240,169	-	17,240,169	(6,986)	1,523,013	1,516,027	--
2028	8,604,845	1,977,100	848,775	4,836,225	16,266,945	17,240,169	-	17,240,169	973,223	1,523,013	2,496,237	--
2029	8,300,025	1,977,250	847,175	4,838,375	15,962,825	17,240,169	-	17,240,169	1,277,343	1,523,013	2,800,357	--
2030	7,302,437	1,979,700	844,675	4,839,900	14,966,712	17,240,169	-	17,240,169	2,273,457	1,523,013	3,796,470	--
2031	6,461,614	1,979,225	846,275	4,840,575	14,127,689	17,240,169	-	17,240,169	3,112,480	1,523,013	4,635,493	--
2032	6,262,698	1,975,825	846,750	4,840,175	13,925,448	17,240,169	-	17,240,169	3,314,720	1,523,013	4,837,733	--
2033	5,867,714	1,979,500	846,100	4,838,475	13,531,789	17,240,169	-	17,240,169	3,708,379	1,523,013	5,231,392	--
2034	5,546,134	1,979,800	844,325	4,840,250	13,210,509	17,240,169	-	17,240,169	4,029,659	1,523,013	5,552,672	--
2035	4,519,477	1,976,725	846,425	4,840,050	12,182,677	17,240,169	-	17,240,169	5,057,492	1,523,013	6,580,505	--
2036	4,374,408	1,980,275	847,175	4,837,650	12,039,508	17,240,169	-	17,240,169	5,200,660	1,523,013	6,723,673	--
2037	4,224,340		846,575	4,837,825	9,908,740	17,240,169	-	17,240,169	7,331,429	1,523,013	8,854,442	--
2038	4,079,471		844,625	4,835,125	9,759,221	17,240,169	-	17,240,169	7,480,947	1,523,013	9,003,960	--
2039	3,934,603		846,325	4,834,325	9,615,253	17,240,169	-	17,240,169	7,624,916	1,523,013	9,147,929	--
2040	3,789,734		846,450	3,219,975	7,856,159	17,240,169	-	17,240,169	9,384,009	1,523,013	10,907,022	--
2041	3,079,200			1,609,300	4,688,500	17,240,169	-	17,240,169	12,551,669	1,523,013	14,074,682	--
2042	2,968,000				2,968,000	17,240,169	-	17,240,169	14,272,169	1,523,013	15,795,182	--
2043	2,862,000				2,862,000	17,240,169	-	17,240,169	14,378,169	1,523,013	15,901,182	--
2044	2,756,000				2,756,000	17,240,169	-	17,240,169	14,484,169	1,523,013	16,007,182	--
										Total Equivalent Tax Impact:		**3.0¢**

Scenario 2D

City of Lynchburg, Virginia

Key Assumptions – Scenario 2D

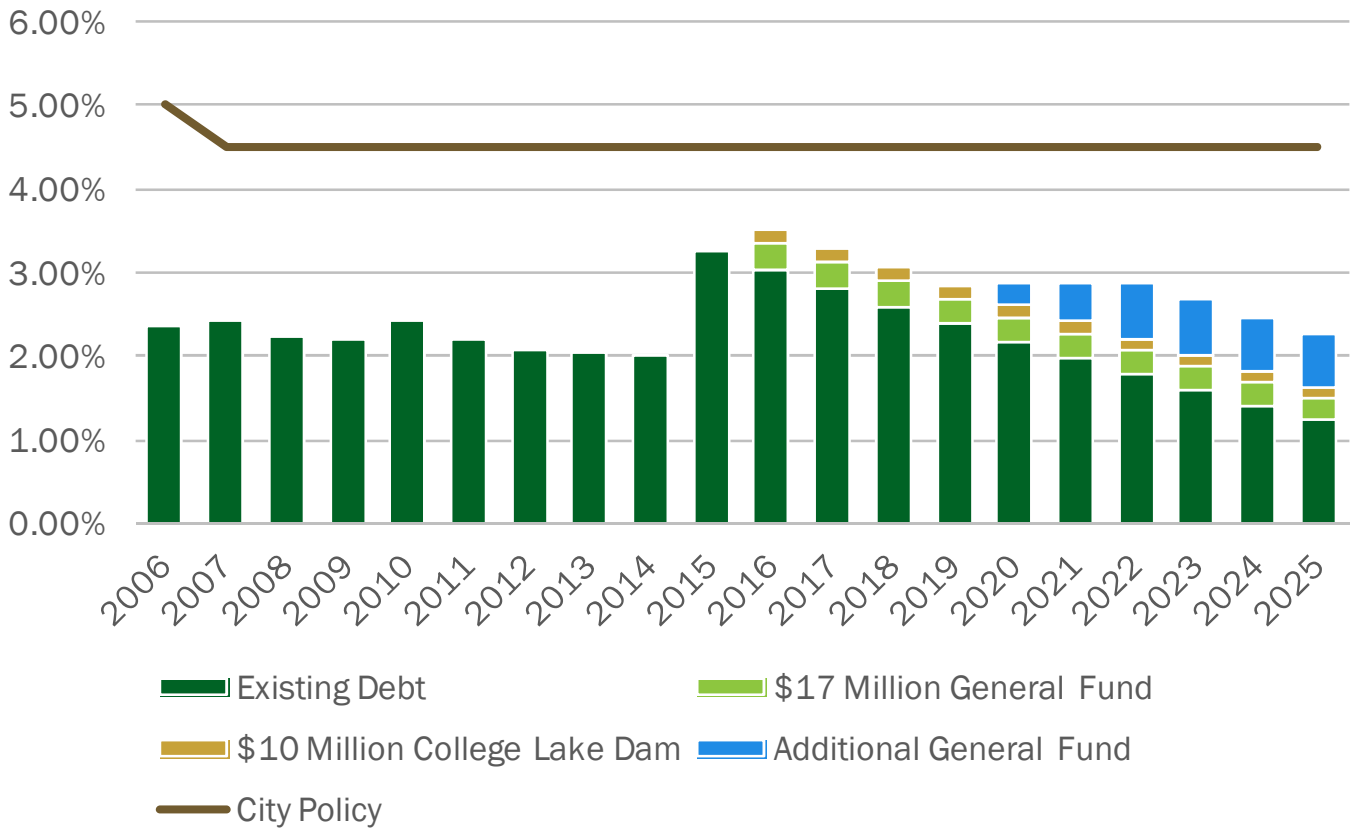
- Scenario 2D has all of the same assumptions as Scenario 1B except for the following:
  - An additional $15 million of General Fund New Money needs.
    - Borrowing/closing occurs Summer 2019, 2020 and 2021;
    - Interest Rate of 4.50%;
    - No Capitalized Interest;
    - 5 years of interest only; and,
    - Level Debt Service with principal amortized over the remaining 15 years.

Projected Debt Service

	Existing Tax Supported Debt			General Fund	College Lake Dam	Additional $15 Million	Total Existing and Potential Debt			
FY	Principal	Interest	Total Debt Service	Total Debt Service	Total Debt Service	Total Debt Service	Principal	Interest	Total Debt Service	Payout Ratio
2016	$9,954,827	$7,285,342	$17,240,169	$0	$0	$0	$9,954,827	$7,285,342	$17,240,169	
2017	10,150,722	6,986,273	17,136,995	0	0	0	10,150,722	6,986,273	17,136,995	
2018	9,970,153	6,656,857	16,627,010	0	0	0	9,970,153	6,656,857	16,627,010	
2019	10,209,727	6,316,175	16,525,901	430,988	309,000	0	10,209,727	7,056,162	16,956,889	
2020	10,427,916	5,936,582	16,364,498	861,975	309,000	675,000	10,427,916	7,107,557	17,226,473	
2021	10,661,249	5,536,769	16,198,018	861,975	463,500	1,350,000	10,661,249	6,862,244	17,059,993	
2022	10,700,038	5,095,793	15,795,832	861,975	463,500	2,025,000	10,700,038	6,421,268	16,657,807	7.1%
2023	10,551,532	4,641,485	15,193,016	861,975	848,500	2,025,000	10,936,532	5,966,960	16,054,991	14.4%
2024	9,514,319	4,200,237	13,714,557	1,976,975	846,175	2,025,000	11,029,319	5,508,387	15,691,532	21.7%
2025	9,228,453	3,790,970	13,019,423	1,976,800	848,175	2,745,000	10,813,453	5,030,945	14,996,223	28.9%
2026	9,312,185	3,384,044	12,696,229	1,979,375	849,275	3,467,600	10,972,185	4,552,694	14,675,604	36.2%
2027	7,469,058	2,982,822	10,451,880	1,979,475	849,475	4,191,225	9,204,058	4,076,772	12,431,355	42.3%
2028	5,921,280	2,683,565	8,604,845	1,977,100	848,775	4,194,300	7,731,280	3,699,440	10,581,945	47.5%
2029	5,858,878	2,441,147	8,300,025	1,977,250	847,175	4,192,650	7,748,878	3,375,572	10,277,275	52.6%
2030	5,088,376	2,214,061	7,302,437	1,979,700	844,675	4,191,275	7,063,376	3,063,436	9,282,137	57.3%
2031	4,453,100	2,008,514	6,461,614	1,979,225	846,275	4,189,950	6,518,100	2,769,014	8,440,839	61.7%
2032	4,444,310	1,818,388	6,262,698	1,975,825	846,750	4,188,450	6,599,310	2,485,963	8,238,523	66.0%
2033	4,236,280	1,631,434	5,867,714	1,979,500	846,100	4,186,550	6,491,280	2,202,034	7,847,214	70.4%
2034	4,095,640	1,450,494	5,546,134	1,979,800	844,325	4,189,025	6,450,640	1,919,619	7,525,934	74.6%
2035	3,245,000	1,274,477	4,519,477	1,976,725	846,425	4,190,425	5,705,000	1,637,627	6,496,202	78.4%
2036	3,245,000	1,129,408	4,374,408	1,980,275	847,175	4,190,525	5,820,000	1,381,858	6,354,683	82.3%
2037	3,240,000	984,340	4,224,340	0	846,575	4,189,100	3,950,000	1,120,915	4,224,340	84.9%
2038	3,240,000	839,471	4,079,471	0	844,625	4,190,925	3,980,000	944,096	4,079,471	87.6%
2039	3,240,000	694,603	3,934,603	0	846,325	4,190,550	4,015,000	765,928	3,934,603	90.3%
2040	3,240,000	549,734	3,789,734	0	846,450	2,792,750	4,050,000	586,184	3,789,734	92.9%
2041	2,655,000	424,200	3,079,200	0	0	1,395,075	2,655,000	424,200	3,079,200	94.7%
2042	2,650,000	318,000	2,968,000	0	0	0	2,650,000	318,000	2,968,000	96.5%
2043	2,650,000	212,000	2,862,000	0	0	0	2,650,000	212,000	2,862,000	98.2%
2044	2,650,000	106,000	2,756,000	0	0	0	2,650,000	106,000	2,756,000	100.0%
Total	$182,303,043	$83,593,187	$265,896,229	$29,596,913	$16,788,250	$72,975,375	$211,758,043	$100,523,349	$295,493,142	

Debt as a Percentage of Assessed Value

The City's Debt Service to Assessed Valuation is currently projected to be well below the City's policy of 4.50%.

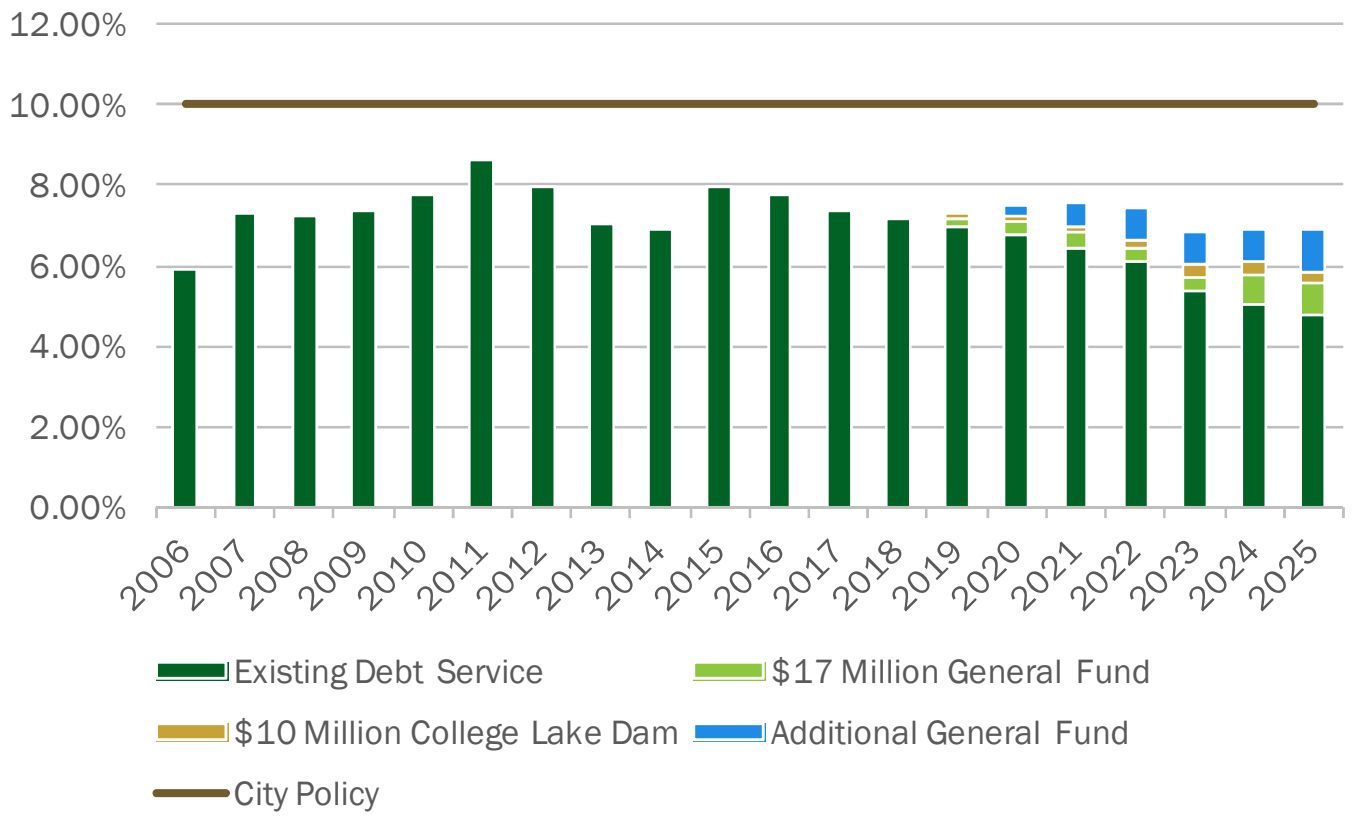


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance, and three additional $15 million bond issuances, the City will remain below the 4.50% policy level.

Note: Assessed Values are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Debt Service as a Percentage of Expenditures

The City's Debt Service to Expenditures Ratio is projected to stay below the City's Policy of 10%

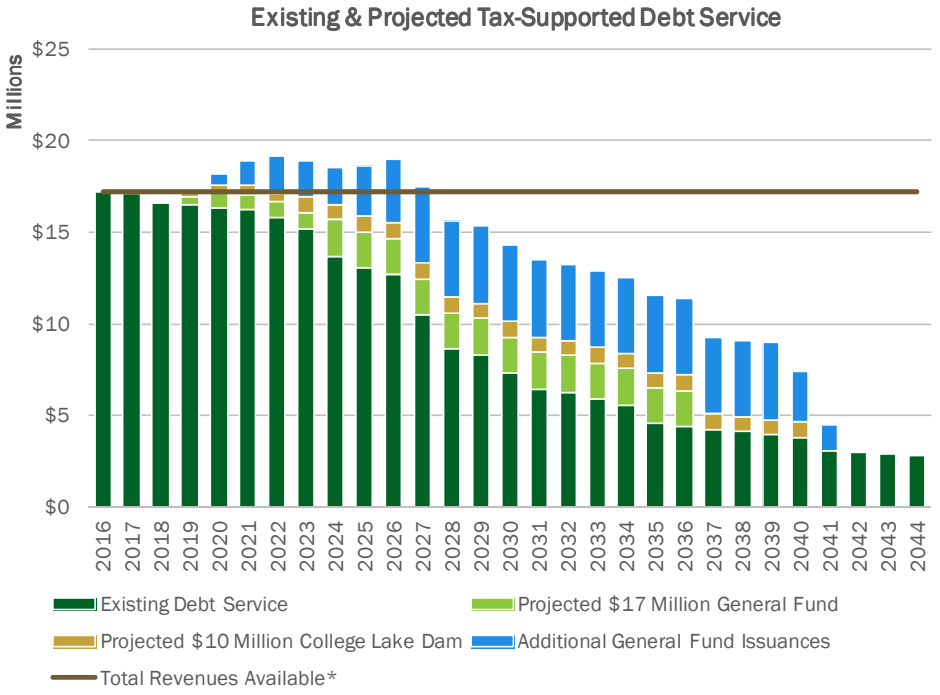


Including the potential $17 million General Fund bond issuance, $10 million College Lake Dam bond issuance and three additional $15 million bond issuances, the City will remain below the 10% policy level.

Note: Expenditures are assumed to grow 2.0% annually beginning in Fiscal Year 2016.

Cash Flow Impact

	Existing Debt Service	Projected $17 Million General Fund	Projected $10 Million College Lake Dam	Additional General Fund Issuances	Total Estimated Debt Service	Total Revenues Available*	Additional Revenues Needed
2016	$17,240,169	$0	$0	$0	$17,240,169	$17,240,169	
2017	17,136,995	0	0	0	17,136,995	17,240,169	(103,173)
2018	16,627,010	0	0	0	16,627,010	17,240,169	(613,158)
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,720
2020	16,364,498	861,975	309,000	675,000	18,210,473	17,240,169	970,305
2021	16,198,018	861,975	463,500	1,350,000	18,873,493	17,240,169	1,633,324
2022	15,795,832	861,975	463,500	2,025,000	19,146,307	17,240,169	1,906,138
2023	15,193,016	861,975	848,500	2,025,000	18,928,491	17,240,169	1,688,323
2024	13,714,557	1,976,975	846,175	2,025,000	18,562,707	17,240,169	1,322,538
2025	13,019,423	1,976,800	848,175	2,745,000	18,589,398	17,240,169	1,349,229
2026	12,696,229	1,979,375	849,275	3,467,600	18,992,479	17,240,169	1,752,310
2027	10,451,880	1,979,475	849,475	4,191,225	17,472,055	17,240,169	231,886
2028	8,604,845	1,977,100	848,775	4,194,300	15,625,020	17,240,169	
2029	8,300,025	1,977,250	847,175	4,192,650	15,317,100	17,240,169	
2030	7,302,437	1,979,700	844,675	4,191,275	14,318,087	17,240,169	
2031	6,461,614	1,979,225	846,275	4,189,950	13,477,064	17,240,169	
2032	6,262,698	1,975,825	846,750	4,188,450	13,273,723	17,240,169	
2033	5,867,714	1,979,500	846,100	4,186,550	12,879,864	17,240,169	
2034	5,546,134	1,979,800	844,325	4,189,025	12,559,284	17,240,169	
2035	4,519,477	1,976,725	846,425	4,190,425	11,533,052	17,240,169	
2036	4,374,408	1,980,275	847,175	4,190,525	11,392,383	17,240,169	
2037	4,224,340	0	846,575	4,189,100	9,260,015	17,240,169	
2038	4,079,471	0	844,625	4,190,925	9,115,021	17,240,169	
2039	3,934,603	0	846,325	4,190,550	8,971,478	17,240,169	
2040	3,789,734	0	846,450	2,792,750	7,428,934	17,240,169	
2041	3,079,200	0	0	1,395,075	4,474,275	17,240,169	
2042	2,968,000	0	0	0	2,968,000	17,240,169	
2043	2,862,000	0	0	0	2,862,000	17,240,169	
2044	2,756,000	0	0	0	2,756,000	17,240,169	
Total	**$265,896,229**	**$29,596,913**	**$16,788,250**	**$72,975,375**	**$385,256,767**		



Note: The surplus revenues generated in Fiscal Year 2017 and Fiscal Year 2018 will be placed into a Capital Reserve Fund and will be used to reduce the additional revenues needed in 2019 and 2020. However, the City will need additional revenues in Fiscal Years 2020-2027.

*Total Revenues available is estimated based on 2016 Debt Service.

Real Estate Tax Equivalent Impact

	Debt Service Requirements					Existing DS Budget			Debt Service Cash Flow Surplus (Deficit)			
FY	Existing Tax-Supported Debt Service	Projected $17 Million General Fund Debt Service	Projected $10 Million College Lake Dam	Additional $15 Million General Fund Issuances	Total	Total Non-Operating Revenue Available for Debt Service	FY 2017 & 2017 Surplus Into Capital Reserve Fund	Total Revenues Available	Surplus/ (Deficit)	Revenue from Prior Tax Increase	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent
2016	17,240,169				17,240,169	17,240,169	-	17,240,169	-	-	-	
2017	17,136,995	0	0	0	17,136,995	17,240,169	-	17,240,169	103,173	-	103,173	--
2018	16,627,010	0	0	0	16,627,010	17,240,169	-	17,240,169	613,158	-	613,158	--
2019	16,525,901	430,988	309,000	0	17,265,889	17,240,169	25,721	17,265,890	1	-	1	--
2020	16,364,498	861,975	309,000	675,000	18,210,473	17,240,169	690,611	17,930,779	(279,694)	-	(279,694)	0.6¢
2021	16,198,018	861,975	463,500	1,350,000	18,873,493	17,240,169		17,240,169	(1,633,324)	279,694	(1,353,630)	2.7¢
2022	15,795,832	861,975	463,500	2,025,000	19,146,307	17,240,169	-	17,240,169	(1,906,138)	1,633,324	(272,814)	0.5¢
2023	15,193,016	861,975	848,500	2,025,000	18,928,491	17,240,169	-	17,240,169	(1,688,323)	1,906,138	217,816	--
2024	13,714,557	1,976,975	846,175	2,025,000	18,562,707	17,240,169	-	17,240,169	(1,322,538)	1,906,138	583,600	--
2025	13,019,423	1,976,800	848,175	2,745,000	18,589,398	17,240,169	-	17,240,169	(1,349,229)	1,906,138	556,909	--
2026	12,696,229	1,979,375	849,275	3,467,600	18,992,479	17,240,169	-	17,240,169	(1,752,310)	1,906,138	153,828	--
2027	10,451,880	1,979,475	849,475	4,191,225	17,472,055	17,240,169	-	17,240,169	(231,886)	1,906,138	1,674,252	--
2028	8,604,845	1,977,100	848,775	4,194,300	15,625,020	17,240,169	-	17,240,169	1,615,148	1,906,138	3,521,287	--
2029	8,300,025	1,977,250	847,175	4,192,650	15,317,100	17,240,169	-	17,240,169	1,923,068	1,906,138	3,829,207	--
2030	7,302,437	1,979,700	844,675	4,191,275	14,318,087	17,240,169	-	17,240,169	2,922,082	1,906,138	4,828,220	--
2031	6,461,614	1,979,225	846,275	4,189,950	13,477,064	17,240,169	-	17,240,169	3,763,105	1,906,138	5,669,243	--
2032	6,262,698	1,975,825	846,750	4,188,450	13,273,723	17,240,169	-	17,240,169	3,966,445	1,906,138	5,872,584	--
2033	5,867,714	1,979,500	846,100	4,186,550	12,879,864	17,240,169	-	17,240,169	4,360,304	1,906,138	6,266,443	--
2034	5,546,134	1,979,800	844,325	4,189,025	12,559,284	17,240,169	-	17,240,169	4,680,884	1,906,138	6,587,023	--
2035	4,519,477	1,976,725	846,425	4,190,425	11,533,052	17,240,169	-	17,240,169	5,707,117	1,906,138	7,613,255	--
2036	4,374,408	1,980,275	847,175	4,190,525	11,392,383	17,240,169	-	17,240,169	5,847,785	1,906,138	7,753,924	--
2037	4,224,340		846,575	4,189,100	9,260,015	17,240,169	-	17,240,169	7,980,154	1,906,138	9,886,292	--
2038	4,079,471		844,625	4,190,925	9,115,021	17,240,169	-	17,240,169	8,125,147	1,906,138	10,031,286	--
2039	3,934,603		846,325	4,190,550	8,971,478	17,240,169	-	17,240,169	8,268,691	1,906,138	10,174,829	--
2040	3,789,734		846,450	2,792,750	7,428,934	17,240,169	-	17,240,169	9,811,234	1,906,138	11,717,373	--
2041	3,079,200			1,395,075	4,474,275	17,240,169	-	17,240,169	12,765,894	1,906,138	14,672,032	--
2042	2,968,000				2,968,000	17,240,169	-	17,240,169	14,272,169	1,906,138	16,178,307	--
2043	2,862,000				2,862,000	17,240,169	-	17,240,169	14,378,169	1,906,138	16,284,307	--
2044	2,756,000				2,756,000	17,240,169	-	17,240,169	14,484,169	1,906,138	16,390,307	--
										Total Equivalent Tax Impact:		3.8¢

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Version 01/13/2014 GL/DJG/CR

Capital Projects Overview

February 23, 2016

General Fund Fixed Assets

- **$560 Million Total Value**
- @ 50 year depreciation = $11.2 M/yr.
- @ 30 year depreciation = $18.7 M/yr.

- Base planning on $15 M/yr.
- About $1 million/year in new debt service

Proposed FY 2017 Bond Funding

- Main St. Bridge ($5M)
- Timberlake Road/Logan's Lane ($5M)
- Wards Ferry Road-Timberlake to Aaron Place ($5M)
- Culvert Replacement ($1M+)
- Downtown Streetscape ($3M+)

Big Rocks ($8-10 M+ est.)

- College Lake Dam
- 501/221 Intersection
- Downtown Streetscape – other 42 blocks
- Linkhorne Elementary School
- Paul Munro Elementary School
- Sandusky Elementary School
- Public Safety Building
- New Downtown Parking Deck

Smaller Rocks--Deferred Projects

- Aquatic Center/Miller Park Pool Replacement ($3M+)
- Community Market Deck Repairs ($3M?)
- Fifth St. Phase III ($3M)
- City Stadium Park/ Allen Morrison ($2M)
- Miller Park Renovations based on the Master Plan
- Riverside Park Overlook ($1M+)—**Safety Issue**
- Community Market Interior Renovations ($1M)
- Elementary Schools Gymnasiums ($3M)
- Peaks View Park Field Renovations ($2M)
- Bicycle Athletics Complex ($3M)

Deferred Transportation Projects

- Breezewood Drive Widening ($8M)
- Wards Ferry Road Widening ($5M)
- Link Road Bridge Replacement ($2M+)
- Indian Hill Bridge Replacement ($3M)
- Odd Fellows Bridge Replacement ($5M)
- Timberlake Road Bridge over Expressway Major Maintenance ($2M)

Other Potential BIG Projects

- General District Courthouse
- Circuit Courthouse
- Other School projects
- Multipurpose Recreation Center

Discussion

Questions?

// A regular meeting of the Council of the City of Lynchburg was held on the 23rd day of February, 2016, at 4:00 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

Present: Foster, Helgeson, Nelson, Perrow, Gillette 5

Absent: Johnson, Tweedy 2

// Vice Mayor Johnson arrived at 4:07 p.m.

// Council Member Tweedy arrived at 4:39 p.m.

// Tim Trent, Superintendent of the Blue Ridge Regional Jail Authority (BRRJA), provided information on jail operations. Mr. Trent stated that the mission is to support the criminal justice system by operating its centers (Amherst County Adult Detention Center, Bedford Adult Detention Center, Campbell County Adult Detention Center, Halifax County Adult Detention Center and Lynchburg Adult Detention Center) in a manner that produces a safe and secure environment for the public, staff and inmates. All the sites are regularly audited by the Department of Corrections to ensure compliance with Minimum Standards that are set forth by the Board of Corrections and they consistently receive 100% compliance. He further stated that BRRJA currently has ample space to house the anticipated inmate population moving forward and does not foresee any need for expansions nor does he anticipate any new member jurisdictions being added. The City is responsible for approximately 40% of the inmates in the regional jail system and pays approximately 40% of the costs.

// Marjette Upshur, Director of Economic Development presented two programs. The Office of Economic Development has created two programs aimed at providing support to all Lynchburg citizens, including those living at or below the poverty level. The first initiative, TechHire, is a White House initiative to equip citizens with an employable skill through an accelerated learning program. She went on to say an application to the Department of Labor in the amount of $2.1 million dollars over four years has been made to support Lynchburg's local TechHire plans. The second initiative, CO-STARTERS, is a nine-week training program for entrepreneurs with classes to begin March 14, 2016. Graduates will have the opportunity to compete for $40,000 in business grants to open a storefront business. The two programs focus on entrepreneurship and economic empowerment to help close the income gap for Lynchburg citizens who may have barriers to employment. Council agreed to submit a letter of support endorsing the $2.1 million grant for TechHire Initiative.

// City Manager Kimball Payne continued discussion on the Bond Financing Plan. The two topics of discussion were Davenport & Company's report, "Potential Refunding and New Money Analysis" and an overview of Capital Projects. Mr. Payne provided information on several financing proposals including Scenario 1A (no debt structuring) and Scenario 1B (debt structuring). He stated that the proposed budget is structured around Scenario 1A. After further discussion, City Council reached a consensus to follow Scenario 1A.

// There were no roll call items.

// City Council recessed the meeting at 6:35 p.m.

// City Council reconvened the meeting at 7:30 p.m.

The following Members were present:

Present: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Absent: 0

Council Member Tweedy gave the Invocation and Boy Scout Troop #7 led the Pledge of Allegiance.

// In the matter of Schools – General, Resolution #R-16-017 to amend the FY 2016 General Fund Budget and appropriate $3,500,000 with resources from the Heritage High School Furniture, Fixtures and Equipment Committed Fund Balance Reserve for transfer to the FY 2016 Schools Capital Project Fund to purchase furniture and equipment for Heritage High School, laid over from the February 9, 2016 meeting, was again presented and read, and on motion of Council Member Johnson, seconded by Council Member Tweedy, Council by the following recorded vote adopted the Resolution:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Parks & Recreation – Stadium, a public hearing was held regarding City Council Report #6 concerning receiving bids and approving the Franchise Agreement between the Lynchburg Baseball Corp. and the City of Lynchburg for the lease of City Stadium, Calvin Falwell Field. City Manager Kimball Payne gave a summary of the item. Mr. Payne stated that the Lynchburg Baseball Corp., owner of the minor league baseball team the Lynchburg Hillcats, is being bought by Elmore Sports Group. He went on to say that Elmore Sports Group is a diverse sports and entertainment business that owns several minor league baseball and hockey teams. Mr. Payne mentioned that Section 3.05 (Fireworks) of the agreement would be amended to clarify that fireworks displays shall be limited to Friday and Saturday evenings and the Fourth of July. Elmore Sports Group has indicated its intention for the Hillcats to remain in Lynchburg. Mr. D. G. Elmore with Elmore Sports Group asked Council to approve the Franchise Agreement. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Helgeson, seconded by Council Member Nelson, Council by the following recorded vote awarded a franchise agreement, as amended, to the Lynchburg Baseball Corp. and the City of Lynchburg for the lease of City Stadium, Calvin Falwell Field:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// In the matter of Community Development – Zoning, City Council Report #7 was considered. City Planner Tom Martin mentioned the memorandum with the changes to the Zoning Ordinance. He also provided some additional information and clarification on the Occupancy Section of the Zoning Ordinance. On motion of Council Member Foster, seconded by Council Member Tweedy, Council by the following recorded vote adopted Ordinance #0-15-018, as amended, to amend and reenact the Code of the City of Lynchburg, 1981, by repealing Chapter 35.1 - Zoning Ordinance and adopting Chapter 35.2 - Zoning Ordinance of the Lynchburg Code of Ordinances, revising and recodifying the City's Ordinances pertaining to Zoning:

Ayes: Foster, Helgeson, Johnson, Nelson, Perrow, Tweedy, Gillette 7

Noes: 0

// The meeting was adjourned at 8:30 P.M.

_____

Clerk of Council

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **February 23, 2016** AGENDA ITEM NO.: 6

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Approval of Franchise Agreement between the Lynchburg Baseball Corp. and the City of Lynchburg for the Lease of City Stadium, Calvin Falwell Field**

RECOMMENDATION: After a public hearing, adopt the attached franchise agreement providing a ten year lease of City Stadium, Calvin Falwell Field, to the Lynchburg Baseball Corp. to allow the Lynchburg Hillcats to continue to play its home games in City Stadium.

SUMMARY: The Lynchburg Baseball Corp., owner of the minor league baseball team the Lynchburg Hillcats, is being bought by Elmore Sports Group, Ltd. (Elmore Sports). Elmore Sports is a diverse sports and entertainment business that owns several minor league baseball and hockey teams. More information about the company can be found at http://elmoresportsgroup.com/ .

Elmore Sports has indicated its intention for the Hillcats to remain in Lynchburg. Toward that end a franchise providing for a ten year lease of the baseball facilities at City Stadium has been developed.

Under the terms of a memorandum of understanding with the Lynchburg Baseball Corp. the sale of the Hillcats will include a payment to the City for remaining debt service on debt that was incurred when the baseball stadium was renovated in 2004. That payment will amount to approximately $2.1 million.

The franchise agreement includes a provision that the City will reinvest the $2.1 million payment into improvements that are believed necessary to provide a modern facility that is welcoming and safe for both fans and players. Three uses have been identified for the funds:

- field improvements for playability, safety and drainage
- parking lot improvements to maximize available parking
- improved netting and seating behind home plate

Preliminary design work has commenced on the first two items and it is believed that they can be accomplished with the funds from the payment.

Significant additional franchise terms include:

- the team will pay no annual rent for use of the stadium, but would be responsible for certain maintenance and operational costs
- the team will make an annual payment to support City youth sports programs
- the City will retain all sales tax and meals tax revenues from events
- the stadium can be used for other special or City events
- the franchise term is for ten years
- Lynchburg Baseball Corp. pledges that the team will remain in the City for the term of the franchise
- the franchise includes a provision restricting both the ending time of games (11:30 pm on week nights, and midnight on Friday and Saturday) and the commencement of fireworks displays (10:00 pm, except under extraordinary circumstances)

Since this item relates to a franchise agreement, the procedure will be a little different from a typical lease proposal and public hearing.

1) The Mayor will announce that the City is receiving bids to award a franchise to Lynchburg Baseball Corp.
2) Lynchburg Baseball Corp. will submit a cover letter to go with the proposed Franchise Agreement stating that it wishes to enter into a Franchise Agreement with the City under the terms and conditions set forth in the proposed Franchise Agreement.
3) If no other party submits a proposal for the franchise, Council can proceed with the public hearing.
4) If another party submits a proposal, Council should defer this matter until March 8th and ask staff to review the proposal(s) and make a recommendation.

PRIOR ACTION(S): December 8, 2015; City Council was briefed on the franchise negotiations and the proposed terms.

FISCAL IMPACT: The City will retain all sales and meals tax revenues from events at the stadium.

CONTACT(S): Kimball Payne, City Manager, 455-3990

ATTACHMENT(S): Franchise Agreement; December 8, 2015 Council Report

REVIEWED BY: lkp

024K

City of Lynchburg

Baseball Stadium Franchise Agreement

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EXHIBIT A

Stadium Plan

AN ORDINANCE GRANTING A FRANCHISE TO THE LYNCHBURG BASEBALL CORP.,DOING BUSINESS AS THE LYNCHBURG HILLCATS OF THE CAROLINA LEAGUE, TO ALLOW THE LYNCHBURG HILLCATS TO CONTINUE TO PLAY THEIR HOME BASEBALL GAMES AT THE LYNCHBURG CITY STADIUM, CALVIN FALWELL FIELD.

CITY OF LYNCHBURG

BASEBALL STADIUM FRANCHISE AGREEMENT

This Baseball Stadium Franchise Agreement (Franchise) is made and entered into as of this ____ day of _____, 2016, by and between the CITY OF LYNCHBURG, a municipal corporation of the Commonwealth of Virginia (the City) and the LYNCHBURG BASEBALL CORP., a Virginia corporation d/b/a LYNCHBURG HILLCATS OF THE CAROLINA LEAGUE (the Team).

WHEREAS, the Lynchburg Baseball Corp. has owned and operated a baseball team in the City of Lynchburg for over thirty years and,

WHEREAS, that team, The Lynchburg Hillcats, is a member of the Class A Advanced Carolina League of Minor League Baseball, and

WHEREAS, the Lynchburg Baseball Corp. has changed ownership, and

WHEREAS, the Lynchburg Baseball Corp. and the City desire that the Lynchburg Hillcats remain in the Carolina League and continue to play their home baseball games at Lynchburg City Stadium, Calvin Falwell Field (the Baseball Stadium).

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt of which is mutually acknowledged, the City and Team agree as follows:

ARTICLE I

DEFINITIONS

For purposes of this Franchise, the terms defined in this section shall have the meanings as specified herein whether stated in the plural or singular.

Section 1.01. "BASEBALL SEASON" shall mean the period commencing April 1st of each full calendar year of this Franchise and ending on the date on which the Team's last home game is played during the same calendar year including any and all post-season competition, exhibition, play-off and All-Star games, pursuant to the Carolina League schedule.

Section 1.02. "CITY EVENTS" shall mean all events or activities held at the Stadium,

except a Team Event or Team Special Event, under the auspices of the City including events coordinated with the City by an outside entity or promoter.

Section 1.03. "CITY STADIUM SERVICES" shall mean those services which are required for City events in the Stadium. These services may include, but are not limited to Food and Beverage Services and Team Stadium Services.

Section 1.04. "COMMON AREAS" shall mean all portions of the facility except the Team Areas as defined in Section 1.10 except for any areas designated for City use as shown on Exhibit A.

Section 1.05. "FOOD AND BEVERAGE SERVICES" shall mean all food and beverage services required or appropriate for any and all events at the Stadium or its parking areas, including without limitation, dining, catering, vending and food and beverage services, through fixed and portable food and beverage service stands, vending machines, roving vendors and snack bars at Food and Beverage Service Areas in the Stadium or its parking areas.

Section 1.06. "FOOD AND BEVERAGE SERVICE AREAS" shall mean all areas shown as such in Exhibit A attached hereto, together with improvements, fixtures and trade fixtures for use within the Stadium which are used in connection with the operation of Food and Beverage Services in the Stadium or its parking areas, as described in Article V hereof.

Section 1.07. "GROSS REVENUE" shall mean all receipts from the sale of individual game or season tickets for Team Events and Team Special Events, held at the Stadium, including all Sky Box rental and food and beverage service income at Team Events and Team Special Events held at the Stadium, all advertising sales including but not limited to outfield fence advertising, scoreboard message center advertising sold by the Team, program advertising, program sales, the sale of Team merchandise by the Team or any agent of the Team, the sale of royalty and logo rights, the sale of radio, television, cablevision, movie, or other video rights, sponsorships, parking revenues, and any and all other fees and revenues generated from Team Events and Team Special Events excepting from such amounts only any state and local sales taxes and meals tax applicable to such transactions. The City retains any revenue derived from City Events.

Section 1.08. "REQUIRED UTILITIES" shall mean all required water, sewer, electric, cable television and gas services for the playing field, on-site parking lot and all other areas of the Stadium, designated on Exhibit "A".

Section 1.09. "STADIUM" shall mean The Lynchburg City Stadium, Calvin Falwell Field, as outlined in Exhibit A, including stadium lights, scoreboard, message board, City owned concessions equipment, public address system, and other furniture and fixtures incident to stadium operations.

Section 1.10. "TEAM AREAS" shall mean the Team administrative office area, locker room area, training area, press box area, dugouts, batting cages, ticket office, Team Merchandise Store Area and all Sky Boxes in use during Team events. .

Section 1.11. "TEAM EVENTS" shall mean any Carolina League scheduled Team baseball game or other baseball-related event, such as team practices or exhibition games, held at the Stadium by the Team with the approval of the City pursuant to Section 11.02 other than a Team Special Event.

Section 1.12. "TEAM SPECIAL EVENTS" shall mean any events, other than Team Events, sponsored by the Team with City approval.

Section 1.13. "TEAM STADIUM SERVICES" shall consist of the following:

a. Facility Services - shall mean the operation and staffing of the Stadium scoreboard, the public address system, the box office, all ticket booths, usher services, first-aid room, on-site and supplemental parking lot security services, the opening and closing of the Stadium, the operation of all stadium utilities at all Team Events and Team Special Events.

b. Field Maintenance - shall include, but not limited to, maintenance of the playing field including without limitation, periodic mowing, watering, fertilizing and other chemical treatments required to maintain the field at professional stadium quality, sod replacement resulting from the use of the field, specialized turf care as required, such as aeration and other treatments which are required to maintain the quality of the field, and the maintenance of all unsodded areas of the field.

c. Field Preparation - shall mean field preparation in advance of baseball games which shall include but not be limited to lining the field, preparation of the unsodded areas of the field, installation of bases, other such services needed to fully prepare the field for Team baseball games, and restoration of the field surface as required by uses of the field other than for baseball games.

d. Janitorial Services - shall mean the cleaning and maintenance of all Team Areas and Common Areas during and after all Team Events, Team Special Events and City Events held in the Stadium, including but not limited to the stocking of all restrooms with paper products as required prior to such events, the disposal of all trash collected from such areas immediately after such events, the pickup of all trash and debris from the on-site Team parking areas no later than 6:00 a.m. on the morning following such events and any needed clean-up of trash and debris from public areas surrounding the Stadium or such on-site parking areas as may be used by attendees of the Stadium. All Janitorial Services provided to the Team Areas and Common Areas shall include all action necessary to maintain the areas in a clean and attractive manner and in compliance with all legal requirements.

e. Pre-Event Field Preparation - shall mean the preparation of the field for any Team Event or Team Special Event, as may be required for such event including, but not limited to, conversion of the playing field for other athletic

events, installation of any supplemental seating equipment, installation of stage or platform equipment and/or temporary lighting which may be required for the event. Pre-Event Field Preparation shall be performed by the Team or, when necessary, by other parties under the supervision of the Team.

ARTICLE II

TERM OF AGREEMENT

Section 2.01. TERM. The term of this Franchise shall commence on April 1, 2016 and shall be for a period of ten (10) years, ending with the conclusion of the 2025 Baseball Season.

Section 2.02. RENEWAL. At the beginning of the eighth year of the franchise, the City and the Team shall enter into a discussion regarding renewal of the lease for the purpose of determining both parties' interest in its renewal and any changes to the terms and conditions considered mutually beneficial and appropriate at that time.

ARTICLE III

TEAM USE OF STADIUM

Section 3.01. GRANT OF USE AND OPERATION RIGHTS. Subject to the provisions of Section 3.02, the City hereby grants to the Team the exclusive right to use the Stadium on the days scheduled for Team Events and Team Special Events during the term hereof and any renewal term, for and in consideration of the compensation payable by the Team to the City under Article VII hereof and the obligations assumed and undertaken by the Team hereunder. Subject to the terms and conditions of this Franchise, the City hereby grants to the Team, and the Team hereby accepts from the City, the rights and responsibilities herein set forth in and to the Stadium. The Team shall not use the Stadium for any purposes other than those specifically set forth herein. This Franchise does not confer upon the Team any title, leasehold or other estate of any kind, or any interest in or to the Baseball Stadium, other than the rights pertaining to the Stadium set forth herein. The Team shall not have the power to, nor shall it attempt to, create or permit the creation or continuance of any lien, encumbrance or charge which is or might become a lien, encumbrance or charge against the Stadium, other than against Team personal property.

Section 3.02. RESERVATION OF RIGHTS BY THE CITY. All rights to occupy use, enjoy or derive benefit from the Stadium, not expressly granted herein to the Team, are reserved to the City during the term hereof and any renewal term. Without in any way limiting or defining the extent of the reservation of this Section, the City expresses its intent to schedule athletic contests or other events at the Stadium and to retain revenues from City events for the City's benefit.

Section 3.03. USE FOR HOME GAMES. The Team agrees to play all its home games, estimated to be 75 in number during a full Carolina League season, during its Baseball Season

at the Stadium beginning with the 2016 Baseball Season through the term of this Franchise. In addition to permitting the Team to use the Stadium for its home games during the Baseball Season including playoffs, the City shall permit the Team to use the Stadium for scheduled Team practice, tournaments and, when applicable, Carolina League All Star Game play on those dates approved by the City and the Team in accordance with the provisions of Section 11.02 herein. The Team shall be permitted to conduct promotional events before and after baseball games with all such events being scheduled pursuant to said Section 11.02. During the term hereof, the Team will have access to all Team Areas in the Stadium and will be provided designated storage space during the Baseball Season and between Baseball Seasons at the Stadium. The City shall not be liable for any damages to or loss of any of the Team's property or the property of its employees, agents or volunteers. The Team, its employees, agents and volunteers in placing their property on the premises do so at their own risk.

Section 3.04. STARTING TIMES FOR TEAM EVENTS AND TEAM SPECIAL EVENTS. No Team Event or Team Special Event shall be scheduled to start later than 8:30 p.m. or end later than 11:30 p.m. on Sunday through Thursday, and 12:00 midnight on Friday or Saturday, without the prior written approval of the City. In the case of a Team double header baseball game, this Section shall not preclude the second game from being played upon the completion of the first game nor preclude completion of a game following a rain or fog delay or completion of a game that has gone into extra innings. In the event that a game is still in progress after the above stated end times, special actions shall be taken to reduce noise originating in the stadium, including minimizing the use of the public address system to only essential announcements.

Section 3.05. FIREWORKS. Fireworks shall only be allowed as permitted by the City Fire Marshal, with the following restrictions: (1) fireworks shall not be shot from or in such a way as to damage the artificial turf field in the adjacent football stadium, (2) no excessively loud, "cannon" type fireworks shall be used, and (3) no fireworks show shall commence after 10:00 p.m., unless there has been a rain or fog delay or the game has gone into extra innings, in which case the fireworks show shall commence no later than 10:30 p.m.

Any trash or debris from a fireworks display shall be removed from the football stadium and its field within twelve hours of the conclusion of the display. The Team will be responsible for repairing, or paying for repairs to, any damage to the artificial turf or football stadium resulting from a fireworks display.

Section 3.06. COMPLIANCE WITH APPLICABLE LAWS, ORDINANCES. In its management, occupancy or use of the Stadium, the Team shall not permit the violation of any applicable federal, state and city laws, regulations, codes or ordinances, whether currently in force or subsequently adopted that may apply to the Team's use of the Stadium.

Section 3.07. REPAIR OF DAMAGE. In its management, occupancy or use of the Stadium, the Team shall not permit the structure to be damaged by its use or neglect. Any damage caused by the use of the Stadium shall be promptly reported to the City and will be repaired at the Team's expense by the City in an acceptable workmanlike manner, with the damaged portion of the structure restored to its condition prior to such damage, in compliance with all of the applicable zoning, fire code, building and health department statutes, ordinances,

rules and regulations.

Section 3.08. MODIFICATIONS TO STRUCTURE. The Team shall not make any material structural modifications to the Stadium without the prior written approval of the City. The Team shall be solely responsible for the cost of any structural modifications, must comply with federal, state and local building codes, regulations and ordinances in making such modifications, and any structural modifications the Team makes to the Stadium will become the property of the City.

Section 3.09. COMPLIANCE WITH OCCUPANCY LIMITATIONS. In its management, occupancy or use of the Stadium, the Team shall not permit the Stadium occupancy limitations to be exceeded. The use of temporary seating and/or seating in areas other than those areas designated as permanent seating areas as shown on Exhibit "A" or in such supplemental seating areas as may be designated by the City, is subject to the prior approval of the City.

Section 3.10. ADMINISTRATIVE OFFICE AREA. In consideration of the Team playing its home games at the Stadium during its Baseball Season, and providing City Stadium Services as provided herein and to facilitate the provision of such services, office space, in the Stadium, along with batting cage facilities, will be provided for the use of the Team on a year-round basis during the term of this Franchise, such office space being designated as the Administrative Office Area and batting cages as described in Exhibit "A". All furnishings and equipment required for such space shall be the sole responsibility of the Team. The Team shall provide all Janitorial Services required for the Administrative Office Area and adjoining non-public restrooms and Batting Cages and shall maintain such areas in a clean condition at all times. Upon reasonable prior notice to the Team, the City may inspect the areas. Upon termination of this Franchise, the Team shall surrender possession of the areas to the City in the same condition as received, normal wear and tear excepted.

Section 3.11. TEAM MERCHANDISE SALES STORE. The Team shall have the right, on a year-round basis, to use the merchandise sales store in the Stadium for sale of the Team merchandise items.

Section 3.12. TEAM AREA FURNISHINGS. The Team shall be responsible for the provision of all furnishings required for its utilization of the Team Areas, including washers and dryers and vending machines, except for any lockers permanently installed in such areas by the City.

Section 3.13. IMPROVEMENTS. The Team shall make no improvements in the Team Areas or any portion of the Stadium without the prior approval of the City. The Team shall be solely responsible for the cost of any improvements, must comply with federal, state and local building codes, regulations and ordinances in making such improvements, and any improvements the Team makes to the Stadium will become the property of the City.

Section 3.14. WASTE OR NUISANCE. The Team shall not commit or permit any waste on or about the Stadium during the term of this Franchise nor shall it maintain, commit or

permit the maintenance or commission of any nuisance on or about the Stadium or use the Stadium or Team Areas for any unlawful purposes.

ARTICLE IV

STADIUM OPERATION AND SERVICES

Section 4.01. TEAM STADIUM SERVICES. The Team will provide all Team Stadium Services required for Team Events and Team Special Events held in the Stadium and will retain, employ, compensate, train and manage sufficient numbers of polite and well-groomed personnel to provide such services in a high quality and professional manner during the term of this Franchise.

Section 4.02. COMMUNITY RELATIONS. The Team agrees to work in good faith with the City to develop programs to minimize the adverse impact of the Stadium operation on the neighborhoods in which the Stadium is situated or which are directly affected by the Stadium.

Section 4.03. CITY STADIUM SERVICES. The Team shall provide the City with City Stadium Services as required for all City Events held in the Stadium. The cost of said services shall not exceed the actual cost for such services to the Team during such City Events and shall be calculated and accounted for on the basis of each separate City Event with the assessment of costs for such services to be in accordance with the schedules for such services as provided for in Sections 4.04 and 4.05. Notwithstanding the provisions of this Agreement relating to City Stadium Services, if the Team is in default under the terms of this Franchise and the applicable period of time, if any, for curing such default has passed, the City expressly reserves the right to assume management and operating responsibility for City Events at the Stadium upon reasonable prior notice to the Team.

Section 4.04. SCHEDULE OF SERVICES AND COSTS. The Team and the City, prior to the commencement date of the 2016 Baseball Season, shall adopt a Schedule of Services and Costs to be utilized in the assessment of costs for City Events and events sponsored by a promoter or outside entity. The costs of such City Stadium Services shall be reimbursed to the Team within thirty (30) days of the submission of an appropriate invoice to the City, outside entity or promoter.

Section 4.05. CITY STADIUM SERVICES. The cost of City Stadium Services shall be assessed in accord with the Schedule of Services and Costs, which schedule shall be adopted by the Team and City upon the expiration of the prior year's Schedule of Services and Costs or upon such later date as agreed to by the parties. At no time will the charges in such schedule or subsequent schedules to be agreed to exceed the actual costs of providing such services by the Team. The schedule shall be reviewed and modified, upon the agreement of the parties, if necessary, prior to the start of each Baseball Season during the term of this Franchise.

Section 4.06. PROMOTION OF THE CITY OF LYNCHBURG. The Team agrees that it will actively promote the tourism attributes and attractions of the Lynchburg region and will work with the City Tourism Department to promote the development and success of athletic activities in the Lynchburg area, including but not limited to the Virginia Commonwealth Games.

Section 4.07. QUALITY OF TEAM STADIUM SERVICES AND CITY STADIUM SERVICES. Team Stadium Services and City Stadium Services by the Team shall be provided in a manner to promote the use of the Stadium, attract the public to Team and City events scheduled at the Stadium and shall be of acceptable quality consistent with the standards required of a first-class professional baseball facility. Should the quality of services be unacceptable to the City, notice shall be provided to the Team and the Team shall have thirty (30) days to improve the quality of such services. The City reserves the right, subsequent to the passage of said thirty (30) day period to undertake corrective action with its own resources and invoice the Team for the cost of such corrective action. The cost shall be paid by the Team within thirty (30) days of receipt of such invoice. This Section does not authorize the City to retain, terminate, supervise, or take other direct actions relating to the employees of the Team.

Section 4.08. STADIUM OPERATION SERVICES. Such services shall include the retention, employment, compensation, training and management of the required personnel for the provision of City Stadium Services for City Events, coordination with the Food and Beverage staff pursuant to the Food and Beverage Service Agreement referred to herein at Section 5.01, and the monitoring of all elements of required City Stadium Services as described in Section 1.04 herein.

Section 4.09. OPERATION OF STADIUM BOX OFFICE. The Team, in addition to providing ticketing services for all of its home Baseball Season games, shall operate the Stadium Box Office during home season baseball games and at other times to conduct advance ticket sales for Team events. The Team shall provide all Janitorial Services required for the Stadium Box Office and shall maintain it in a clean condition at all times.

The City shall have the right to operate the Stadium box office during City events and shall leave it in a better or same condition as it was found.

Section 4.10. EVENT SECURITY SERVICES. The Team will be responsible for providing security for all Team and Team Special events where the public is in attendance and shall hire a minimum of two (2) uniformed off-duty City Police Department Officers for all Team and Team Special Events. More officers may be required at the direction of the Chief of Police of the City of Lynchburg. Should, for any reason, off-duty City Police Officers be unavailable for such employment as required herein, other appropriate security officers, provided the same are reasonably approved by the Chief of Police of the City of Lynchburg, may be hired by the Team. There shall be at least two (2) such officers employed at each Team baseball game held at the Stadium. The number of officers provided at Team promotional events, other Team Events, Team Special Events and City Events shall be adequate for the security of those persons attending the particular event and the provision of security for the Stadium and its contents and shall include all on-site parking lots. If Team employees are utilized for such purposes, they

shall be uniformed and equipped with appropriate radio communications equipment. Officers shall be directed to be at the Stadium no later than one-half hour prior to its opening to the public and until at least one-half hour after the Stadium is closed to the public. When necessary, the Team, through a designated security representative, shall consult with the Chief of Police of the City or the Chief's designee to determine the adequacy of intended security for Team Events, Team Special Events and City Events. The quality of the services provided for in this Section shall be expressly subject to the notice and substitute performance rights reserved to the City generally under Section 4.07 hereof. In addition, any private security personnel utilized by the Team shall be considered as employees or independent contractors of the Team and in no manner considered or construed to be employees or agents of the City.

Section 4.11. CITY NOTICE TO TEAM OF REQUESTED LEVEL OF FACILITY SERVICES. The City shall, in advance of each City Event held in the Stadium, complete a contract or memorandum of understanding with the Team within thirty (30) days of the scheduled event.

Section 4.12. FIELD RESTORATION COSTS AND DAMAGE TO THE FIELD. All costs of field restoration required as a result of damage to the field shall be borne by the party scheduling the event causing the damage to the field and shall be payable as an element of either Team Stadium Services or City Stadium Services as the case may be.

Section 4.13. NO SMOKING FACILITY. The Stadium shall be designated and operated as a no smoking facility, with the exception of certain designated smoking areas separate from stadium seating, and no tobacco, electronic cigarette or vaping products, shall be sold or marketed therein.

Section 4.14. PROHIBITION AGAINST FOOD AND BEVERAGES BEING BROUGHT INTO THE STADIUM. The City shall post signs in appropriate locations in the Stadium which shall prohibit patrons from bringing any food or beverage into the Stadium for Team Events and Team Special Events and certain other events.

Section 4.15. PUBLIC ADDRESS ANNOUNCEMENTS REGARDING CITY AND CITY EVENTS. The Team agrees to make appropriate public address announcements and announcements on the Scoreboard Message Center in regard to future City events to be held in the Stadium and/or other City facilities not scheduled for the same time as any Team Events or Team Special Events.

ARTICLE V

FOOD AND BEVERAGE SERVICES

Section 5.01. GRANT OF EXCLUSIVE LICENSE TO TEAM. The City hereby grants to the Team an exclusive food, beverage, and team merchandise license except as provided for in Sections 5.06 and 5.07 herein, permitting the sale of food and beverages from those areas of the Stadium designated as Food and Beverage Service Areas and Team Merchandise Areas in Exhibit A at all Team events held in the Stadium effective. The grant of this exclusive license includes the right of the Team to provide Food and Beverage Services in the said areas, either

directly or by entering into a Food and Beverage Service Agreement granting a license to operate the Food and Beverage Service Areas and certain merchandise sales to such professional food and beverage service operator as may be acceptable to the Team and reasonably approved by the City.

The City reserves the right to contract with outside vendors for food and beverage service at City Events held outside of the stadium, in the parking lot or other open areas.

Section 5.02. CITY APPROVAL OF TEAM FOOD AND BEVERAGE SERVICES CONTRACT. The Team shall advise the City when it intends to enter into a Food and Beverage Service Agreement with an experienced contractor. The material terms of such Food and Beverage Service Agreement shall include food products liability coverage comparable to the coverage required in Section 12.04 herein. The material provisions of said agreement shall not be modified except with the prior written approval of the City. Should the Food and Beverage Services Agreement be terminated, the Team shall have the right to provide Food and Beverage Services and certain merchandise sales as described in the agreement either directly or through another Food and Beverage and Service Agreement entered into with another professional food and beverage service operator with the selection of that operator being subject to the approval of the City. If the Team undertakes the self-operation of the Food and Beverage Service, the Team shall provide the same level of first quality service and price provided at first-class professional baseball facilities.

Section 5.03. FOOD AND BEVERAGE SERVICE AREA JANITORIAL SERVICES. Janitorial Services to the Food and Beverage Service Areas shall be provided (i) pursuant to the Food and Beverage Service Agreement entered into by an experienced contractor and the Team, if any, or (ii) by the Team directly.

Section 5.04. MENU AND PRICE LIST. The menu and price list of food and beverages to be sold in the Stadium shall be provided and posted by the Team. Prices should be comparable to other minor league baseball parks in the Carolina League.

Section 5.05. TEAM MERCHANDISE ITEMS. The City hereby grants to the Team the right to sell Team merchandise items from those areas designated as Team Merchandise Areas in Exhibit A. The Team shall provide all Janitorial Services required for the Team Merchandise Areas and shall maintain such areas in a clean condition at all times

Section 5.06. CONCERT AND OTHER ENTERTAINMENT MERCHANDISE. The Team and the City acknowledge that the sale of concert and other entertainment merchandise may be conducted through either (i) the City directly, during City Events scheduled under Section 11.03, (ii) the Team during Team Special Events, or (iii) the event promoter or organizer. Such sales shall be from areas other than the Team Merchandise Areas unless the Team otherwise approves of the use of such areas, which approval shall not be unreasonably withheld, conditioned or delayed. The Team shall have the right to approve the sale of such merchandise items in advance of their sale which approval shall not be unreasonably withheld, conditioned, or delayed, and which approval shall be directed solely to assuring that the merchandise items sold are not substantially similar to Team merchandise items. The Team shall

have no responsibility for the collection and payment of any sales taxes due or payable incidental to such sales.

Section 5.07. COMPLIANCE WITH STATE AND LOCAL RULES AND REGULATIONS. The Team shall assure that the Food and Beverage Service Areas are operated in a clean and healthy manner and in compliance with all rules, regulations, statutes and ordinances, whether currently in force or subsequently adopted that may apply to the Team's use of the Food and Beverage Service Areas.

Section 5.08. COMPLIANCE WITH STATE ALCOHOLIC BEVERAGE STATUTES AND REGULATIONS. The Team shall assure that the provision of Food and Beverage Services is in compliance with all statutes and regulations concerning the sale of alcoholic beverages. The compliance of the Food and Beverage Service Areas with all statutes and regulations concerning the sale of alcoholic beverages shall be the responsibility of the Team.

Section 5.09. LICENSES AND PERMITS. The Team shall obtain and maintain throughout the Term, all licenses and permits which may be required by the Commonwealth of Virginia, the City of Lynchburg, or any other governmental agency or body for the use, operation or management of the Stadium. The Team shall at all times observe all rules and regulations pertaining to such licenses and permits and avoid any loss or suspension thereof. The Team shall assure that all applicable state and/or local permits and licenses for the provision of Food and Beverage Services in the Stadium will be obtained either directly or, during the period of the Team's agreement with its experienced contractor, by said contractor, for the provision of Food and Beverage Services.

Section 5.10. QUALITY OF FOOD AND BEVERAGE SERVICES. The Team acknowledges that the provision of high quality Food and Beverage Services in a manner pleasing to the public is of utmost importance to the overall success of the Stadium and at events held in the Stadium. The Team shall take all reasonable efforts to assure that food is of high quality and consistent with the goals of the Team and the City to enhance attendance at all events held in the Stadium.

Section 5.11. BEVERAGES IN BOTTLES, GUM AND TOBACCO PRODUCTS. In the provision of Food and Beverage Services either directly by the Team or through its Food and Beverage Service operator, no beverages in glass bottles, gum, tobacco, electronic cigarette or vaping products, fireworks, magic markers, silly string and other nuisance items or items prohibited by law or City ordinance will be sold in the Stadium.

Section 5.12. USE OF STADIUM PICNIC AREA. The Stadium Picnic Areas as currently designated in Exhibit A, and as may be built in the future, may be utilized by the Team's Food and Beverage Service operator for casual dining services during any Team Event or Team Special Event.

Section 5.13. LOCAL VENDORS. The Team, directly and/or in its relationship with a Food and Beverage Service operator, may, and is encouraged to, permit appropriate licensed

local food and food service supply vendors to sell and/or supply their existing products having a local reputation within the Stadium during events.

ARTICLE VI

ADVERTISING, MARKETING AND BROADCAST RIGHTS

Section 6.01. TEAM MARKETING RESPONSIBILITIES. The Team shall market and enter into contractual arrangements for the use of those areas of the Stadium designated as Sky Boxes and for the provision of advertising space on the outfield advertising wall or fence and the scoreboard message center. The Team shall additionally be responsible for marketing internal and concourse Stadium advertising which may be available during the term of this Franchise. All advertising shall be in good taste and consistent with the overall goals of the Team and the City to provide family entertainment through baseball and other athletic and recreational events at the Stadium. No tobacco advertising shall be permitted at any time. In no event shall the Team or the City, except in connection with the sale of any naming rights, locate any advertising upon the exterior or roof of the Stadium. Advertising may be placed by the Team in all suitable areas within the interior of the Stadium. The Team shall retain all advertising revenue, including outfield advertising and scoreboard advertising, as part of its Gross Revenue.

Section 6.02. IMPROVEMENTS TO SKY BOX AREAS. The Team or the Sky Box licensees may make improvements, such as furniture, fixtures and finishes, to the Sky Box Areas, however, any structural or mechanical systems changes shall be subject to prior written approval of the City.

Section 6.03. TEAM SALE OF SCOREBOARD MESSAGE CENTER ADVERTISING FOR TEAM EVENTS. The Team shall have the right to sell scoreboard message center advertising to be displayed at Team Events to be held at the Stadium. The sale of scoreboard message center advertising for such events shall not preclude the City from the advertising of future City Events to be displayed at no cost to the City. All revenues generated by the sale of such advertising by the Team shall be the property of the Team. The cost of providing staffing for the scoreboard message center shall not be an element of City Stadium Services. The City reserves the right to use the scoreboard message center for city events.

Section 6.04. EXCLUSIVE BROADCAST RIGHTS. The Team shall have the exclusive right to (i) broadcast, televise and cablecast all Team Events and Team Special Events held in the Stadium during the term of this Franchise, and (ii) to retain all income and revenue generated by such broadcast rights.

ARTICLE VII

COMPENSATION PAYABLE BY THE TEAM TO THE CITY

Section 7.01. TEAM GROSS REVENUE. The Team will retain all Gross Revenue from Team events and Team special events.

Section 7.02. PREPAID RENT. The Team on or before April 1, 2016 shall pay to the City $2,120,915.71 as prepaid rent for the term of the Franchise ("Prepaid Rent"). The City agrees to use the Prepaid Rent for the purposes of capital improvements as described in Section 8.02 below.

Section 7.3. ANNUAL PAYMENTS TO YOUTH SPORTS. In lieu of annual Franchise payments, the Team will make monetary payments, on an annual basis, in an amount of $10,000**,** to the City's Parks & Recreation Department to facilitate broad participation in youth sports programs in the City of Lynchburg.

Section 7.04. SALES AND MEALS TAX. The City will retain all sales and meals tax revenue generated by Team events and Team special events.

ARTICLE VIII

FACILITY MAINTENANCE

Section 8.01. FACILITY MAINTENANCE. The City agrees to furnish the Team with a field that is in playable condition. The Team will maintain the Stadium turf and facilities as set forth in this Agreement.

Section 8.02. IMMEDIATE CAPITAL IMPROVEMENTS. The City agrees to use the proceeds, of the $2,120,915.71 that it receives as Prepaid Rent from the Team for the renovation and rehabilitation of the parking lots surrounding the Stadium approximating 900 parking spaces, for the regrading and replacement of the playing field surface, and for the installation of fan seating behind home plate and improved netting as directed by the Commissioner of Major League Baseball ("Immediate Capital Improvements").

Planning and design of the Immediate Capital Improvements shall be initiated immediately upon implementation of this franchise agreement and shall be substantially completed no later than April 1, 2017.

The City and the Team agree that the City will be responsible for the renovation and rehabilitation of the parking lots and the Team will be responsible, with City oversight, for the regrading and replacement of the playing field surface and for the installation of fan seating behind home plate and the improved netting.

The $2,120,915.71 will be placed in a restricted account to be used to pay for the City work and to reimburse the Team for its work on the Immediate Capital Improvements. Any remaining funds will first be used to establish the repair, replacement and maintenance fund described in Section 8.13 below, and then will be utilized by the City at its sole discretion. If the cost of the improvements is estimated to exceed the amount of the debt repayment, then the City

and the Team will enter into a discussion regarding the timing and alternative funding of the capital improvements.

Section 8.03. STRUCTURAL AND SYSTEMS MAINTENANCE. Routine maintenance, operation and repair of all structural components of the Stadium and all heat, ventilating, air condition, plumbing and electrical systems shall be the responsibility of the City. The Team shall follow City procedures to request maintenance and repairs, and the City shall have sole authority over scheduling repairs depending on staff levels and funding. The Team shall be responsible for repairs caused by abuse, neglect and/or vandalism by its employees, umpires, concessionaires, agents, stadium attendees or its opponents during Team Events or Team Special Events. The City shall make necessary repairs and invoice the Team for these repairs. The City shall not be responsible for any loss of revenues to the Team resulting from a building systems failure**.**

Section 8.04. CUSTODIAL SERVICES. The Team shall be responsible for the routine daily cleaning of the clubhouse, office areas, non-public restrooms and other administrative areas. The Team shall also be responsible for cleaning the public restrooms, common areas, seating areas, picnic areas, and clubhouse after each Team Event or Team Special Event. The Team will furnish sufficient equipment and supplies such as soap, paper products and cleaning supplies that are needed for its own use, visiting teams and the general public. The Team is responsible for the removal of all trash and debris from the site in accordance with all regulations and City ordinances. All areas shall be maintained in a clean and attractive manner and in compliance with all legal requirements. The City shall perform heavy cleaning, including but not limited to, washing windows and walls, stripping floor tile, and shampooing carpet in all areas of the Stadium during the off season.

Section 8.05. ON-SITE PARKING AREA CLEAN-UP. The Team shall be responsible for picking up all trash, broken glass, etc., in the Stadium parking area and on street parking in surrounding neighborhoods by 9:00 a.m. the morning following a Team Event or Team Special Event. Should these services not be completed by that time, and upon reasonable notice to the Team, the City reserves the right to conduct such services and invoice the Team for services provided.

Section 8.06. EMERGENCY REPAIRS. The City will provide emergency repair services to the facility after the City's normal operating hours. The Team shall follow the City's procedures to request these services. To request emergency repairs after hours, the Team should call Lynchburg Emergency Communications with the nature of the request and duty personnel will be contacted to respond. In order to keep the City's overtime costs to a minimum, the Team shall reserve the request of this service for extreme emergencies, including but not limited to, failure of building systems that would cause the cancellation of an event, structural damage to the facility or threaten the life safety of the public or employees.

Section 8.07. EXTERIOR SITE AND FIELD MAINTENANCE. The City shall be responsible for routine maintenance of the grounds and landscaping surrounding the Stadium. The City's responsibility shall include mowing, landscape maintenance, including the replacement of trees and shrubs, and parking lot maintenance and repair.

The Team shall provide daily routine maintenance for the field, including, but not limited to, mowing the infield, and outfield, spot seeding, watering, all infield maintenance, marking, trash pick-up, edging infield, and repairing damage to the field due to games or Team Special Events. All field maintenance practices or enhancements used by the Team are subject to prior approval by the City and shall meet professional baseball standards. The Team shall be responsible to provide all tools and equipment necessary to perform field maintenance. The Team shall supply marble dust, red clay, "weblight", sand, and any other specialized field materials. The Team shall purchase and handle field covers.

The Team shall provide broadleaf weed control, pre- emergent herbicide applications, seed, and fertilizer and shall perform periodic activities beyond routine daily maintenance such as aerating, overseeding, warning track renovation. All pesticides shall be applied, stored, and disposed of in accordance with all state and federal regulations.

Section 8.08. LONG-TERM FIELD MAINTENANCE. The City's consent shall be necessary prior to the Team's undertaking of a major turf replacement. In the event of a major turf replacement, the Team shall submit a report to the City, specifying in detail the nature and cause of the damage to the turf and the cost of replacement. Sod removal and/or replacement necessitated by the conversion of the Stadium field for athletic events or resulting from damage to the field occurring at Team Events, Team Special Events, or City Events, shall be handled pursuant to Article IV, Stadium Operation and Services, of this Franchise. Field renovation would qualify as a capital expense to be funded from the capital reserve as outlined in Section 8.13.

Section 8.09. SITE SECURITY. The Team assumes full responsibility for the security of those portions of the Stadium it occupies and/or uses pursuant to the terms of this Agreement, and it is understood than any property placed at the Stadium is so placed at the risk of the owner. The City shall not be responsible for any loss of or damage to property which the Team, any of its players or any visiting team may sustain at the Stadium, regardless of how such loss or damage occurs. The Team is expressly prohibited from using the football field or the running track adjacent to the Stadium without City approval.

Section 8.10. LIGHT BULB REPLACEMENT. The Team will be responsible for all light bulb replacement in the interior and exterior of the Stadium during the term of this Franchise, excluding field lights. The City agrees to maintain field lights at or above Minor League Baseball standards.

Section 8.11. MAINTENANCE OF ELECTRONIC SCOREBOARD, PUBLIC ADDRESS SYSTEMS, AND ELECTRONIC MESSAGE BOARD. The Team shall be responsible for the maintenance and repair of the electronic scoreboard, the electronic messageboard and the public address system. Upon termination of this agreement, the public address system, the electronic scoreboard and the electronic messageboard will remain the property of the City. Any manuals, software, or records relating to the operation of this equipment shall be given to the City.

Section 8.12. REPLACEMENT OF CAPITAL ITEMS. During the term hereof the Team shall replace as necessary all capital items that are not the responsibility of the City under the provisions of this Agreement consistent with the provisions of Section 8.13 below. The City shall undertake to pursue its remedies under any warranties for all capital items and original construction. Any recoveries realized shall be reimbursed to the Team to the extent the Team has incurred expenses under this Section. The City shall be responsible for scheduling all Capital Improvement Projects related to the facility including the electronic scoreboard, the electronic messageboard and the public address system depending on available funding.

Section 8.13. REPAIR, REPLACEMENT AND MAINTENANCE FUND. The City will establish a $100,000 reserve account, to be maintained by the City, for mutually agreed upon expenditures of a capital nature such as repair, replacement, maintenance and improvements of the Stadium structural elements and associated equipment. Upon the first draw of the funds, the City will budget funds to restore the reserve account to a minimum of $100,000, subject to appropriation by City Council. In addition, the City will budget, subject to approval and appropriation by City Council, funds to increase the reserve account by $50,000 to $100,000 each year so that funds will be available for necessary work on the stadium and to ensure that the stadium remains in compliance with minor league baseball standards throughout the Franchise term and upon expiration of the franchise and its subsequent renewal.

Capital expenditures shall consist of those items having an initial cost in excess of $10,000 and which are required to be assigned a useful life in accordance with Internal Revenue Service rules and guidelines for amortization purposes.

ARTICLE IX

UTILITIES

Section 9.01. WATER, SEWAGE, CABLE SERVICE. The City shall be responsible for providing and funding all utilities for the facility including electricity, water and sewer. The City shall also provide cable television drop for free basic cable service offered by the local cable franchise to local government. Cable service above and beyond this free service is the responsibility of the Team. The Team shall responsibly consume the utilities proved to keep the cost to the City at a minimum.

ARTICLE X

TEAM SUPPLIED EQUIPMENT

Section 10.01. TEAM SUPPLIED EQUIPMENT. The Team shall provide, at its sole cost and expense, the following items (the "Team Supplied Equipment"): all equipment necessary for food and beverage services, other than currently existing City-owned equipment; Batting Cages apparatus; the furniture and office equipment for the Ticket Area, Team Merchandise Area, Press Box, and Administrative Office Area; and any other Team equipment

necessary for its operations. If any Team Supplied Equipment is removed by the Team, the Team shall repair and restore, at its sole cost and expense, any damage caused by their removal.

ARTICLE XI

SCHEDULING

Section 11.01. AGREEMENT OF THE PARTIES. The Team and City agree that all scheduling for events in the Stadium will be coordinated in a fashion to maximize the beneficial use of the Stadium by the greater Lynchburg area and the Team.

Section 11.02. SCHEDULING TEAM EVENTS. By October 1of each year the City and the Team shall mutually and reasonably approve all Team and Team Events to take place at the Stadium during the succeeding calendar year. The Team shall have priority in the selection of its home Baseball Season dates, tournament game dates, Carolina League All-Star game dates, if applicable, and will be provided (number to be determined) rain dates during the home Baseball Season prior to the scheduling of City Events during the Baseball Season.

Section 11.03. SCHEDULING CITY EVENTS. No later than October 1 of each year during the term of this Franchise, the City will provide to the Team a listing of those City Events which are priority events for purposes of scheduling during the Baseball Season. In no case shall the City preempt the Team's Baseball Season with a single or multi-day event. The Team shall submit its approved home Baseball Season schedule to the City as soon thereafter as such schedule is approved by the Carolina League. Any dates reserved for post-season play by the Team shall be released and canceled on the schedule from the time that the Team is mathematically eliminated from post-season contention.

The Team shall notify the City of requested dates for Team Special Events no later than October 1 of each calendar year. The balance of the events scheduled at the Stadium shall be scheduled with conflicts in requested dates being resolved by the parties on the basis of the following criteria:

(a) The date the request was received by the City or Team, as the case may be;

(b) The requested event's ability to maximize the productive long-term use of the Stadium;

(c) The goal of the City to provide the opportunity of equal access to the Team for the scheduling of Team Events after the scheduling of those City Events which are priority events.

Section 11.05. ACCESS FOR BASEBALL PRACTICES. The Team shall have reasonable access to the Stadium to conduct practices during the Baseball Season. A "practice" shall consist of required drills and workouts under coaching supervision at which all players are required to appear, and shall be scheduled so as not to interfere with otherwise scheduled events at the Stadium.

Section 11.06. COORDINATION OF SCHEDULING. All scheduling will be coordinated with the Team to assure that the required City Stadium Services can be provided by the Team without hindering the provision of Team Stadium Services as required for the Team's use of the Stadium.

ARTICLE XII

INDEMNIFICATION AND INSURANCE

Section 12.01. INDEMNIFICATION. The Team agrees to indemnify, defend and hold harmless the City and its respective officers, agents, employees and volunteers, from any and all claims brought against them for personal injury, death, property damage and any other losses, damages, charges or expenses, including attorneys' fees, which is in connection with, or by reason of any act, omission or negligence of the Team or of any occupant, visitor or user present on or about the Stadium in connection with the Team's activities pursuant to this Franchise. The indemnity set forth in this Article XII shall survive the Term(s) or earlier termination of this Franchise. The Team agrees to have its insurance companies waive any rights of subrogation that such companies may have against the City. Further, the Team agrees to indemnify the City, its officials and employees, from any and all environmental liability, arising out of the use and operation of the Stadium during the term of this Franchise.

Section 12.02. INSURANCE POLICIES ON TEAM PROPERTY. The Team shall, effective as of the commencement date of this Franchise, obtain policies of insurance on any property or equipment placed within the Stadium or on surrounding City property and maintain such policies on all its property or equipment placed in the Stadium or on surrounding City property during the term of this Franchise. Such policies shall provide for fire, theft, vandalism and extended coverage for the Teams equipment. The City shall have no responsibility or liability whatsoever with respect to any loss or theft of or damage to the personal property of the Team, its employees and players, players for opposing teams, umpires, concessionaires, employees and agents of concessionaires, stadium attendees, and others.

Section 12.03. INDEMNIFICATION FOR LOSS, THEFT OR DAMAGE TO PERSONAL PROPERTY. The Team agrees to indemnify, defend and hold harmless the City, its officers, directors, employees and agents with respect to any claim or liability for loss or theft of or damage to personal property of the Team, its employees and players, players for opposing teams, umpires, concessionaires, employees and agents of concessionaires, stadium attendees, and others, except to the extent that such loss, theft or damage is caused by the acts of the City, its employees, agents or sub-contractors.

Section 12.04. REQUIRED TEAM POLICIES OF INSURANCE EFFECTIVE AS OF COMMENCEMENT DATE. The Team shall, effective as of the commencement date of this Franchise and thereafter during the term of this Franchise, keep in full force and effect the following policies of insurance: Comprehensive general liability insurance, including products

liability insurance against any and all claims and losses arising out of its activities under this Franchise in the following minimum amounts:

- Bodily injury and property damage coverage with a combined single limit of $3,000,000.00.

- Umbrella Liability Coverage and Umbrella Liability Policy in an amount not less than $5,000,000.00 for any one occurrence in excess of the aforementioned general liability insurance.

- Liquor Liability Coverage – The Team, either directly or through its Food and Beverage Service operator, shall provide and keep in full force and effect during the term of this Franchise, liquor liability coverage in the amount of $3,000.000.00.

- Food and Vending Liability Coverage - the Team, either directly or through its Food and Beverage Service operator, shall provide and keep in full force and effect during the term of this Franchise, food and vending liability coverage in an amount of $3,000,000.00.

- Workers Compensation - the Team shall provide and keep in full force and effect during the term of this Franchise, workers compensation insurance in full compliance with the laws of the Commonwealth of Virginia.

Section 12.05. NAMED INSUREDS AND CERTIFICATES OF INSURANCE. All of the insurance policies described in Sections 12.04 herein shall show the Team and the City, its officials and employees, as named insured parties as their interests may appear.

The insurance required of the Team herein shall be primary and any insurance or self-insurance maintained by the City are secondary and apply only in excess of and shall not contribute with the insurance obtained by the Team. Any deductibles or self-insurance retention applicable to the required coverage shall be paid by the Team and the City shall not be required to participate therewith. The Team shall deliver to the City a copy of said insurance policy or certificate of insurance with the necessary endorsements to the City's Risk Management Division showing the same to be in full force and effect before occupying the premises; upon each renewal of the Franchise; and, at other times throughout the term of the Franchise when the City requests confirmation of insurance coverage. The Team must give the City ten calendar days advance written notice of any cancellation, nonrenewal, or modification of coverage, and a binder or certificate verifying new coverage in accordance with the requirements herein prior to any change, cancellation or nonrenewal date. In the event of such cancellation or nonrenewal notice, the Team shall obtain, pay all premiums for the renewal or replacement of the insurance required hereunder. The Team shall, at least sixty days prior to the expiration of the policies, furnish City with renewals or "binders" for the policies, or City may order the required insurance and charge the cost to the Team.

The failure of the Team to maintain such insurance coverage throughout the term of this Franchise shall be grounds for the immediate termination hereof. The Team's responsibility to

the City hereunder is not limited to the amount of such insurance coverage. All insurance will be obtained by the Team from insurance companies authorized by Virginia's State Corporation Commission to do business in Virginia.

ARTICLE XIII

EVENTS OF DEFAULT AND REMEDIES

Section 13.01. EVENTS OF DEFAULT. The occurrence of any one or more of the following events constitutes a default under this Franchise:

Section 13.01.1. Failure by the Team to pay to the City any fees or other payments due hereunder when due and payable, and such failure shall continue for ten (10) days following written notice (which notice shall not be required for a default in any payment required pursuant to Section 7.01);

Section 13.01.2. Failure by the City or the Team to make the Immediate Capital Improvements required by Section 8.02;

Section 13.01.3. Failure by the Team to observe or perform in any material respect any other covenant, agreement, condition or provision of this Franchise (other than as specified in Section 13.01.1), and such failure shall continue for thirty (30) days after notice thereof from the City to the Team; provided, however, the Team shall not be in default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within thirty (30) days after such notice the Team gives written notice to the City of its inability to cure within such thirty-day period and immediately commences such cure and diligently proceeds with best efforts to complete the same at all times thereafter and the Team provides the City with detailed status reports of its current and future efforts to cure such default; further provided that all such defaults shall be cured no later than one hundred eighty (180) days after notice of default from the City;

Section 13.01.4. Failure by the City to observe or perform in any material respect any other covenant, agreement, condition or provision of this Franchise (other than as specified in Section 13.01.2), and such failure shall continue for thirty (30) days after notice thereof from the Team to the City; provided, however, the City shall not be in default with respect to matters which cannot reasonably be cured within thirty (30) days so long as within thirty (30) days after such notice the City gives written notice to the Team of its inability to cure within such thirty-day period and immediately commences such cure and diligently proceeds with best efforts to complete the same at all times thereafter and the City provides the Team with detailed status reports of its current and future efforts to cure such default; further provided that all such defaults shall be cured no later than one hundred eighty (180) days after notice of default from the Team;

Section 13.01.5 The levy upon or under execution or the attachment by legal process of the interest of the Team under this Franchise, or the filing or creation of a lien in respect of such interest, which levy, attachment or lien shall not be released, discharged or bonded against within sixty (60) days from the date of such filing;

Section 13.01.6. The Team makes an assignment for the benefit of creditors, or applies for or consents to the appointment of a trustee or receiver for the Team or for the major part of its property or admits in writing its inability to pay or is unable to pay its obligations as they come due;

Section 13.01.5. A trustee or receiver is appointed for the Team or for the major part of its property and is not discharged within sixty (60) days after such appointment;

Section 13.01.6. Bankruptcy, reorganization, insolvency or liquidation proceedings, or other proceedings for relief under any bankruptcy law, or similar law for the relief of debtors, are instituted by or against the Team, and, if instituted against the Team, are allowed against it or are consented to by it or are not dismissed within one hundred eighty (180) days after such appointment;

Section 13.01.7. The Stadium shall be abandoned, deserted or vacated by the Team, even though at such time the Stadium may not be then used (because of the time of the year) for Baseball Season games; and

Section 13.01.8. Failure by the Carolina League to sustain the operation of a professional baseball league scheduling a minimum number of home games in excess of 60 per Baseball Season. Provided, however, such failure may be cured by the Team if it is able to consummate an affiliation with another professional baseball league whose financial condition, quality of baseball, number of teams and games, all as determined by the City in its sole and absolute discretion, is satisfactory, by November 15 of the year in which the Carolina League failure occurs.

Section 13.02. REMEDIES IN THE EVENT OF DEFAULT. If a default occurs under Section 13.01 of this Franchise, and the applicable period of time, if any, for curing such default has passed, the City and Team (the "Parties") shall have the rights and remedies hereinafter set forth, which shall be distinct, separate and, to the extent not mutually exclusive, cumulative and shall not operate to exclude or deprive the Parties of any other right or remedy allowed to it by this Franchise or applicable law, including without limitation, the City's right to advance any sums to be paid to third parties by the Team or otherwise remedy the Team's default and to be reimbursed by the Team for the City's costs and expenses on account thereof. No delay or omission to exercise any right or power accruing under any default shall impair any such right or power or be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 13.02.1. If one of the Parties is in default, and the applicable period of time, if any, for curing such default has passed, the non-defaulting party may terminate this Franchise effective as of the date of its notice or as of the end of the then current Carolina League Baseball Season by giving to the defaulting party notice of the non-defaulting party's election to do so, and all right, title and interest of the Parties hereunder shall expire at the end of the then current Carolina League Baseball Season.

Section 13.02.2. If the City exercises the remedy of termination, the Team shall vacate the Stadium no later than thirty (30) days following the date of the Team's receipt of the City's notice of termination and deliver exclusive possession thereof to the City, and the City may then or at any time thereafter, re-enter and take complete and peaceful possession of the Stadium, with or without process of law, full and complete license so to do being hereby granted to the City, and the City may remove all occupants and property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction or forcible entry and detainer and without relinquishing the City's right to any fees due to the City or any other right given to the City by this Franchise or by operation of law.

Section 13.02.3. All property removed from the Stadium by the City pursuant to a default by Team under any provisions of this Article XIII or of law may be handled, removed or stored by the City at the cost and expense of the Team, and the City shall in no event be responsible for the value, preservation or safekeeping thereof. The Team shall reimburse the City for all costs and expenses incurred by the City in such removal and storage charges against such property so long as same shall be in the City's possession or under the City's control. All property not removed from the Stadium or retaken from storage by the Team within sixty (60) days after the end of the term, however terminated, shall be deemed conclusively to have been conveyed by the Team to the City as by bill of sale without further payment or credit by the City to the Team.

Section 13.02.4. The City may enforce the provisions of this Franchise and may enforce and protect the rights of the City hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from the Team under any of the provisions of this Franchise.

Section 13.02.5. Upon the occurrence of any event which with the giving of notice or the passage of time would constitute a default by the Team, and until such event has been cured by the Team, the City shall be excused from the payment of any amounts which are or may become due to the Team by the City. If such event is subsequently cured, any such amounts not paid by reason of this subsection 13.02.6 shall be paid without interest.

Section 13.02.6. The Team may enforce the provisions of this Franchise, the applicable period of time, if any, for curing such default has passed and written notice of such default has been provided to the City, the Team may enforce the provisions of the Franchise in equity or at law, or for the enforcement of any other appropriate legal or equitable remedy, including recovery of all moneys due or to become due from the Team under any of the provisions of this Franchise.

Section 13.03. LIQUIDATED DAMAGES PAYABLE TO THE CITY UPON TERMINATION OF STADIUM FRANCHISE PURSUANT TO SECTION 13.02. The Team shall pay the City liquidated damages, in the amount of $100,000 a year, in the event that it terminates this Franchise prior to the end of its term.

ARTICLE XIV

PARKING

Section 14.01. USE OF CITY PROPERTY SURROUNDING THE STADIUM. In the event parking fees are instituted, any fees charged by the Team for access to parking shall be reasonable and consistent with such fees charged for comparable parking within the Carolina League and at other minor league ballparks in the Carolina League. All revenue from such fees shall be the sole property of the Team. The City acknowledges that the Team has the sole right to engage the services of a professional parking management company to operate all parking areas.

Section 14.02. SNOW REMOVAL FOR ON-SITE PARKING. The City shall remove snow from a portion of the on-site parking areas and shall assure that the Team has access to its on-site staff parking spaces on a year-round basis.

Section 14.03. PARKING AREA RESPONSIBILITIES. In the event that the Team charges fees for parking, the Team shall have the responsibility through its professional parking management company or otherwise to provide parking lot attendants and clean-up services.

Section 14.04. TEAM PARKING SPACES. Ten (10) parking spaces shall be made available to the Team on a year-round basis for the employees of the Team occupying the Team year-round areas. The assignment of such parking spaces to particular individuals shall be the sole responsibility of the Team.

Section 14.05. PARKING MANAGEMENT PLAN. The City and the Team shall jointly develop a Parking Management Plan to address the situation when an athletic event, such as a football or soccer game, is occurring in the adjacent football stadium at the same time as a Team Event so that parking for spectators to the City athletic event is accommodated without charge. The plan shall be communicated to the athletic departments of both City high schools.

ARTICLE XV

TRAFFIC CONTROL AND POLICE PATROL

Section 15.01. TRAFFIC CONTROL. Traffic control on all public streets around the Stadium shall be the responsibility of the City. The City, exercising its discretionary police powers, shall provide officers of the Lynchburg Police Department when necessary to assure traffic control before and after Team Events and Team Special Events in the Stadium and will additionally be available to respond to parking lot security problems as required.

ARTICLE XVI

ASSIGNABILITY OF LICENSE SUBJECT TO PRIOR CITY APPROVAL

Section 16.01. ASSIGNABILITY. This Franchise is personal to the Team, and the Team shall not at any time assign, sell or transfer this Franchise or any part thereof during the term of the Agreement without the City's prior written approval. Further, in the event the Team is sold, consolidated, merges or is acquired by another entity, the City shall have the right to terminate this Franchise. The consideration of the City of any requested assignment or transfer may include, but shall not be limited to, the approval or disapproval of, the Carolina League of such assignment or transfer. No proposed assignment shall be considered by the City unless the request for consent thereto shall be in writing and accompanied by the assignees proposed assumption of the Team's past unperformed and future obligations, resumes of its principals, reasonable financial information, and proposed financial security. Under no circumstances shall the Team be relieved of any of its obligations hereunder by any such transfer. No assignment shall, in any way, affect or diminish the Team's obligations to perform all of the terms, conditions and provisions contained in this Agreement.

ARTICLE XVII

TEAM BASEBALL GAME TICKETS

Section 17.01. COMPLIMENTARY TICKETS. The Team shall provide the City with twenty (20) complimentary tickets for ten (10) baseball games per season to be used in conjunction with City-sponsored youth and senior programs, or as the City otherwise deems appropriate. The Team will hold such complimentary tickets until one hour before the start of each Team baseball game for which tickets have been requested by the City.

ARTICLE XVIII

DESTRUCTION OF STADIUM

Section 18.01. PARTIAL DESTRUCTION. If the Stadium is partially destroyed by any cause and can be repaired or restored to its prior condition and the destruction does not render the Stadium unusable, this Franchise shall continue in full force and effect. The City shall, at its expense, promptly commence and diligently complete the restoration of the Stadium to the same condition as of the commencement date of this Franchise, reasonable wear and tear excepted. All repair activities shall be timed and organized in such a manner as to facilitate the Team's ability to play their home Baseball Season games at the Stadium to the degree feasible. However, the Team shall be responsible for repairing or replacing any damages to the Stadium caused by the acts or omissions of the Team, its employees, umpires, concessionaires, agents, stadium attendees or its opponents.

Section 18.02. TOTAL DESTRUCTION. In the event the Stadium is destroyed by fire or other casualty, and after consultation with the Team, the City in its sole discretion may elect whether to repair or restore the Stadium or to terminate this Franchise. Such election shall be exercised by the City by giving written notice to the Team within ninety (90) days after such destruction. If the City so elects, this Franchise shall terminate as of the date of such casualty

and the Team's obligation to pay annual minimum compensation payments and other payments shall terminate and be prorated as of such date. If the City elects not to terminate this Franchise, the City shall proceed as promptly as practical to repair and restore the Stadium to its condition existing immediately prior to such destruction.

Section 18.03. ASSISTANCE BY THE CITY IN LOCATING A TEMPORARY FACILITY. If the Stadium becomes unavailable on a temporary basis by reason of either the partial destruction of the Stadium or the repair or restoration of the Stadium after total destruction, or for any other reason attributable to the action of the City, the City shall utilize all reasonable efforts to assist the Team in locating an adequate temporary facility within the surrounding area.

ARTICLE XIX

CONDEMNATION

Section 19.01. CONDEMNATION. In the event that any portion of the Stadium is taken from the City pursuant to any right of eminent domain exercised by any governmental entity or pursuant to any governmental order and such taking renders the Stadium unfit for its intended purpose, then this Franchise may be terminated by the City by notifying the Team. The Team shall have no right to any portion of any award granted with respect to such taking except that the Team shall have the independent right to make a claim against the condemner for and retain any award based thereon for the reasonable value of costs by the Team and for the expenses incidental to relocating from the Stadium and for the lost value of this Franchise.

ARTICLE XX

SIGNAGE

Section 20.01 SIGNAGE. The Team shall post signs in the parking areas indicating that vehicle owners assume the risk of damage from fly balls. The Team shall also post signs within the stadium warning spectators of the dangers of flying balls and broken or flying bats. The Team shall also be responsible for dealing with all claims arising out of personal injuries or property damage caused by flying balls and broken or flying bats.

ARTICLE XXI

FORCE MAJEURE

Section 21.01. The parties hereto, respectively, shall not be in default of this Franchise if either is unable to fulfill, or is delayed in fulfilling, any of its obligations hereunder, or is prevented or delayed from fulfilling its obligations, in spite of its employment of best efforts and due diligence, as a result of natural disasters, catastrophic events, casualties to persons or

properties, war, governmental preemption in a national emergency, enactment of a law, rule or regulation or a change in existing laws, rules or regulations which prevents any party's ability to perform its respective obligations under this Franchise, or actions by other persons beyond the exclusive control of the party claiming hindrance or delay. If a party believes that a hindrance or delay has occurred, it shall give prompt written notice to the other party of the nature of such hindrance or delay, its effect upon such party's performance under this Franchise, the action needed to avoid the continuation of such hindrance or delay, and the adverse effects that such hindrance or delay then has or may have in the future on such party's performance. Notwithstanding notification of a claim of hindrance or delay by one party, such request shall not affect, impair or excuse the other party hereto from the performance of its obligations hereunder unless its performance is impossible, impractical or unduly burdensome or expensive, or cannot effectively be accomplished without the cooperation of the party claiming delay or hindrance. The occurrence of such a hindrance or delay may constitute a change in the obligations of the parties or compensation, for example, and may result in the need to modify the agreement accordingly.

ARTICLE XXII

NO RELOCATION OF TEAM

Section 22.01. The Team agrees not to relocate its Baseball franchise without City approval. The Team acknowledges that the City will be irreparably harmed by the transfer of the Team's Baseball franchise to a location other than the Stadium during the term of this Franchise.

A breach of this section shall constitute an event of default under this Franchise, and shall entitle:

(i) The City to terminate this Franchise immediately and without notice; and

(ii) The City to receive liquidated damages as stipulated in Section 13.03 above.

ARTICLE XXIII

ACKNOWLEDGMENT OF BOND STATUS

Section 23.01. As a material and substantial inducement for the City to enter into this Franchise, the Team agrees that it will not undertake any action or fail to take any action or permit any of its officials, agents or employees to act or fail to act (including, without limitation, entering into one or more management contracts with respect to the Stadium), if any such act or omission shall cause the City to be in default of any of its obligations under or in connection with

the bonds issued to finance renovation of the Stadium or shall cause interest paid or hereafter paid on such bonds from time to time to be liable for, or otherwise subject to, taxation by the Commonwealth of Virginia or the United States of America.

ARTICLE XXIV

MISCELLANEOUS

Section 24.01. NONDISCRIMINATION. The Team shall not discriminate, nor permit discrimination, against any person in its employment practices, in any of its contractual arrangements, in all services and accommodations it offers the public, and in any of its other business operations on the grounds of race, color, sex, or national origin, nor exclude any person from participation in, nor deny the benefits of or be otherwise subject to discrimination in the use of said facilities or providing services on the grounds of race, color, sex, or national origin. Additionally, the Team shall not discriminate against and will make all reasonable efforts to accommodate persons with disabilities as required by Americans with Disabilities Act.

Section 24.02. GOVERNING LAW. This Franchise shall be construed under and in accordance with the laws of the Commonwealth of Virginia and all litigation shall have venue in the courts located in the City of Lynchburg, Virginia.

Section 24.03. ENTIRE AGREEMENT. This Franchise constitutes the final, complete and exclusive written expression of the intent of the parties with respect to the subject matter hereof which will supersede all previous verbal and written communications, representations, agreements, promises or statements.

Section 24.04. TAXES AND ENCUMBRANCES. The Team shall pay promptly when due any and all personal property taxes imposed on its personal property located in the Stadium. The Team shall not permit any mechanics liens or other encumbrances or liens to exist against the Stadium and shall within thirty (30) days of any such lien or encumbrance being asserted against the Stadium as a result of action or inaction by the Team either cause the same to be released of record, bond or obtain title insurance coverage satisfactory to the City over such lien and proceed diligently to contest the same in good faith.

Section 24.05. SEVERABILITY. If any one or more of the provisions contained in this Franchise shall for any reason be held to be invalid, illegal, or unenforceable in any respect, and if such holding does not affect the ability of the Team to perform and have access to the Stadium as provided for herein, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Franchise shall be construed as if such invalid, illegal or unenforceable provision was not contained herein.

Section 24.06. NOTICES AND ADDRESSES. All notices required to be given under this Franchise shall be given by date-and-time stamped facsimile, hand delivery with signed receipt, overnight or other courier with signed receipt, or by return receipt certified or registered

mail, addressed to the proper party to the following addresses, or at such other address as may be subsequently given pursuant to this Section, and shall be deemed given upon receipt:

If to City:

City Manager
City of Lynchburg
900 Church Street
Lynchburg, VA 24504

If to Team:

Lynchburg Baseball Corp.
C/o D.G. Elmore
555 N. Morton Street
Bloomington, IN 47404

Section 24.07. AMENDMENT, MODIFICATION, OR ALTERATION. The City and the Team may agree to modify the Franchise from time to time, however, no amendment, modification or alteration of the terms of this Franchise shall be binding unless in writing, dated subsequent to the date hereon and approved by City Council as required by the Code of Virginia.

Section 24.08. RIGHTS AND REMEDIES CUMULATIVE. The rights and remedies provided by this Franchise are cumulative and the use of any right or remedy by either party shall not preclude or waive its rights to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Section 24.09. HEADINGS ONLY FOR REFERENCE. The titles of articles and sections of this Franchise are for reference purposes only and shall be of no binding effect.

Section 24.10. STATUS OF PARTIES. Parties hereto shall be deemed and construed as independent contractors with respect to one another for all purposes and nothing contained in this Franchise shall be determined to create a partnership or joint venture between the Team and the City with respect to the parties' activities conducted at the Stadium pursuant to the terms of this Franchise.

Section 24.11. WAIVER. The waiver by either the Team or the City of any default or breach by the other party of any of the provisions of this Franchise shall not be deemed a continuing waiver or waiver of any other breach by the other party of the same or another provision of this Franchise.

Section 24.12. BINDING EFFECT. This Franchise shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 24.13. REFERENCES TO THE CITY. All references to the City in this Franchise shall be deemed to also be references to such officers or employees or other designees of the City as may be appropriate to implement the terms of this Franchise, including officers or employees of any sports authority or similar entity.

Section 24.14. EXHIBITS. All exhibits attached to this Franchise are incorporated into and are a part of said Franchise as if fully set out herein.

Section 24.15. SURRENDER. Upon the expiration of the term of this Franchise or on the sooner termination hereof, the Team shall peaceably and quietly leave, surrender and yield up to the City, the Team Areas and the Stadium free of all occupants and free of all claims by the Team or any other person or entity against the City for any repairs, replacements or improvements made to the Team Areas or the Stadium. The Stadium shall be returned to the City, including all operational and mechanical systems, in good working order and repair. Any removable property of the Team which shall remain in the Stadium after the expiration of the term of this Franchise or sooner termination thereof and after the removal of the Team from the Stadium may, at the option of the City, and after written notice to the Team, be deemed to have been abandoned, and either may be retained by the City as its property or may be disposed of in such manner as the City may see fit. Upon the expiration or sooner termination of this Franchise, the Team also shall assign to the City such of its licenses, entertainment contracts and contracts for goods and services which the City, at its option, requires in writing to have the Team assign to it, providing that the City shall be responsible to fulfill only such of those obligations of the Team which arise after such assignment and are attributable to periods after such assignment and be entitled to only those rights which fairly may be apportioned to such obligations. To facilitate such assignments, the Team further agrees to incorporate a provision in each of such contracts, sub-franchises and licenses by which the other party to that agreement agrees to any future assignment of the Team's rights and obligations thereunder to the City in accordance with the terms of this paragraph.

Upon the expiration or sooner termination of this Franchise, the City shall have the benefit of any and all guarantees or warranties which the Team may possess or be entitled from any person or entity who performed any work or made or supplied any improvements, installations and/or equipment for or to the Stadium which provide for repairs or replacements by the guarantors or warrantors. As to all such guarantees and warranties which are freely assignable, the Team shall, promptly upon request by the City, assign same to the City.

If the Team elects not to seek renewal of this Franchise, the Team agrees that it will use its best efforts to ensure as smooth a transition of the Stadium and business conducted therein back to the City.

Section 24.16. TIME OF THE ESSENCE. Time is of the essence regarding any date in this Franchise and the Exhibits attached hereto.

Section 24.17. CONTRACT REVIEW. In advance of entering into any agreement concerning the Stadium, the Team shall provide a copy of such agreement to the City for its approval.

Section 24.18. MEDIATION. Upon the agreement of the City and the Team, a dispute, except for any claimed default or termination of this Franchise under Article XIII, which cannot be otherwise resolved within thirty (30) days, may be referred to a mediation panel consisting of the City Manager, a Team representative and a neutral party selected by the Team and the City and expeditiously resolved in accordance, if necessary, with a vote of the majority of the panel. The panel's decision shall be final and conclusive.

Section 24.19. TEAM SIGNS. The City hereby grants the Team the right, subject to the written prior approval of the City, to place a sign or signs, at the Team's sole cost and expense, upon the exterior facade of the Stadium indicating that the Stadium is the home of the Team.

Section 24.20. CAROLINA LEAGUE CHANGES. The Team shall reasonably promptly provide the City with notice of any proposed modification in the Carolina League Standards attached hereto, the Carolina League By-Laws, any of the Team's agreements with the Carolina League and the composition of the member teams in the Carolina League. Such notice shall include the complete text of any modification.

Section 24.21. NAMING RIGHTS. The City and the Team may enter into an agreement to sell the naming rights to the baseball stadium portion of Lynchburg City Stadium, subject to approval of the Lynchburg City Council. The City and the Team will share equally in any revenue resulting from the sale of such naming rights and the City's portion of that revenue will be placed in the repair, replacement and maintenance fund described in Section 8.13.

Section 24.22. LOSS OF REVENUE. The City shall not be liable for any loss of revenue the Team may experience as a result of the City's the repair, maintenance, improvement, or operation of the Stadium property, rights of way, and other publicly owned facilities that are adjacent to the Stadium.

ARTICLE XXV

METHOD OF ACCEPTANCE

Any person, firm, corporation, or other entity bidding for this Franchise shall deposit with the bid its check in the sum of $100.00, payable to the City as the security to the City that the Grantee shall accept the Franchise within thirty days after the adoption of the ordinance granting the same. Upon the failure of the Grantee to accept this Franchise pursuant to the provisions of this section, such Grantee shall forfeit this deposit to the City. The checks of all other bidders shall be returned upon the acceptance of the Franchise by the selected Grantee. The check will be returned to the successful bidder upon the execution of the Franchise.

This Franchise shall be and become effective and shall constitute a contract of Franchise between the City and Grantee when the Grantee shall cause a copy thereof to be signed by a proper official of the Grantee duly authorized thereto and under its corporate seal, duly attested

to by an authorized official of the Grantee, accepting the terms and provisions of this Franchise on behalf of said Grantee.

Adopted:

_____

Certified:

_____

FORM OF ACCEPTANCE

The foregoing Franchise, as set forth in the ordinance adopted by the Council of the City of Lynchburg, Virginia on _____, is hereby accepted by the Lynchburg Baseball Corp., according to the terms thereof for a period beginning April 1, 2016 and ending December 31, 2025.

This acceptance is executed on behalf of the Lynchburg Baseball Corp, by _____ , its _____, this _____ day of _____, 20_____, by virtue of the authority duly and properly vested in him.

Lynchburg Baseball Corp.

By: _____

_____
Title

EXHIBIT A

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **December 8, 2015** AGENDA ITEM NO.:

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: INFORMATION: **X**

ITEM TITLE: **Sale of the Lynchburg Hillcats Baseball Team and Stadium Lease Negotiations**

RECOMMENDATION: No action required. A new lease agreement will be advertised for a public hearing and Council action after the first of the year.

SUMMARY: The Lynchburg Baseball Corp. is planning to sell the Lynchburg Hillcats to Elmore Sports Group, Ltd. (Elmore Sports). Elmore Sports is a diverse sports and entertainment business that owns several minor league baseball and hockey teams. More information about the company can be found at http://elmoresportsgroup.com/ .

Elmore Sports has indicated its intention for the Hillcats to remain in Lynchburg. This will necessitate the development of a lease or franchise between the City and Elmore Sports for the use of the baseball facilities at City Stadium. While lease negotiations are ongoing, the principals of Elmore Sports have indicated a desire to meet with City Council and introduce themselves. They plan to make a short presentation to Council. This will also be an opportunity to outline the general terms of the lease and receive any feedback from Council.

Under the terms of a memorandum of understanding with the Lynchburg Baseball Corp. the sale of the Hillcats will include a payment to the City for remaining debt service on debt that was incurred when the baseball stadium was renovated in 2004. That payment will amount to approximately $2.1 million.

It is contemplated that the lease for the stadium will include a provision that the City will reinvest the $2.1 million payment into improvements that are believed necessary to provide a modern facility that is welcoming and safe for both fans and players. Three uses have been identified for the funds:

- field improvements for playability, safety and drainage
- parking lot improvements to maximize available parking
- improved netting and seating behind home plate

Preliminary design work has commenced on the first two items and it is believed that they can be accomplished with the funds from the payment.

Significant additional lease terms would include:

- the team would pay no annual rent for use of the stadium, but would be responsible for certain maintenance and operational costs
- the team would make an annual payment to support City youth sports programs
- the City would retain all sales tax and meals tax revenues from events
- the stadium could be used for other special or City events
- Elmore Sports will pledge that the team will remain in the City for the term of the lease
- the initial lease term will for ten years; a ten-year term would require the granting of a franchise
- the lease would include a provision restricting both the ending time of games (11:30 pm on week nights, and midnight on Friday and Saturday) and the commencement of fireworks displays (10:30 pm)

Other lease provisions would be consistent with the past arrangement with the Lynchburg Baseball Corp. Once the lease provisions have been finalized, the lease (or franchise) will be advertised for a public hearing

and Council action.

PRIOR ACTION(S): N/A

FISCAL IMPACT: To be determined. The City will retain all sales and meals tax revenues from events at the stadium.

CONTACT(S): Kimball Payne, City Manager, 455-3990

ATTACHMENT(S): None

REVIEWED BY: lkp

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **February 23, 2016**			AGENDA ITEM NO.: 7
CONSENT:	REGULAR: **X**	WORK SESSION:	CLOSED SESSION: (Confidential)
ACTION: **X**		INFORMATION:	

ITEM TITLE: **Adoption of the Revised Zoning Ordinance**

RECOMMENDATION: Review the proposed changes approved by Council and adopt the revised Zoning Ordinance.

SUMMARY: City Council conducted a work session and public hearing concerning the proposed Zoning Ordinance Revisions on November 10, 2015. After the public hearing, Council directed staff to place the item on the November 24, 2015 work session agenda. The attached memorandum lists Council's revisions to the draft ordinance since the public hearing. The memorandum lists revisions by topic, section and page number.

PRIOR ACTION(S):

February 9, 2016:	City Council deferred action until February 23, 2016
January 26, 2016:	City Council work session.
January 12, 2016:	City Council work session.
November 24, 2015:	City Council work session.
November 10, 2015:	City Council public hearing.
November 10, 2015:	City Council work session.
October 27, 2015:	City Council work session.
October 13, 2015:	City Council work session.
September 23, 2015:	The Planning Division recommended approval of the revised Zoning Ordinance.
	The Planning Commission recommended approval of the Zoning Ordinance (5-0 with one vacancy and one absence, Mays).

FISCAL IMPACT: N/A

CONTACT(S): Tom Martin, City Planner - 455-3900
Kent White, Director of Community Development – 455-3900

ATTACHMENT(S):
- Ordinance to Adopt
- Memorandum – Zoning Ordinance – February 9, 2016
- Revised Zoning Ordinance Sections
- Zoning Ordinance – February 3, 2016

REVIEWED: lkp

ORDINANCE:

AN ORDINANCE TO AMEND AND REENACT THE CODE OF THE CITY OF LYNCHBURG, 1981, BY REPEALING CHAPTER 35.1 – ZONING ORDINANCE (CONSISTING OF SECTIONS NUMBERED 35.1-1 THROUGH 35.1-110) OF THE LYNCHBURG CODE OF ORDINANCES, AND ADOPTING CHAPTER 35.2 – ZONING ORDINANCE (CONSISTING OF SECTIONS NUMBERED 35.2-1 THROUGH 35.2-113 AND THE ACCOMPANYING APPENDIXES) OF THE LYNCHBURG CODE OF ORDINANCES, REVISING AND RECODIFYING THE CITY'S ORDINANCES PERTAINING TO ZONING.

BE IT ORDANIED BY THE CITY OF LYNCHBURG that in order to promote the public necessity, convenience, welfare and good zoning practice, and to plan for future development of the City as recommended by the Comprehensive Plan 2013-2030:

1. That the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted by repealing Chapter 35.1 – Zoning Ordinance (Sections 35.1-1 through 35.1-110).

2. That the Code of the City of Lynchburg, 1981, be and the same is hereby amended and reenacted by adding thereto Chapter 35.2 – Zoning Ordinance (Sections 35.2-1 through 35.2-113 and the accompanying Appendixes).

3. That whenever any of the conditions, requirements, provisions or contents of any section of Chapter 35.1 or any other section of the Lynchburg City Code as such sections existed prior to the adoption of Chapter 35.2, are referred to in the same or modified form in a new section of Chapter 35.2, and whenever any former section of Chapter 35.1 is given a new number in Chapter 35.2, all references to any such former section shall be construed to apply to the new or renumbered section of Chapter 35.2 containing such conditions, requirements, provisions or contents.

4. That the repeal of Chapter 35.1 and the adoption of Chapter 35.2 shall not affect any act or offense done or committed or any penalty incurred, or any right established, accrued or accruing before the date of the repeal of Chapter 35.1 and the adoption of Chapter 35.2, or any proceeding, violation or action pending on that date. Neither the repeal of Chapter 35.1 nor the adoption of Chapter 35.2 shall apply to any zoning violation committed prior to the repeal of Chapter 35.1 and the adoption of Chapter 35.2, and any such violations shall be governed by the prior ordinance, which is continued in effect for that purpose.

5. That this ordinance shall become effective upon its adoption.

Adopted:

Certified: _____
Clerk of Council

023K

Memorandum
Planning Division • Community Development
900 Church Street
Lynchburg, Virginia 24504
P 434-455-3900

To: Honorable City Council

From: Tom Martin, AICP, City Planner

CC: Kim Payne, Bonnie Svrcek, Kent White, Rachel Frischeisen, Kevin Henry, Anne Nygaard, Michael Lauer, Michael Lauer Planning

Date: February 9, 2016

Re: Zoning Ordinance

City Council conducted a public hearing regarding the rewrite of the Zoning Ordinance on November 10, 2015. The following is a list of edits to the draft ordinance that have occurred as a result of City Council work sessions since the public hearing:

Occupancy

Section 35.2-7.3, Development Approvals under the Prior Zoning Ordinance (f) – p. 6

This section has been stricken. Council directed staff to allow three (3) unrelated individuals per dwelling unit, in lieu of the originally proposed three (3) unrelated individuals per lot. The deleted language allowed for a "grace" period of up to two (2) years for existing leases. Since the occupancy language is now proposed to remain unchanged, the language is no longer necessary.

Section 35.2-40.3, R-C District Use Standards (d) – p. 67

This section has been revised to allow no more than three (3) unrelated individuals per dwelling unit in the R-C District in lieu of the originally proposed three (3) unrelated individuals per lot.

Section 35.2-41.3, R-1 District Use Standards (c) – p. 72

This section has been revised to allow no more than three (3) unrelated individuals per dwelling unit in the R-1 District in lieu of the originally proposed three (3) unrelated individuals per lot.

Section 35.2-42.3, R-2 District Use Standards (c) – p. 77

This section has been revised to allow no more than three (3) unrelated individuals per dwelling unit in the R-2 District in lieu of the originally proposed three (3) unrelated individuals per lot.

Section 35.2-60.2, Buildings, Uses and Lots (e) – p. 197

This section has been revised to allow no more than three (3) unrelated individuals per dwelling unit in lieu of the originally proposed three (3) unrelated individuals per lot. This section is relevant to "all"

zoning districts. Language clarifying that nonconforming duplex or multi-household dwellings or uses permitted by conditional use permit may contain additional unrelated individuals. The section also includes language allowing one (1) additional person unrelated to the related people to reside in the dwelling unit.

Section 35.2-113, Definitions (266) – p. 373

Property ownership defined as having at least fifty (50) percent ownership interest. This definition was added to close "loop hole" which was resulting in accessory units being permitted in single-household districts when the majority owner was not a resident.

Section 35.2-113, Definitions (281) – p. 374

Related People defined as: "Related individuals include people who are related by blood, are married to each other or are in a substantially similar relationship, and children under their care".

Laws of the Commonwealth

Exhibit 11-7: Development Approval Criteria – p. 29

Section revised to reference "Laws of the Commonwealth" in lieu of "Commonwealth Law".

Commercial Corridor District

Section 35.2-54, Commercial Corridor Overlay District – pp. 171-173

Section deleted. Provisions of Commercial Corridor covered in other Ordinance sections.

Airport Safety Overlay District

Section 35.2-57.2, Authority and Findings – p. 180

Section revised to annotate correct State Code reference and provide clarification for an obstruction "into an airport safety zone" as recommend by City Attorney.

Section 35.2-57.4, Airport Safety Zone Height Limitations (c) – p. 181

Section revised to indicate height elevation certificates shall be submitted to the "Zoning Administrator" as recommended by City Attorney.

Solar Panels

Section 35.2-61.2, Additional Height Regulations, (b) – p. 199-200

Section revised to specifically allow roof top solar panels and to exempt them from screening requirements.

Setback from Limited Access Highway

Section 35.2-61.3, Setbacks (h) – p. 204

Section revised to remove the fifty (50) foot setback requirement for buildings or structures from a limited access highway.

Bicycle Parking

Section 35.2-62.6 Bicycle Parking pp. 212-215

Section revised to:

Base bicycle parking on land uses, with a maximum requirement of ten (10) spaces.

Allow placement of bicycle parking within city right-of-way.

Allow clustering and sharing of bicycle parking within a multi-tenant development.

Provide standards for types of permitted bicycle racks.

Signs

Section 35.2-64.14, Signs in B-3, B-5, IN-2, I-1, I-2 and I-3 Districts (a)2 – p. 236

Section revised to provide clarification that Zoning Administrator should not base building mounted sign setbacks from unimproved streets.

Outdoor Lighting

Section 35.2-65.1 – 35.2-65.5, Outdoor Lighting – pp. 243-248

The outdoor lighting provisions of the proposed Zoning Ordinance are applicable to all developments requiring site plan approval. One and two household developments would be exempt from the provisions.

The standards would require all lighting to be glare shielded, non-directional as to prevent direct illumination across the property line. A maximum spillover of 0.5 Footcandles measured horizontally and vertically would be allowed at any adjacent residential property line.

To allow flexibility in lighting design, standards for unshielded luminaires (decorative post type lighting) are included in Exhibit VI-15: Standards for Unshielded Luminaires.

Section 35.2-86.5 – Development Standards for Flexible Space Developments (g) – p. 323

Standards for outdoor lighting within Flexible Space Developments were stricken. Reference made to Section 35.2-65.1.

Internal Access

Section 35.2-66.2, Access Standards, (i) – p.251

Section encouraging shared internal access roads deleted.

Sidewalks

Section 35.2-67 Sidewalks and Pedestrian Connectivity – pp. 252-253

Section revised to remove waiver in sidewalk requirements based upon location factors. Clarified that "cross-slopes" in excess of twenty0five (25) percent measured across the width of the right-of-way could be considered as a factor to lessen or eliminate the requirement for a sidewalk.

Utilities

Section 35.2-68, Utilities, (d) – p. 254

Section revised to exempt internal distribution lines for IN-2 and I-3 Districts from underground requirement.

Farm Animals

Section 35.2-71.7, Farm Animals (a)- pp. 259-260

Section was revised to allow:

One (1) additional fowl for every additional five thousand (5000) square feet of lot area. Maximum of forty (40) fowl.

One (1) additional goat per one (1) acre in excess of fifteen thousand (15,000) square feet.

Recreation Facilities

Section 35.2-72.18, Recreation Facilities – p. 275

Section was revised to remove requirement for toilet, shower and dressing facilities for recreation facilities. Toilet, shower and dressing facilities are required by Building Code.

(e) Any use legally established under prior zoning ordinance shall be allowed to continue. If the use is not authorized by this zoning ordinance, the use shall be considered a non-conforming use unless otherwise provided by this ordinance.

~~(f) Occupancy standards established in the zoning district regulations and in section 35.2-60.2(e) of this ordinance shall become effective on June 1, 2016 unless the property owner provides a copy of a valid lease executed prior to September 1, 2015 that allows for greater occupancy in accordance with the occupancy standards in effect on September 1, 2015, in which case, occupancy may be authorized under the prior regulations for a period not to exceed two (2) years from the date of execution of the lease.~~

35.2-8 Administering the Zoning Ordinance

Articles II and X describe the process for administration of this ordinance in detail. Unless otherwise stated, the Zoning Administrator or City Planner shall be responsible for all administrative responsibilities assigned by this ordinance. The Planning Commission shall advise the City Council, which shall be the final decision maker on amendments to the text of this ordinance, changes to the Official Zoning Map, Comprehensive Plan amendments, conditional use permits and other development approvals. The Board of Zoning Appeals shall make decisions on variances authorized by this ordinance and shall decide appeals to decisions made relating to interpretation of the text and maps of this ordinance. The Technical Review Committee (TRC) shall be responsible for advising the approval bodies.

35.2-9 Severability

Should any section, subsection, sentence, paragraph, clause or phrase of this ordinance be declared invalid by a court of competent jurisdiction, such decision shall not affect the validity of the ordinance in its entirety or of any part thereof other than that so declared to be invalid.

Criteria	Development Application					
	Comprehensive Plan Amendment	Zoning Text Amendment	Zoning Map Amendment	Conditional Zoning and Proffers	Conditional Use Permit	Appeal to Certificate of Appropriateness
Compliance with Flood Hazard Regulations. The proposed development substantially complies with the flood hazard regulations adopted in section 35.2-59 of this ordinance and have no substantially adverse effects on health, safety, or comfort of persons living or working in vicinity of the development due to encroachment or modification of the floodplain.					✓	
Compliance with Historic District Standards. The proposed development is consistent with the intent of the historic district standards and substantially complies with section 35.2-13.6 (Certificate of Appropriateness Review Standards)						✓
Other Factors. The hearing body may consider any other factors relevant to the application under the Laws of the Commonwealth. ~~Commonwealth Law~~			✓	✓	✓	✓

✓= Required

Land Use	LBCS #	Description	Approval Type
group home large	**6523**	Five or more aged or infirm individuals, or nine (9) or more individuals with mental, intellectual or developmental disabilities	C
home	**6562a**	Day care for fewer than six (6) individuals in a residence	P
Vegetable farming or growing	**9120**	Includes private fields and community gardens	P
Commercial orchards	**9130**	Includes fruit and nut trees for commercial production	P
Greenhouse – no on-premises sales	**9141**	Commercial greenhouse production	P
Greenhouse – sales of products grown on premises	**9142**		P
Animal Production	**9300**	Keep, graze, breed or feed animals (see R-C Use Standards in section 35.2-40.3)	P

35.2-40.3 R-C District Use Standards

The following standards apply in addition to the standards for specific uses established in Article VII:

(a) **Agricultural Uses**. The raising of cattle, goats, horses or other large farm animals, and/or five (5) or more poultry or game animals will be permitted on lots of ten (10) acres or more. Any structure for housing or feeding one (1) or more such animals must be at least two-hundred (200) feet from any street or lot line but shall not include any commercial poultry farm or hog farm, and provided further that livestock and poultry shall be kept within secure enclosures and shall not be allowed to roam at large.

(b) **Water Quality Standards**. To achieve the purpose of this district, storage of hazardous materials shall not be allowed within this zoning district, parking lots shall be located outside the district boundaries and outdoor storage of vehicles is prohibited.

(c) **Conditional Uses.** Prior to authorizing a conditional use permit within the R-C district, the City Council shall make the following findings:

1. Parking lots do not encroach upon the R-C district except as necessary to serve the approved use when designed to minimize negative impacts on the volume and quality of stormwater runoff;
2. Land and vegetation disturbance and building areas in the R-C district will be minimized to minimize any potential adverse effect on the quality of runoff; and
3. Outdoor storage of materials that are potentially detrimental to water quality will be prohibited.

(d) **Occupancy.** Not more than three (3) unrelated individuals may occupy a ~~lot~~ dwelling unit in the R-C district unless allowed pursuant to a use authorized by conditional use

Land Use	LBCS #	Description	Approval Type
Religious institutions	**6600**		C
free-standing cemetery	**6722**		C
columbarium	**6724**		C
Vegetable farming or growing	**9120**	Includes private fields and community gardens	P
Commercial orchards	**9130**	Includes fruit and nut trees for commercial production	P
Greenhouse – no on-premises sales	**9141**	Commercial greenhouse production	P
Animal Production	**9300**	Keep, graze, breed or feed animals (see district standards)	P
tent revival meetings/ transient amusements	**9921**	Includes temporary carnivals and circuses sponsored by non-profit organizations (see section 35.2-72.23)	P
residential cluster development	**9951**	See section 35.2-80	P
traditional neighborhood development	**9952**	See section 35.2-82	C
planned unit development	**9953**	See section 35.2-83	C

35.2-41.3 R-1 District Use Standards

The following standards supplement the standards for specific uses established in Article VII:

(a) Not more than one (1) single-household detached dwelling may be established on each lot.

(b) One accessory dwelling unit may be established in addition to the principal dwelling unit on lots on which the owner resides, subject to the occupancy standards of this section and section 35.2-60.2(e), when:

1. The accessory dwelling unit is located in the principal dwelling, there is one (1) main entrance located in the front of the building and the building has no outside characteristics, such as outside stairs, other than those common to a single-household dwelling; or

2. The accessory dwelling is located in accessory building and complies with the standards of section 35.2-71.3.

(c) As provided in section 35.2-60.2(e) not more than three (3) unrelated individuals may occupy a ~~lot~~ dwelling unit in the R-1 district unless allowed pursuant to a use authorized by conditional use permit (i.e., bed and breakfast, boarding house, dormitories/sororities/fraternities, and large group homes). ~~Occupancy for non-conforming duplex and multi-household dwellings shall not exceed three (3) unrelated individuals per dwelling unit.~~

(d) Except as specifically authorized for home occupations, no residential lot or structure shall be used for commercial or industrial purposes.

Land Use	LBCS #	Description	Approval Type
Religious Institutions	**6600**	Churches, temples, synagogues, mosques, convents and monasteries	C
free-standing cemetery	**6722**		C
columbarium	**6724**		C
Vegetable farming or growing	**9120**	Includes private fields and community gardens	P
Commercial orchards	**9130**	Includes fruit and nut trees for commercial production	P
Greenhouse – no on-premises sales	**9141**	Commercial greenhouse production	P
Animal Production	**9300**	Keep, graze, breed or feed animals (see district standards)	P
tent revival meetings/ transient amusements	**9921**	Includes temporary carnivals and circuses sponsored by non-profit organizations (see section 35.2-72.23)	P
residential cluster development	**9951**	See section 35.2-80	P
traditional neighborhood development	**9952**	See section 35.2-82	C
planned unit development	**9953**	See section 35.2-83	C

35.2-42.3 R-2 District Use Standards

The following standards supplement the standards for specific uses established in Article VII:

(a) Not more than one (1) single-household detached dwelling may be established on each lot.

(b) One accessory dwelling unit may be established in addition to the principal dwelling unit on lots on which the owner resides, subject to the occupancy standards of this section and section 35.2-60.2(e), when:

1. The accessory dwelling unit is located in the principal dwelling, there is one (1) main entrance located in the front of the building and the building has no outside characteristics, such as outside stairs, other than those common to a single-household dwelling; or

2. The accessory dwelling is located in accessory building and complies with the standards of section 35.2-71.3.

(c) As provided in section 35.2-60.2(e), not more than three (3) unrelated individuals may occupy a ~~lot~~ dwelling unit in the R-2 district unless allowed pursuant to a use authorized by conditional use permit (i.e., bed and breakfast, boarding house, dormitories/sororities/fraternities, and large group homes). Occupancy for non-conforming duplex and multi-household dwellings shall not exceed three (3) unrelated individuals per dwelling unit.

(d) Except as specifically authorized for home occupations, no residential lot or structure shall be used for commercial or industrial purposes.

Land Use	LBCS #	Description	Approval Type
large scale retail establishments	**9954**	See section 35.2-84	P
cluster commercial development	**9955**	See section 35.2-85	C
flex space development	**9956**	See section 35.2-86	C
corporate campus	**9957**	See section 35.2-87	C
Billboards – only existing billboards allowed per section 35.2-64.16	**9990**	Billboards and other signs advertising goods and services not available on the site where the sign is located	P

35.2-48.3 District Use Standards

The following standards supplement the standards for specific uses established in Article VII:

(a) No operations shall create conditions of smoke, fumes, noise, odor, light or dust detrimental to health, safety or the general welfare of the community.

(b) Billboards shall be subject to the regulations of section 35.2-64.16 (Billboards).

(c) Second-hand stores may include auction sales provided such activity is conducted wholly within an enclosed building.

(d) Storage warehouses and yards shall not include the storage of combustibles prohibited by the fire code, sand yards, gravel yards, coal yards, railroad yards and automobile wrecking yards.

(e) Schools and colleges of all types that exceed a maximum enrollment of one hundred (100) students are prohibited unless otherwise approved through issuance of a conditional use permit.

(f) Ground floor residential uses shall be prohibited except when part of a mixed-use building where the residential access is taken from an urban collector or local street.

(g) Large-scale retail establishments shall comply with the provisions of section 35.2-84 (Retail Establishments, Large Scale) unless otherwise approved through issuance of a conditional use permit.

(h) Outdoor storage, which is permitted as an accessory to a principal use, shall be screened in accordance with section 35.2-63.9 (Utility Screening).

35.2-48.4 B-5 District Development Standards

Dimensional standards for the B-5 district are summarized in Exhibit IV-20. Section cross-references identify the location of additional dimensional standards and rules for their application. The standards in this section apply in addition to the site development standards of Article VI and site development standards applicable to specific uses established in Article VII.

35.2-50.5 IN-2 District Use Standards

The following standards apply in addition to the standards for specific uses established in Article VII:

(a) Upon establishment of an IN-2, Institutional District by Council, the institution and its accessory uses shall be permitted by right. Notwithstanding the provision of Article IX, all conforming uses and lawful non-conforming uses existing within an IN-2, Institutional District at the time of its creation, including replacements, renovations, and expansion of such uses, shall be permitted by right; provided however, no non-conforming sign or non-conforming billboard shall be expanded except as may be allowed by the sign ordinances set forth in section 35.2-64 et seq. of this Zoning Ordinance.

(b) Residential uses that are not owned and operated by the applicable institution shall only be authorized subject to issuance of a conditional use permit.

(c) Large-scale retail establishments shall comply with the provisions of section 35.2-84 unless otherwise approved pursuant to a conditional use permit.

(d) Second hand stores may include auction sales provided that such activity is conducted wholly within an enclosed building.

(e) Soundproofed radio and television studios without towers may be established provided that they produce no electromagnetic effect on adjoining properties.

(f) Storage warehouses and yards may be established, but shall not include sand yards, gravel yards, coal yards, railroad yards, automobile wrecking yards, junkyards or the storage of combustibles prohibited by the Fire Code.

(g) Outdoor storage, which is permitted as an accessory to a university, shall be screened in accordance with section 35.2-63.9 (Utility Screening).

35.2-50.6 Exemptions

The IN-2, Institutional District shall be exempt from the requirements of the following sections of this Zoning Ordinance:

(a) Section 35.2-61 (Building Envelope, Height, Lot Area and Density Standards);

(b) Section 35.2-71 (Accessory Buildings and Uses);

(c) Section 35.2-62 (Parking and Loading), provided; however, any institution in the IN-2, Institutional District shall provide adequate parking and unloading areas to accommodate permitted uses within the district. The district shall be deemed to not have adequate parking and unloading areas, when the lack of parking and/or unloading areas in the district causes vehicles to be regularly parked in, or to partially or completely block any public rights- of-way; and

(d) Section 35.2-72.2 (Arenas, Auditoriums and Stadiums).

Article V Special Zoning Districts

35.2-54 Reserved ~~Commercial Corridor Overlay District (CC)~~

~~35.2-54.1 Purpose~~

~~This district is intended to:~~

~~(a) Protect and promote the health, safety and general welfare of the public;~~

~~(b) Enhance the visual appearance of designated commercial corridors;~~

~~(c) Protect and promote the appearance, character and economic values along the corridor and the surrounding neighborhoods;~~

~~(d) Maintain the long-term function of arterial and collector roadways;~~

~~(e) Limit access and the number of conflict points;~~

~~(f) Promote vehicular circulation;~~

~~(g) Minimize traffic congestion and danger in the public streets;~~

~~(h) Encourage land assembly and the most desirable use of land in accordance with the Comprehensive Plan;~~

~~(i) Encourage designs that produce a desirable relationship between individual sites, the circulation system, and adjacent areas; and~~

~~(j) Permit a flexible, efficient response to development of a variety of land uses and activities of high value.~~

~~35.2-54.2 Establishment of District~~

~~The commercial corridor overlay district shall be in addition to and shall overlay all other zoning districts where it is applied so that any parcel of land lying in the commercial corridor overlay district shall also lie within one or more of the other zoning districts provided by this ordinance. The effect shall be the creation of new zoning districts consisting of the requirements of both the underlying district and the commercial corridor overlay district.~~

~~35.2-54.3 CC District Boundaries~~

~~The commercial corridor overlay district boundaries shall be as specified by City Council by ordinance as shown on the Official Zoning Map.~~

~~35.2-54.4 Relationship between District Standards~~

~~Where the standards of the commercial corridor overlay district and the underlying district(s) differ, the more restrictive standard shall apply.~~

~~35.2-54.5 Exemption from CC Standards~~

~~Single and two-household residential uses shall not be subject to the standards of the commercial corridor overlay district. However, at such time that a single or two-household residential use is converted to another use it will be subject to the standards of the commercial corridor overlay district.~~

~~35.2-54.6 Authorized Uses~~

~~The uses authorized by in Article IV for the applicable underlying zoning districts may be established in accordance with the procedures established in Article II, the zoning district standards of Article III and this article, site development standards established in Article VI and specific use standards established in Article VII, as well as other applicable rules and regulations.~~

~~35.2-54.7 CC District Development Standards~~

~~The following standards shall apply in addition to any of the development standards applicable in the underlying zoning district:~~

~~(a) **Frontage**. The minimum frontage requirement along arterial and collector roadways for commercially zoned lots in the CC district is two hundred fifty (250) feet.~~

~~(b) **Access**~~

~~1. **Direct access**. Any lot having frontage along an arterial or collector roadway in the CC district shall be permitted and limited to one direct access to the arterial or collector roadway. The access shall be aligned with the existing cross-over, or as directed by the TRC during the site plan review process.~~

~~2. **Assembly of lots**. If two (2) or more adjacent lots are placed under one ownership and or control such assembly of lots shall be permitted and limited to one direct access to the arterial or collector roadway.~~

~~3. **Additional direct access**. Additional direct access to the arterial or collector roadway shall be provided (a) if required by the City technical review committee for safe access, or (b) if a minimum spacing of two hundred fifty (250) feet is maintained between entranceways provided on any one (1) lot. Additional direct access will be aligned with existing cross-overs, or as directed by the TRC during the site plan review process.~~

~~4. **Shared direct access**. A fifty (50) percent reduction to the minimum frontage requirement will be permitted (a) with the provision of shared direct access onto the arterial or collector roadway with an adjacent lot having frontage on the arterial or collector roadway, or (b) with the provision that no direct access to the arterial or collector roadway is proposed.~~

~~5. **Existing lots**. A reduction to the minimum frontage requirement will be permitted for existing lots of record established prior to the effective date of this section, provided:~~

~~a. The lot frontage is not reduced further than established prior to the enactment of this section; and~~

~~b. Shared direct access is provided onto the arterial or collector roadway with an adjacent lot having frontage on the arterial or collector roadway, or no direct access to the arterial or collector roadway proposed.~~

~~(c) **Internal vehicular circulation**. Commercial sites shall be designed to achieve direct and convenient vehicular access between adjacent commercial properties unless otherwise required by the City.~~

~~(d)~~(a) ~~**Provision for shared direct access and internal vehicular circulation**. The owners of a lots providing for shared direct access and or internal vehicular circulation shall make adequate provision by dedication, easements, covenants, restrictions, or other legal instruments for ensuring that such shared direct access and or internal vehicular circulation are provided for and maintained consistent with the regulations and intent of this section.~~

35.2-55 Fifth Street Revitalization Corridor Overlay District (FSC)

35.2-55.1 Purpose

This district is intended to:

(a) Protect and promote the health, safety and general welfare of the public;

(b) Enhance the visual appearance of the corridor; to protect and promote the vision and goals of the Fifth Street Corridor Master Plan

(c) Protect and promote positive appearance, character and community values by encouraging pedestrian and mixed use oriented uses along the corridor that serve the needs of the surrounding neighborhoods;

(d) Promote responsible commercial development;

(e) Encourage neighborhood stabilization, expansion and infill;

(f) Reduce the number of vacant and deteriorated structures in the corridor;

(g) Encourage designs that produce a desirable relationship between individual sites, multiple modes of transportation and the adjacent areas; and

(h) Promote the corridor as a link between the Downtown and Midtown areas of the City.

located on the property of the business and no such signs exceed four (4) square feet in area. Directional signs shall contain no advertising.

d. The backing and support material of the face sign shall be of the same material as of that portion of the building which faces any adjoining single-household or two-household residential district or public right-of-way, or of a natural material (such as rock, stone, brick, wood).

e. Other signs such as real estate, political, etc., not specifically addressed in the Scenic Corridor Overlay District Standards are to conform to the regulations of the underlying districts.

35.2-57 Airport Safety Overlay District (AS)

35.2-57.1 Purpose

This district is intended to protect the health, safety and welfare of residents and visitors to the City of Lynchburg by regulating and restricting the height of structures and objects in the vicinity of the airports and the navigable airspace in the City of Lynchburg by:

(a) Creating the appropriate zones and establishing boundaries thereof;

(b) Providing for changes in the restrictions and boundaries of such zones;

(c) Defining certain terms used herein;

(d) Providing for enforcement;

(e) Imposing penalties; and

(f) Satisfying the requirements of the General Assembly of Virginia regarding airport safety zoning.

35.2-57.2 Authority and Findings

This section is adopted pursuant to the authority conferred by Chapter ~~11~~ 22 of Title 15.2, and specifically to satisfy the requirements of Section 15.2-2294 of the Code of Virginia 1950, as amended and the Federal Aviation Administration. It is hereby found that an obstruction into an airport safety zone has the potential for endangering the lives and property of users of the airports and residents in the City of Lynchburg; and that an obstruction may reduce the size of areas available for the landing, takeoff, and maneuvering of aircraft, thus tending to destroy or impair the utility of the airports and the public investment therein. Accordingly, it is declared that:

(a) In the interest of the public health, safety, and general welfare, it is necessary to prevent the creation or establishment of obstructions that are hazards to air navigation;

(b) The creation or establishment of an obstruction has the potential for being a public nuisance and may injure the area served by the airports;

(c) The prevention of these obstructions should be accomplished, to the extent legally possible, without compensation to the property owner.

35.2-57.3 Airport Safety Zones

(a) **Safety Zones Established**. In order to carry out the provisions of this section, there are hereby established certain zones which include all of the area and airspace of the City of Lynchburg lying equal to and above the approach surfaces, transitional surfaces, horizontal surfaces, and conical surfaces as they apply to the Lynchburg Regional Airport and Falwell Airport. These zones are established as overlay zones, superimposed over the existing base zones, being more specifically zones of airspace that do not affect the uses and activities of the base zones except as provided for in sections 35.2-57.3. and 35.2-57.4. An area located in more than one of the following zones is considered to be only in the zone with the most restrictive height limitation. These zones are as follows:

1. airport zone: a zone that is centered about the runway and primary surface, with the floor set by the horizontal surface.
2. approach zone: a zone that extends away from the runway ends along the extended runway centerline, with the floor set by the approach surfaces.
3. transitional zone: a zone that fans away perpendicular to the runway centerline and approach surfaces, with the floor set by the transitional surfaces.
4. conical zone: a zone that circles around the periphery of and outward from the horizontal surface, with the floor set by the conical surface.

(b) **Source for Safety Zones**. The source and the specific geometric design standards for these zones are to be found in Part 77.25, 77.28, and 77.29, subchapter E (Airspace), of Title 14 of the Code of Federal Regulations, or in successor federal regulations. The boundaries of such zones are shown on maps filed and maintained in the same manner provided for in Article III of this Zoning Ordinance for other Zoning Maps.

35.2-57.4 Airport Safety Zone Height Limitations

(a) Except as otherwise provided in this section, in any zone created by this section no structure shall be erected, altered, or maintained to a height so as to penetrate any portion of any referenced surface, also known as the floor, of any zone provided for in section 35.2-57.3.

(b) The height restrictions, or floors, for the individual zones shall be those planes delineated as surfaces in Part 77.25, 77.28, and 77.29, Subchapter E (Airspace), of Title 14 of the Code of Federal Regulations, or in successor federal regulations.

(c) For any proposed construction or activity that may penetrate any referenced surface, certification of the elevation shall be submitted to the ~~administrator~~ Zoning Administrator by a Virginia registered engineer or surveyor.

reconstructed, or otherwise refurbished so as to exceed the applicable height limit or otherwise deviate from the zoning regulations contained in this section, except with the relief as provided for in section 35.2-91.4 (Non-Conforming Signs). The owner of any residential or commercial building that is damaged or destroyed by a natural disaster or other act of God may repair, rebuild, or replace such building even if the building is damaged by more than fifty (50) percent of its value.

(d) ~~Any~~ The Zoning Administrator may condition approval of a building permit ~~granted may be made conditional to require~~on the agreement by the owner and/or operator of the structure and land to install, operate, and maintain, at the owner's expense, such markings and lights as may be deemed necessary by the Federal Aviation Administration, the Virginia Department of Aviation, or the ~~administrator~~Zoning Administrator.

(e) The owner of any proposed obstruction is hereby required to post a bond, in such an amount as may be deemed appropriate by the Zoning Administrator, to cover the expense of removal of such obstruction as stipulated in paragraph (c) of this section. This bond shall carry with the ownership of the land or structure.

(f) When any structure erected after the enactment of this section exceeds the height listed in the building permit, the owner/operator shall be legally and financially responsible for removing such obstruction.

(g) No use shall be established that the Zoning Administrator finds to be inconsistent with the provisions of this section 35.2-57 et.seq

35.2-57.7 Enforcement

The Zoning Administrator shall administer and enforce the regulations prescribed in this section, unless otherwise stated, and shall carry out and effectuate this section, including the action of injunction, prosecution and other available means pursuant to section 35.2-102 of this Zoning Ordinance.

35.2-57.8 Penalties

Penalties for violations of the provisions of this section 35.2-57 et.seq. shall be established as provided in section 35.2-102 of this Zoning Ordinance.

35.2-57.9 Conflicting Regulations

Where there exists a conflict between any of the regulations or limitations prescribed in this section and any other regulations applicable to the same subject, where the conflict is with respect to the height of obstructions, the more stringent limitation or requirement shall govern.

3. The lot was an existing lot of record on July 11, 2011, in which case the lot shall provide access on at least one (1) dedicated, improved street extending a minimum of twenty-five (25) feet past the driveway accessing the lot.

(d) **Reduction or Subdivision of Lots**. No lot shall be subdivided or reduced in area to create a non-conforming lot or structure.

(e) **Occupancy.** Except as allowed by conditional use permit or for non-conforming duplex or multi-household dwellings, ~~No~~ no dwelling unit or~~,~~ boarding unit ~~or single lot in an R-C, R-1 or R-2 district~~ may be occupied by more than three (3) unrelated people. ~~In other zoning districts, no dwelling unit or boarding unit may be occupied by more than three (3) unrelated people.~~ Where two or more related people reside in a dwelling unit, only one person unrelated to the related people may reside in the dwelling unit.

(f) **County Boundary Lines**. A structure which would be split by a county boundary line shall be permitted by a conditional use permit under the regulations of section 35.2-11, Applications Requiring Public Hearings Before City Council.

35.2-61 Building Envelope, Lot Area and Density Standards

35.2-61.1 Rules for Building Envelope Standards (Height, Setbacks and Building Coverage)

(a) The building envelope standards are listed for each zoning district in Article IV~~I~~ and are summarized in Appendix B. This section describes the general rules for applying height, setback and building coverage standards.

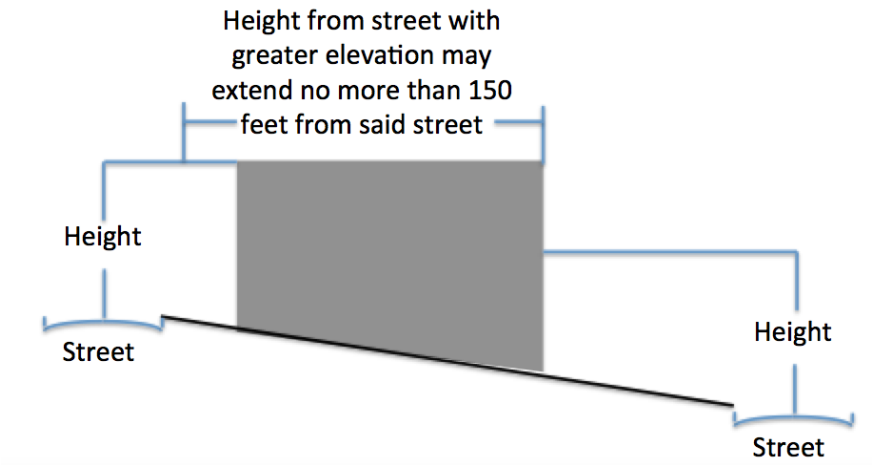
(b) Building envelope standards, other than those established in the applicable zoning district and this article may apply when:

1. Greater setbacks or lesser heights are required pursuant to the zoning district standards in Article IV or the standards in this article;
2. An overlay district imposes different standards pursuant to Article V;
3. The City Council approves alternative building envelope standards pursuant to a conditional use permit issued in accordance with section 35.2-11 (Applications Requiring Public Hearings Before City Council); or
4. Board of Zoning Appeals modifies building envelope standards by granting a variance pursuant to section 35.2-12 (Variances and Appeals to the Board of Zoning Appeals).

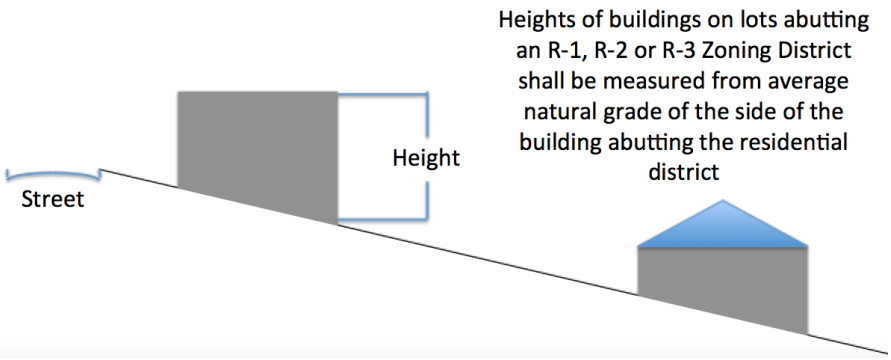
35.2-61.2 Additional Height Regulations

(a) **Measurement of Height**

1. **Building Height**. Building height is the vertical distance measured from the crown of the street opposite the middle of the front of the building to:



d. **Properties Abutting R-1, R-2 or R-3 Districts**. For lots in any R-4, B-3, B-5, IN-1, ~~IN-2,~~ I-1, I-2 or I-3 district abutting property zoned R-1, R-2 or R-3, height shall be measured from natural grade at the horizontal midpoint of the building wall facing each abutting residential property and shall apply to any portion of the building located within one-hundred-feet (100) feet of the property line (see following illustration). In no case shall a building be required to be less than twenty (20) feet in height at the front building line.



(b) **Height Exceptions for Certain Structures**

1. The height limitations shall not apply to the following features projecting above the roof line: flag poles, church spires/steeples, belfries, cupolas and domes not used for human occupancy, chimneys, ventilators, skylights, water tanks, bulkheads or similar features, radio and television antennas for the use of residents of dwelling units in apartments, and necessary mechanical appurtenances (including, but not limited to solar energy panels and related appurtenances, plumbing vents, exhaust

vents, HVAC equipment, electrical connections, lightning rods and telecommunications connections) usually carried above the roof level provided that:

a. Such a feature shall be erected only to a height necessary to accomplish the purpose it is intended to serve, but in no case more than fifteen (15) feet above its lowest point of contact with the roof.

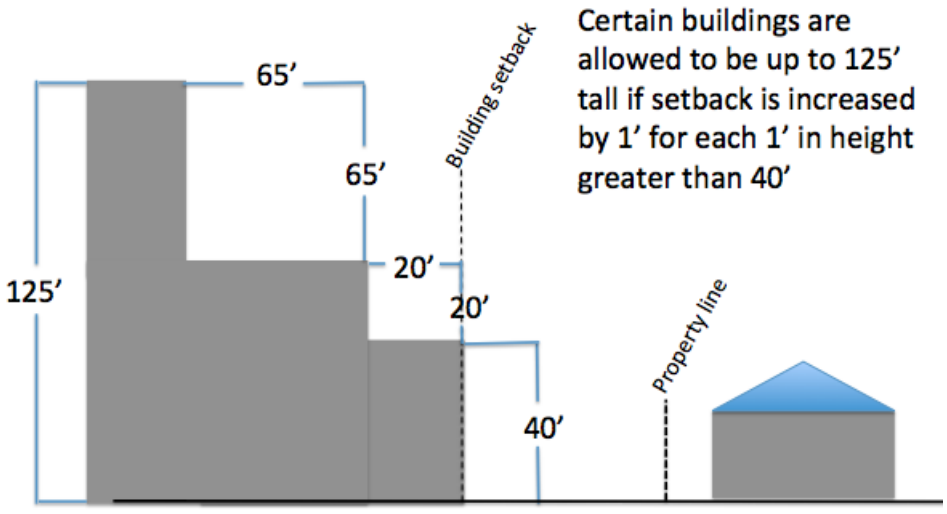
b. The total area covered by such features shall not exceed in horizontal cross-sectional area fifteen (15) percent of the area of the plane of roof upon which they are located.

c. Such features as water tanks, cooling towers and bulkheads, but not solar energy panels and related appurtenances, shall be enclosed within walls constructed of the same material as the main walls of the building on which they are located.

2. Parapet walls may extend not more than five (5) feet above the limiting height of the building on which they rest.

3. No sign, name plate, display or advertising device of any kind whatsoever shall be inscribed upon or attached to any chimney, tower, tank or other structure which extends above the district height limitations.

(c) **Tall Buildings in the R-4, B-1, B-3 and IN-1 Districts**. In the R-4, B-1, B-3 and IN-1 districts, apartment buildings, public or semi-public buildings such as a religious institution, school, library, hospital, may be erected to not more than one hundred twenty-five (125) feet in height; provided that the portion of such building more than forty (40) feet in height shall set back from the street, lot or required setback line, one (1) foot for each one (1) foot of such additional height (see following illustration).



line~~; and no building, sign,~~ for billboards. ~~or structure of any type shall be located or erected nearer than fifty (50) feet to such right-of-way line.~~

(i) **B-1 District Abutting and R-1, R-2 or R-3 District**. Where a B-1 lot abuts a R-1, R-2 or R-3 lot, the minimum front setbacks along block faces shall be the lesser of the neighborhood norm as provided in paragraph (f) of this section or twenty (20) feet.

(j) **R-4, B-3, B-5, IN-1 or IN-2 Districts Adjacent to R-1, R-2 or R-3 Districts**

1. In all instances where a lot in a R-4, B-3, B-5, IN-1 or IN-2 district abuts a lot in a R-1, R-2 or R-3 district:

   a. A buffer shall be established between the districts in compliance with section 35.2-63.10.

   b. A fifty (50) foot setback shall be provided.

2. Where lot in a B-3, B-5, IN-1 or IN-2 district is on the same block as a residential district, the front and exterior side setback requirements of the residential district shall apply to the applicable business or institutional district.

3. The buffer and setback requirements of paragraphs (j)1. and (j)2. of this section do not apply when the property within the R-1, R-2 or R-3 district is owned or leased by an institutional use.

(k) **Industrial Districts Adjacent to Residential Districts**

1. In all instances where a lot in an industrial district (I-1, I-2 or I-3) abuts a lot in a residential district (R-1, R-2, R-3 or R-4):

   a. A buffer shall be established between the districts in compliance with section 35.2-63.10.

   b. There shall be required a one-hundred (100) foot minimum building setback on the lot in the industrial district.

2. Where a lot in an industrial district is on the same block as a residential district, the front and exterior side setback requirements of the residential district shall apply to the applicable industrial district.

(l) **Private recreational facilities**. Private recreational facilities such as swimming pools, tennis courts and basketball courts permitted as accessory uses located on residentially zoned land, shall not be located in any front yard and shall have the following setbacks:

1. If accessory to a single-household use or duplex, the edge of the facility shall be located not less than five (5) feet from any lot line.

(b) **For Business, Professional, Financial and Other Office Buildings**, one (1) berth for each one hundred thousand (100,000) square feet of gross floor space.

(c) **For Manufacturing, Wholesale Business, Storage, Warehouses and Similar Activities**, one (1) berth for the first four thousand (4,000) square feet of floor area or portion thereof used for such purposes and one (1) additional berth for each ten thousand (10,000) square feet or portion thereof in excess of the first four thousand (4,000) square feet.

(d) **For Arenas, Stadiums, Performing Arts Theaters and Auditoriums,** there shall be five (5) loading berths per main entrance and five (5) loading berths for service vehicles.

(e) **Joint Use of Loading Berths**. In B-3 and B-4 business districts several business establishments within one (1) block may provide off-street loading berths for joint use, provided that the design and location of such berths is satisfactory to the City Planner. The minimum requirements for such berths shall be figured on the basis of the total floor space of all the establishments served.

(f) **Fraternities, Sororities and Fraternal Organizations. T**here shall be one (1) loading berth for service vehicles plus three loading berths for the main entrance.

(g) **Exceptions**. The Zoning Administrator may waive the requirement for loading berths for existing structures or new structures developed in the middle of a block upon finding that there is no practical way to provide for a loading berth at the side or rear of a building in a manner that is consistent with the intent of the applicable zoning district.

35.2-62.6 Bicycle Parking

(a) Quantity

1. Exhibit VI-3 establishes the minimum number of required bicycle parking spaces for each use.
2. Under no circumstances will a building with a single use and business be required to provide more than ten (10) spaces.
3. If calculation results in an odd number and a fraction of a space, then the number of required spaces shall be increased to the next whole number. If calculation results in an even number and a fraction of a space, then the number of required spaces shall be reduced to the even number whole number. All racks shall be designed and located to accommodate at least two (2) bicycles.

Exhibit VI-3: Minimum Number of Bicycle Parking Spaces Required

Use**	Requirement
RESIDENTIAL	
Single household dwellings	none

Use**	Requirement
Multi household dwellings	One (1) space for every six (6) dwelling units. Minimum requirement is 2 spaces.
CIVIC: CULTURAL/RECREATIONAL	
Non-assembly cultural (library, government buildings, museum)	One (1) space for each 10,000 s.f. of floor area. Minimum requirement is 2 spaces.
Assembly (church, theaters, stadiums, parks)	5% of provided vehicular spaces. Minimum requirement is 2 spaces.
Health care / hospitals	1 space for each 20,000 s.f. of floor area. Minimum requirement is 2 spaces.
COMMERCIAL / INDUSTRIAL	
Food sales or groceries (includes restaurants)	1 space for each 2,000 s.f. of floor area. Minimum requirement is 2 spaces.
General retail	1 space for each 5,000 s.f. of floor area. Minimum requirement is 2 spaces.
Office	1 space for each 20,000 s.f. of floor area. Minimum requirement is 2 spaces.
Auto-related uses (sales, rental, repair, etc.)	1 space for each 20,000 s.f. of floor area. Minimum requirement is 2 spaces.
Manufacturing and production	1 space for each 15,000 s.f. of floor area. Minimum requirement is 2 spaces. (can be long-term and not publicly available)

***Schools, daycares, colleges and universities are not required to provide bicycle parking, but are encouraged to provide spaces according to their need.*

(b) Required bicycle racks must be permanently anchored.

(c) Bicycle Racks shall be located in a safe, accessible area within fifty (50) feet of the building entrance.

(d) Required bicycle racks shall be of inverted U construction and adequately spaced to accommodate multiple bicycles unless otherwise approved by the Zoning Administrator provided they meet the following standards:

1. Provide stable support for a bicycle locked against it with at least two points of contact with a typical adult or child's bicycle frame.
2. Do not hold or otherwise place stress upon the bicycle's wheels.
3. Allow the user to lock both the bike frame and one wheel to the rack using a standard u-lock.
4. Bike racks are not grid/radiator, wheel block, or wave/ribbon style.

(e) Single racks may provide spaces for multiple bicycles.

(f) For multi-tenant developments:

1. Bike racks may be clustered on site, but no more than two hundred (200) feet from the business for which they are required.
2. Bike racks must be connected to the building entrance by pedestrian facilities.
3. Bike racks must be visible from the business entrance or the business owner shall provide a sign indicating where bicycle parking may be found.

(g) When buildings are set back fewer than twenty (20) feet from the right-of-way:

1. The applicant for site plan approval may, subject to the City Traffic Engineer's approval, voluntarily pay for the City to install a required rack(s) within the public right-of-way.
2. Racks placed within City right-of-way must be no more than two hundred (200) feet from the business for which they are required.
3. Bike racks must be connected to the building entrance by pedestrian facilities.
4. When the City Traffic Engineer determines that no space exists to place a new rack, existing racks within City right-of-way and connected by pedestrian facilities may count towards the required bicycle parking.

(h) Shared Bicycle Parking. Shared parking may be approved by the technical review committee (TRC) during final site plan review. Uses sharing parking need not be located on the same lot, but shall be located within the same block or an adjacent block. In approving shared parking, the TRC shall require that:

1. Shared bicycle parking is connected to the entrances of the uses it serves by pedestrian facilities;
2. Bike racks are visible from entrances of all uses or signs are provided indicating the location of bicycle parking;
3. The number of spaces proposed is adequate to meet the total minimum required spaces for all uses sharing the parking;
4. The design and location of bicycle parking areas shall be convenient for sharing by customers, patrons, employees and residents of all properties involved;
5. A shared bicycle parking agreement that establishes ongoing access to the shared bicycle parking for all users and responsibilities for bicycle parking maintenance has been executed between all property owners involved and is binding on all tenants; and
6. That the agreement shall be recorded and shall not be terminated without approval of the Zoning Administrator.

~~35.2-62.6~~

35.2-63 Landscaping

35.2-63.1 Title

This section 35.2-63 et seq shall be referred to as the landscaping ordinance.

35.2-63.2 Purpose of Landscaping Provisions

The Landscaping requirements of this section are intended to

(a) Promote the public necessity, convenience, general welfare and good zoning practice by incorporating landscaping, screening and tree preservation requirements into the development review process;

(b) Ensure development consistent with the goals of the Comprehensive Plan;

(c) Reduce soil erosion;

(d) Maintain or enhance water quality;

(e) Increase infiltration in permeable land areas to improve stormwater management, mitigate air, dust, noise, and chemical pollution;

(f) Reduce the heat island effect;

(g) Protect property values and provide buffers between incompatible uses;

(h) Preserve existing natural vegetation as an integral part of the City; and

(i) Ensure that the City remains an attractive place to live, work and play.

35.2-63.3 Applicability

(a) This landscaping ordinance applies to the development or redevelopment of any property after June, 13, 2006 and located in an R-4, R-5, B-1, B-3, B-4, B-5, IN-1, IN-2, I-1, I-2 or I-3 district and to any use requiring conditional use permit approval.

(d) **Sign illumination**

1. When any sign is lighted in these districts, such lights shall be enclosed in the sign, shaded or indirect so that the source of illumination is not visible and in no way interferes with the vision of motorists or with neighboring residents.
2. Only white illumination shall be used, and no flashing (on-and-off) sign simulating movement shall be permitted, except signs indicating time and/or temperature or similar signs erected for the convenience of the public. No other changeable copy signs are permitted in the B-1 or IN-1 districts.
3. No fluorescent paint or other reflective surface shall be used.

(e) **Open Signs**. One sign with the word "open" (neon or otherwise) shall be permitted per use, provided the sign does not exceed four (4) square feet. Said sign shall not count towards the maximum allowable sign square footage if it is located behind a window or door.

(f) **Visibility at Intersections**. Signs shall not encroach on areas necessary for visibility at intersections (see section 35.2-66.4).

35.2-64.14 Signs in B-3, B-5, IN-2, I-1, I-2 and I-3 Districts

Signs pertaining only to the uses conducted on the premises, but not including any roof signs or billboards, will be permitted, subject to the provisions of this section. The provisions of this section do not apply to window signs on the inside of buildings that are further than twelve (12) inches inside the inside face of an exterior window pane, nor to small signs on outdoor merchandise display racks, cases and vending devices.

(a) **Building-Mounted Signs**

1. Building mounted signs shall face only an abutting street or an abutting parking lot of the same parcel where the sign is located.
2. The aggregate sign face surface area of all signs, including trim or embellishment, on any one (1) building wall within two-hundred (200) feet from the abutting street right-of-way for any improved street shall not exceed twenty-five (25) square feet plus one (1) square foot for each lineal foot of such wall.
3. In no case shall the sign face surface area exceed one-hundred fifty (150) square feet.
4. The aggregate sign face surface area of all signs on any one (1) building wall greater than two-hundred (200) feet from the abutting street right-of-way shall not exceed twenty-five (25) square feet plus two (2) square feet for each lineal foot of such wall.

anchored so as to be kept in sound condition. All exposed surfaces shall be protected against decay or rust by proper application of weather-coating materials, such as paint or a similar surface treatment.

35.2-64.18 Signs in Historic Districts

(a) Except for those standards for signs which must be modified by the granting of a variance, a conditional use permit or a rezoning, modified signs are permitted in a historic district by a certificate of appropriateness issued by the Historic Preservation Commission. A request for a certificate of appropriateness for a modified sign shall be submitted to the historic preservation commission in the manner provided by section 35.2-13 of this Zoning Ordinance. The historic preservation commission may grant modifications upon a determination that:

1. The proposed sign is a re-creation or repair of a historically significant sign.
2. The proposed sign will not be detrimental to the character of the historic district in which it is located or other adjacent properties.

(b) The historic preservation commission shall not deny an application for a modification of a sign in a historic district based upon the content of the sign and the denial of an application on such grounds is prohibited. Appeals of a decision of the historic preservation commission shall be taken in the manner provided in section 35.2-44.1 of the Zoning Ordinance and in the Code of Virginia.

35.2-65 Outdoor Lighting

35.2-65.1 Purpose

These outdoor lighting provisions establish standards for outdoor lighting to:

(a) Protect against direct glare and excessive lighting;

(b) Provide safe roadways for motorists, cyclists and pedestrians;

(c) Promote efficient and cost effective lighting;

(d) Ensure that sufficient lighting can be provided where needed to promote safety and security; and

(e) Allow for flexibility in the style of lighting fixtures.

35.2-65.2 Applicability

(a) All applications for final site plan review or conditional use permits shall include lighting plans showing location, type, height and lumen output of all proposed and existing fixtures. The applicant shall provide information to verify that lighting conforms to the provisions of this lighting code at the time of final site plan approval.

(b) All permanent exterior lighting installed on private property, excluding single-household and duplex dwellings, after the effective date of these provisions shall comply with the requirements established herein unless required by a public agency for public safety purposes. The standards established in this section do not apply to public street lights.

(c) Lighting that is established pursuant to submittal of a master lighting plan may exceed the heights established in section 35.2-65.3(a) as long as a qualified lighting professional certifies that spillover lighting at the outer property lines of the area subject to the master lighting plan does not exceed the maximum lighting thresholds established in section 35.2-65.3.

~~(c)~~(d) The outdoor lighting requirements of this section do not apply to holiday lighting between November 15 and January 15 of each year.

35.2-65.3 General Standards

(a) **Shielding Required**. All exterior lighting shall be full cut-off fixtures with the light source fully shielded, with the exception of unshielded luminaires installed pursuant to paragraph (~~a~~c) of this section. ~~and shall not cause spillover lighting at any residential property line exceeding 0.5 footcandles and the minimum values in public areas of common areas of multi-family, mixed use and commercial sites shall comply with the standards in IES Publication RP-20~~. All other ~~luminaires~~ lighting shall be installed so that the ~~shield cuts off~~ direct lighting from fixtures is shielded from crossing~~at~~ any residential property line.

(b) **Maximum Spillover Lighting**. Outdoor lighting shall not cause spillover lighting at any residential property line exceeding 0.5 footcandles measured horizontally and vertically at the property line

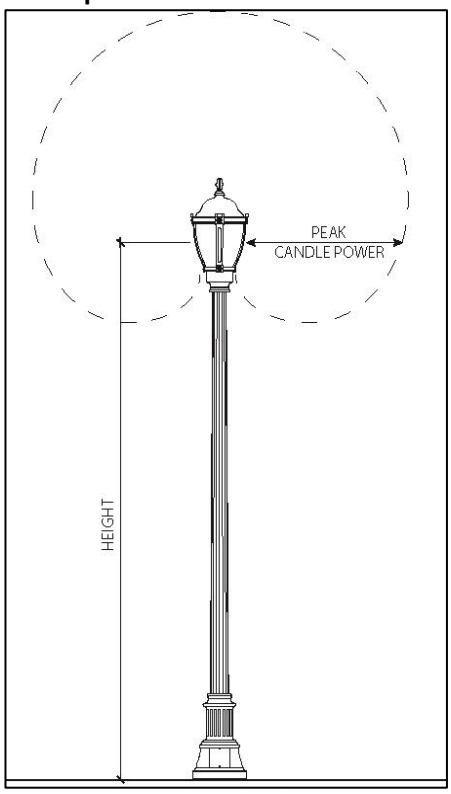
~~(a)~~(c) **Unshielded Luminaires**. When a light source or luminaire has no cutoff or a cutoff that is greater than ninety (90) degrees, the ~~standards in~~requirements of Exhibit VI-15: Standards for Unshielded Luminaires shall be met.

Exhibit VI-15: Standards for Unshielded Luminaires

Standard	Maximum Permitted Average Maintained Illumination Measured Vertically and Horizontally	Maximum Permitted Height of Light Source*	Uniformity (ratio of maximum to minimum illumination)
Residential Districts	2.0 footcandles	16 feet	15:1
Business and Institutional Districts	5.0 footcandles	16 feet	15:1
Industrial Districts	5.0 footcandles	20 feet	15:1

*Measured from the ground to light source.

Examples of Unshielded Luminaires



(d) ~~**Luminaires with Cutoffs Less Than 90** Degrees~~

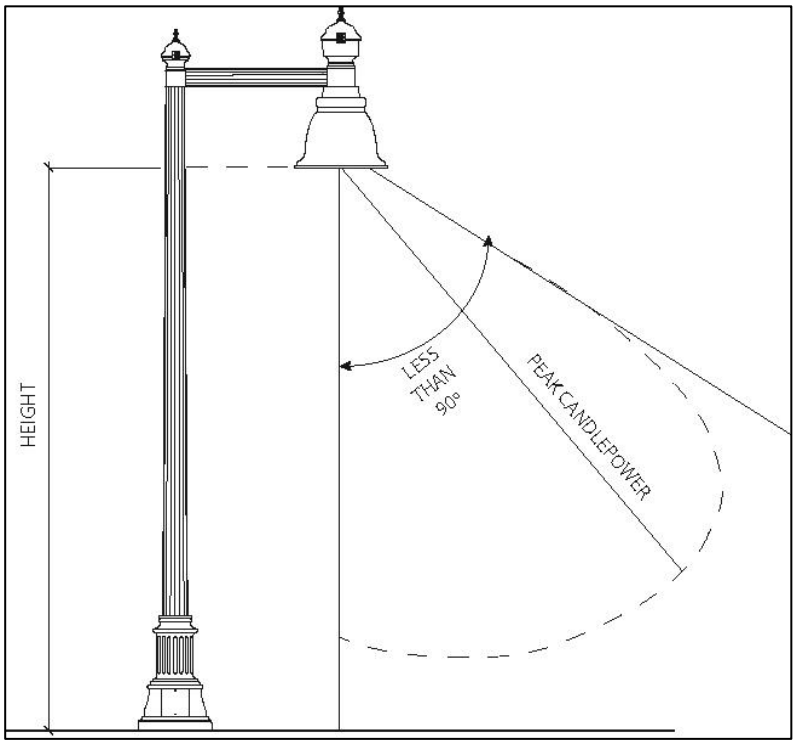
~~(b)~~(e) **Other Outdoor Lighting Fixtures**. ~~The luminaire~~All outdoor lighting fixtures other than those listed in paragraph (c) of this section shall have a total cutoff of light at an angle ~~less than eight five~~equal to or less than ninety (90) degrees and shall be shielded from abutting residential properties ~~when located within twenty (20) feet of any property line~~. The ~~maximum permitted illumination and the~~ maximum permitted height of the luminaire shall meet the standards in Exhibit VI-16.

~~(c)~~(f) Exhibit VI-16: Standards for Luminaires with Cutoffs

Standard	~~Maximum Permitted Illumination~~	Maximum Permitted Height of Light Source*
Residential District	~~2.0 footcandles~~	25 feet
Business, Institutional and Industrial District	~~5.0 footcandles~~	35 feet

* Measured from the ground to light source.

Examples of Luminaires with Cutoffs Less than 90 Degrees



~~(d) **Motion Sensor Lighting**. Sensor activated lighting may be unshielded provided it is located in such a manner as to prevent direct glare and lighting into properties of others or into a public right-of-way, and provided the light is set to only go on when activated and to go off within five minutes after activation has ceased, and the light shall not be triggered by activity off the property.~~

~~(e) **Floodlights**. All floodlights, except for sign lighting and architectural or landscape accent lighting angled away from property lines, shall be aimed downward at least forty-five (45) degrees and shall have top visors to prevent skyglow. The light source of floodlamps and area lights shall not be visible from adjacent properties or the public right-of-way. Flood lights in residential districts shall be triggered by motion sensors complying with the above standards.~~

~~(f) **Canopy Lights Service Stations.** The average lighting level for new and existing service stations shall be no greater than ten (10) footcandles with a uniformity ratio of 15:1 (maximum to minimum) under the canopy. All lighting shall be recessed to ensure that no light source is visible from, or causes glare on, public rights-of-way or adjacent property.~~

~~(g) **Outdoor Sports Field /Outdoor Performance Area Lighting**~~

~~1. Because of their unique requirements for nighttime visibility and their limited hours of operation, ball fields, playing fields and tennis courts are exempted from the exterior lighting standards of paragraphs (a) and (b) of this section. These outdoor recreational uses shall meet all other requirements of these lighting provisions.~~

~~2. The outdoor recreational uses specified above shall not exceed a maximum permitted post height of eighty (80) feet.~~

~~3. The outdoor recreational uses specified above may exceed a cutoff angle of eighty-five (85) degrees, provided that the luminaire is shield to prevent light and glare spillover to adjacent right-of-way or residential property. The maximum permitted illumination at the property line shall not exceed two (2) footcandles.~~

~~(h) **Lighting of Outdoor Display Areas**~~

~~1. Outdoor display areas shall have a maximum average of twenty (20) footcandles with a uniformity ratio of 15:1 (maximum to minimum).~~

~~2. All light fixtures shall meet the Illuminating Engineering Society of North America (IESNA) definition of Cutoff Fixtures. Forward throw fixtures (type IV light distribution, as defined by the IESNA) are required within twenty-five (25) feet of any public street right-of-way.~~

35.2-65.4 Additional Regulations

Notwithstanding any other provision of this section to the contrary:

(a) No flickering or flashing lights shall be permitted.

(b) Light sources or luminaires shall not be located within a required buffer except along pedestrian walkways.

(c) Measurement

1. Metering equipment. Lighting levels shall be measured in footcandles.

2. Method of measurement. The meter sensor shall at ground level for horizontal footcandles and five (5) feet above ground for vertical footcandles.. Readings shall be taken by qualified personnel only after the cell has been exposed long enough to provide a constant reading.

3. Responsibility for Measurement at the Time of Installation. Prior to issuance of a certificate of occupancy, the person installing lighting fixtures shall document compliance with the requirements of the lighting requirements in this section 35.2-65 et seq.

be taken by qualified personnel only after the cell has been exposed long enough to provide a constant reading.

3. Responsibility for Measurement at the Time of Installation. Prior to issuance of a certificate of occupancy, the person installing lighting fixtures shall document compliance with the requirements of the lighting requirements in this section 35.2-65 et seq.

35.2-65.5 Lighting Plan Required

As part of the site plan approval process, the applicant shall submit a lighting plan that includes the location of outdoor lighting and a key to the proposed outdoor lighting that provides the following information:

(a) Type and number of luminaire equipment (fixtures), including the "cut off characteristics", indicating manufacturer and model number(s).

(b) Lamp source type (bulb type, i.e. high pressure sodium), lumen output, and wattage. Mounting height with distance noted to the nearest property line for each luminaire.

(c) Types of timing devices used to control the hours set for illumination, as well as the proposed hours when each fixture will be operated.

(d) Total ~~Lumens~~ footcandles for each fixture, and total square footage of areas to be illuminated.

(e) Lighting manufacturer-supplied specifications ("cut sheets") that include photographs of the fixtures, indicating the certified "cut off characteristics" of the fixture.

(f) Lighting design shall be submitted showing an average maintained point-by-point analysis of the area and showing the footcandles at the property lines for light trespass analysis.

(g) A statement from a lighting professional that the resulting lighting, including all on-site sources of lighting complies with the standards of this Zoning Ordinance.

(h) A statement that no substitutions, additions, or changes may be made without prior approval by the Zoning Administrator.

35.2-66 Access and Visibility at Intersections

35.2-66.1 Access to Lots

(a) All driveway entrances and other openings onto streets shall be designed constructed so that:

1. Vehicles can enter and exit from the Lot in question without posing any substantial danger to themselves, pedestrians, cyclists or vehicles traveling in abutting streets; and

~~(i) **Internal Roads/Rear Access Roads**. Wherever possible, and in consultation with adjacent landowners, developments on collector or arterial streets are encouraged to access sites via internal or rear access roads. Such roads shall provide access for all lots along their route.~~

35.2-66.3 Design of Driveway Access for Collector or Higher Order Streets

The minimum dimensions for curb radii, driveway throat length and driveway widths shall comply with the City's currently adopted Engineering Standards Manual.

35.2-66.4 Visibility at Intersections

(a) **Purpose.** To provide adequate visibility for streets and driveways, sight visibility areas shall be maintained at street intersections and at the intersections of streets with driveways serving more than two (2) dwelling units in accordance with this section.

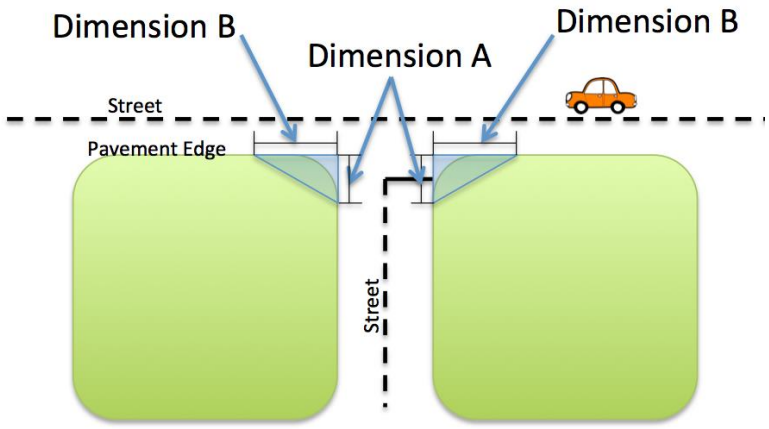
(b) **Visual Obstructions Prohibited**. Sight visibility areas shall be maintained free of visual obstructions to between the height of three (3) and eight (8) feet above street grade. No building, fence, wall, hedge or other structure or planting more than three (3) feet in height other than posts, columns or trees separated by not less than six (6) feet from each other, shall be erected, placed or maintained in these areas.

(c) **Visibility Area Dimensions**. The dimensions of visibility areas shall comply with the standards established in Exhibit VI-17. The dimensions in the table correspond with the dimensions in the drawing and are measured from the intersections of the edges of pavement lines to the ends of the hypotenuse of the triangle. The City Engineer may modify these standards based on topographic conditions, speeds and road configurations in accordance with VDOT Access Management Regulations.

(d) **B-4 District Applicability**. In the B-4 district, buildings shall not be required to be set back further than the edge of the property lines.

Exhibit VI-17: Visibility Areas

Intersection Type	Dimension	
	A	B
Any intersection involving only local streets or driveways	20 feet	20 feet
Any intersection of a local street or driveway with an urban arterial with a speed limit of 30 mph or less	20 feet along the driveway or local street	25 feet along the urban collector street or urban arterial street
Any intersection of a local street or driveway with an urban collector or urban arterial with a speed limit of 35 mph	25 feet along the driveway or local street	40 feet along the urban collector street or urban arterial street
Any intersection of two urban collectors or urban arterials with speed limits of 35 mph or less	30 feet	30 feet
Any intersection of a street or driveway along a street with a speed limit greater than 35 mph.	To be determined by the City Engineer based on compliance with minimum sight distances established by VDOT.	



35.2-67 Sidewalks and Pedestrian Connectivity

35.2-67.1 Applicability

Sidewalks and walkways that comply with Americans with Disabilities Act requirements shall be provided along all streets for any development subject to site plan review. The Zoning Administrator may lessen or eliminate the requirements of this section when~~:~~

~~(a) There is no existing sidewalk network within one-quarter (1/4) mile of the site and there are no existing transit routes, educational facilities, bikeways, trails, public parks,~~

~~museums, libraries and other civic uses or institutional uses within one-quarter (1/4) mile of the site; or~~

~~(b)~~ ~~E~~ existing cross-slopes in excess of twenty-five (25) percent measured across the width of the right-of-way, stormwater conveyances or other physical constraints render required sidewalk improvements unfeasible.

35.2-67.2 Sidewalk Requirements

(a) Sidewalks shall be provided along all streets as provided in Exhibit VI-18. Generally, sidewalks shall be located in the right-of-way adjacent to the property line. However, the City Engineer may approve the installation of sidewalks on private property upon finding that adequate easements have been provided by the property owner and the sidewalk alignment provides adequate connectivity to existing and future sidewalks.

Exhibit VI-18: Sidewalk Requirements

Location	Minimum Width
Local and collector streets in residential districts	5 feet
Local and collector streets in B-3, B-5, IN-1, IN-2, I-1, I-2 and I-3 districts	6 feet
Local and collector streets in B-1 districts	6 feet where buildings are set back more than 10 feet 8 feet where buildings are set back 10 feet or less
Arterial streets	6 feet
B-4 districts	8 feet

(b) For multiple household residential, mixed use or multi-occupant commercial centers and institutional uses, the applicant for site plan approval shall provide for a safe, clearly marked and continuous walkway from the sidewalk to the building entrances. Driveways shall have either marked crosswalks that are ADA compliant or continuous ADA compliant sidewalks with aprons for vehicular traffic.

35.2-68 Utilities

35.2-68.1 Applicability

All new development or redevelopment requiring a building permit shall comply with the City's minimum requirements for provision of public utilities as provided in this section and the other applicable sections of the City Code.

35.2-68.2 Additional Requirements

Utility design installation and connection shall comply with adopted policies and regulations, including but not limited to the requirements that:

(a) Utilities shall be extended through the property designed and installed to comply with City standards.

(b) Adequate easements shall be provided to facilitate access for maintenance.

(c) On-site utility distribution and service lines shall be installed underground unless the City Engineer determines that undergrounding utilities for remodeling or partial redevelopment of a site are not practical due to the configuration of existing utilities. This requirement does not apply to:

1. New, redeveloped or modified single family or duplex residences on a lot of record established prior to the adoption of this provision.

2. Additions to structures existing at the time of the adoption of this provision.

(d) Utility distribution and service lines within new subdivisions shall be installed underground except that distribution and service lines interior to lots or along private streets within IN-2 and I-3 districts may be located above ground.

Farm Animals	Zoning Provisions	Standards
All farm animals	Commercial Production	Any production of eggs, milk, meat or other farm animal products for sale is prohibited on lots smaller than 10 acres
Poultry	Definition	Any free-ranging, domesticated fowl, with an adult weight no greater than 30 lbs.
	Minimum distance of enclosure from nearest residence and/or property lines and location	• 20 feet from property line for 4 or fewer hens • 100 feet from nearest residence if more than 4 hens are kept • Located behind front building line
	Maximum number of fowl	• 4 fowl on lots of 15,000 sq.ft. or smaller plus • 1 fowl for every additional 5,000 sq.ft. of lot area • Maximum of 40 fowl
Small farm animals	Definition	Any domesticated farm animal used for the production of food and food products, with an adult weight no greater than 150 lbs.
	Maximum number of small farm animals & distance from property line.	• 2 small animals on lots less than 10 ac. • Minimum lot size of 15,000 sq.ft. • 1 additional small farm animal per additional acre of lot area • Located behind front building line • 20 feet from property line.
	Maximum number of goats by area	• On lots of 15,000 sq.ft. or larger in area, 2 goats may be kept • One additional goat may be kept for each acre of land area in excess of 15,000 square feet
	Keeping of swine	Prohibited
Large farm animals	Definition	Any animal with an adult weight of 151 lbs. or greater
	Maximum number of animals	• 2 acres minimum for keeping of up to 2 large animals. Keeping of 3 or more large farm animals shall require 10 acres of land.
	Accommodations	• Enclosures required and must be located at least 200 feet from any property line • Located behind front building line

~~Minimum Requirements for Keeping Farm Animals~~	
~~Number of animals triggering requirements of this paragraph~~	~~Any cattle, goats, horses or other large farm animals with adult weights of 50 lbs. or more; and/or 5 or more poultry or game animals; and/or any rooster or male poultry~~
~~Minimum lot area for keeping farm animals~~	~~Up to 2 horses, cattle, goats horses or other large farm animals may be kept on parcels of 5 acres or more outside the RC district. 3 or more horses, cattle, goats horses or other large farm animals may be kept on parcels of 10 acres or more.~~
~~Minimum setback for structures for the housing or feeding of farm animals~~	~~200 feet from any street or property line~~
~~Animal containment required~~	~~Livestock and poultry shall be kept within secure enclosures and shall not be allowed to roam at large~~
~~Prohibited operations~~	~~Commercial poultry farm or hog farm~~

35.2-71.8 Reserved ~~Non-Commercial Poultry House~~

~~A non-commercial poultry house with up to four (4) birds may be established in a rear yard within the R-C, R-1, R-2 or R-3 district provided that such structure is located at least twenty (20) feet from any street or lot line and that none of the birds is a male.~~

35.2-71.9 Commercial Structures in R-1, R-2 and R-3 Districts

No lot, building or structure shall be used and no building or structure shall be erected that is intended or designed to be used, in whole or in part, for any industrial manufacturing, trade or commercial purposes except as authorized in section 35.2-71 for a home occupation.

35.2-71.10 No Accessory Building Prior to a Principal Structure

No accessory building shall be constructed upon a lot until the construction of the main building has actually commenced and no accessory building shall be used unless the main building on a lot is completed and used.

35.2-71.11 Recreational Vehicles

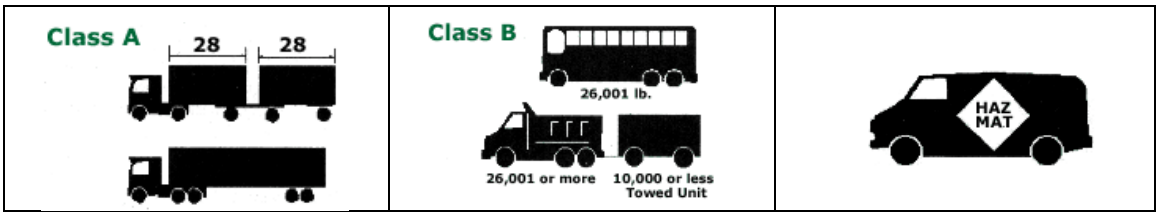
Any owner of a travel trailer, boat and/or boat trailer, truck camper, inhabitable bus or recreational vehicle may park or store, but not inhabit, such equipment providing such equipment is located behind the building line of the main structure on the property and it is not over twenty-two (22) feet in length or eight (8) feet nine (9) inches in height. This section shall play to the parking or storing a vehicle for seven (7) or more days within any thirty (30) day period.

35.2-71.12 Accessory Food Service in the I-1, I-2 and I-3 Districts

Food service facilities that are located within a building housing a permitted use and serve one or a group of permitted uses are authorized as an accessory use in the I-1, I-2 and I-3 zoning districts.

35.2-71.13 Commercial Vehicles in the R-1, R-2, R-3 or R-4 Districts

No commercial vehicle requiring a Class A or Class B license to operate, or that carries hazardous materials may be parked or stored in a R-1, R-2, R-3 or R-4 district.



35.2-71.14 Temporary Family Health Care Structures

Temporary family health care structures as defined in section 15.2-2292.1 of the Code of Virginia shall be permitted on lots zoned for and developed with single-family detached

(g) Certification must be granted by the Virginia Department of Health Office of Licensure and Certifications.

(h) Additional conditions may be imposed pursuant to the conditional use permit process when applicable.

35.2-72.16 Clubs and Fraternal Organizations

Facilities for clubs and fraternal organizations (see LBCS code 6830), excluding residential fraternities and sororities (see LBCS code 1323) that are permitted by conditional use permit in residential districts shall conform to the following regulations:

(a) Residential structures shall comply with the setbacks of underlying zoning district and non-residential structures shall be located at a distance of not less than one hundred (100) feet from the side or rear lot lines from residential parcels. .

(b) All buildings on the site shall not cover, in the aggregate, a ground floor area of more than twenty (20) per cent of the area of the site.

(c) Signs shall comply with section 35.2-64 et. seq.

35.2-72.17 Public Uses Owned by the City of Lynchburg

The use of land or facilities owned or leased by, or subject to easements granted to the City of Lynchburg, shall not be subject to the use limitations established in the zoning ordinance. As a matter of policy, the City will generally comply with standards applicable to similar uses.

35.2-72.18 Recreation Facilities

Outdoor recreation facilities (see LBCS codes 5372-5374 & 5500), excluding facilities accessory to residential uses and City-owned recreational facilities, shall meet the following conditions:

(a) Applicable requirements of this ordinance, including those relating to signs, lights, and off-street parking, are complied with.

(b) Buffering as specified in section 35.2-63.10 (Buffering) of this Ordinance, is provided between areas to be used for games, athletics, or other active recreation and adjacent residential areas.

(c) Swimming pools, tennis courts, and other facilities presenting potential dangers to the life and limb of children shall be provided with fencing capable of restricting access to such facilities at times when they are not supervised.

~~(d) Toilet, shower and dressing facilities shall be provided in locations and capacities appropriate to the proposed recreational use and in accordance with applicable standards of the Department of Health.~~

~~(e)~~(d) The use of sound amplifying devices shall be restricted to that necessary for safety purposes.

study. Technical guidelines for traffic studies may be obtained from the City's transportation engineer.

(b) The findings and recommendations for needed improvements as determined by the traffic study shall be made by the developer. Needed improvements may include but are not limited to: right and left turn lanes, sidewalks, new or modification of existing signals, trails or trail connections, sight distance improvements, street lighting, bus stops or transit pullout bays, access management techniques, and transportation systems management. Only those improvements where a clearly demonstrated nexus between the development and the need for the improvement exist shall be required.

~~(c)~~ Shared direct access and internal vehicle circulation shall comply with the standards in section 35.2-66. ~~: [cross reference access standards in Article VI if adopted and delete the following provisions]~~

~~1. All developments shall be designed to achieve direct and convenient vehicular access between adjacent commercial properties including outparcels, subject to the provisions of this ordinance.~~

~~2. The shared direct access and/or internal vehicular circulation provisions shall apply to all properties, including outparcels, owned or controlled by the owner of the development or that are the subject to a single site plan or plan of development.~~

~~3. In determining whether a site plan meets the requirements of this section, the City Planner and the technical review committee shall consider the characteristics of the proposed development, the information in the traffic study prepared pursuant to this section, the existing uses on adjacent properties, and the foreseeable development of adjacent properties based on the existing uses, existing zoning designations, Comprehensive Plan designations, physical site factors and development patterns in the area, and may grant exemptions on the basis of the foregoing considerations.~~

~~4. The shared direct access provisions of this ordinance shall not be required to provide primary access to a public street for an adjacent commercial property not owned or controlled by the owner of the development or subject to a single site plan or plan of development that would not otherwise exist. An owner shall not be required to provide primary access through the shared direct access provisions to a public street to benefit an adjacent commercial property not owned or controlled by the owner of the development or subject to a single site plan or plan of development that would not otherwise exist.~~

~~5. An owner shall not be required to construct any improvements allowing shared direct access with adjacent commercial properties other than on property owned or controlled by the owner or subject to a single site plan or plan of development in order to meet this standard. An owner shall not be required to dedicate any property or property interest to the City to meet this standard.~~

~~6.~~(c) ~~In the event that an owner of adjacent commercial property will not consent to a design allowing shared direct access at the time of development, the development shall be designed and constructed to allow for the establishment of shared direct access with adjoining commercial properties in the future should the consent of the adjacent owner or owners become available.~~

(d) Truck traffic shall be separated to the greatest extent possible from vehicular, pedestrian and bicyclist traffic.

~~1.~~(e) Entrances to the site shall be designed to maximize pedestrian, bicyclist and vehicular safety, maximize efficient traffic circulation and minimize the impact on adjacent neighborhoods.

~~2.~~(f) Adequate stacking for vehicles shall be provided at the access points to and from parking areas.

~~3.~~(g) Provisions for mass transit shall be made in the form of appropriately placed benches and shelters within the development or along public streets.

~~4.~~(h) Pedestrian walkways shall be provided between all buildings and between buildings and parking areas and all out parcels. Walkways within parking areas shall be located in a manner to provide safe efficient movement of pedestrians. Walkways shall be located in a manner so that no parking space is further than one hundred twenty (120) feet from a walkway. Walkways and crosswalks shall be distinguishable from drive aisles.

~~5.~~(i) All pedestrian walkways shall be designed to provide safe efficient access for people with disabilities. Ramps shall be provided between all walkways and all crosswalks.

35.2-84.4 Sidewalks

Sidewalks shall be provided along the property frontage of all public streets. Connections between the sidewalk and internal walkways shall be provided.

35.2-84.5 Lighting

Lighting shall comply with the standards established in section 35.2-65 except that in no instance shall light poles exceed thirty-five (35) feet in height.

~~(a) All exterior lighting shall be glare shielded and designed to prevent illumination beyond the property line.~~

~~(b) In no instance shall light poles exceed thirty-five (35) feet in height.~~

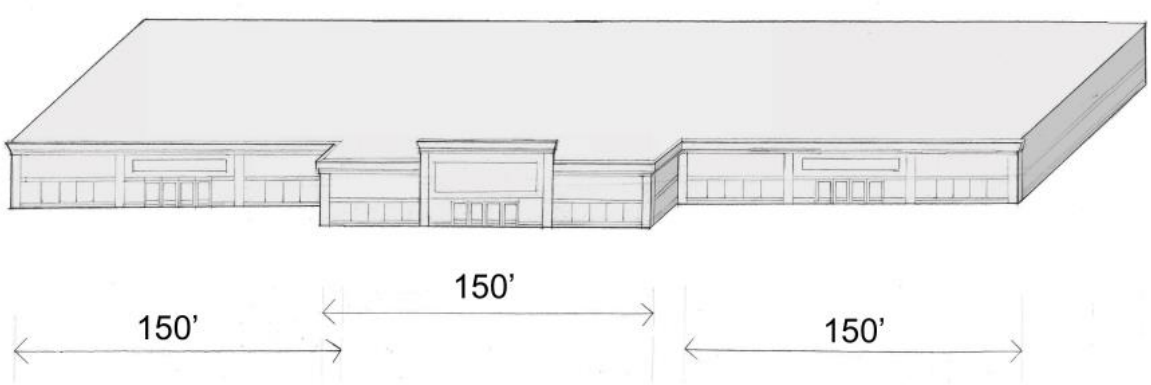
~~(c) No exterior lighting shall radiate above a level that is five degrees (5°) below horizontal.~~ ~~[delete if other lighting provisions are adopted]~~

35.2-84.6 Building Design and Sustainability

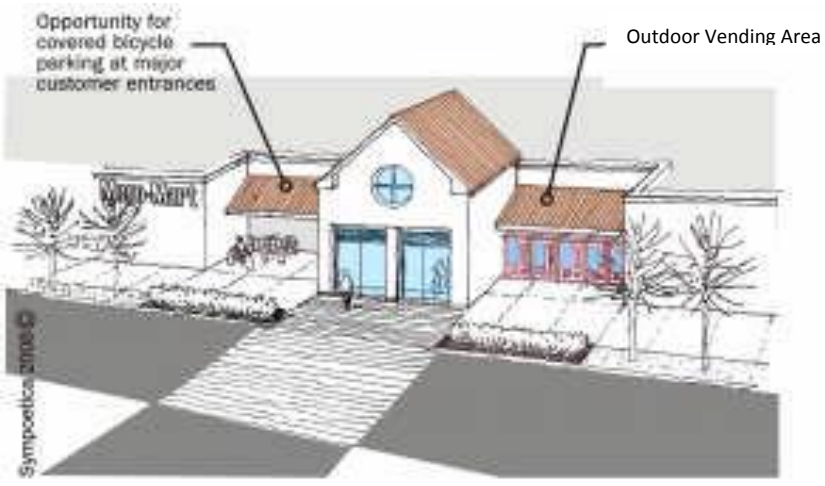
(a) Roofs. Parapets shall conceal flat roofs and all rooftop equipment such as heating ventilation and air conditioning (HVAC) units from street level view.

(b) Entryways. The building shall have clearly defined, highly visible entryways.

(c) Building façade. Building facades greater than 150 feet in length measured horizontally and visible from a public street, shall incorporate wall plane projections or recesses having a depth of at least three (3) feet to break up the expansiveness of the exterior. All recesses shall be properly lit to encourage a safe environment.



(d) Outdoor vending areas. Outdoor vending areas shall be incorporated into the facade of the building.



(e) **Parking and Loading Requirements**

1. Parking spaces shall be provided as required in section 35.2-62 et. seq. of this Zoning Ordinance.
2. Handicapped and visitor/client/customer parking may be provided near the front entrance(s) of buildings. All other parking (i.e., employees, service personnel) shall be located at the side or the rear of the buildings.
3. Parking shall be shared among occupants to the maximum extent feasible.
4. No paving or parking facilities shall be located with twenty-five (25) feet of any residential district.
5. Truck loading areas or docks shall be located on the side of the building away from public view or screened with landscaping, opaque fences, walls, or doors.

(f) **Signs**. Signs shall comply with the applicable requirements for the underlying district(s).

(g) **Exterior lighting**. Exterior lighting shall comply with the standards established in section 35.2-65. ~~shall be controlled or glare-shielded so that no direct illumination will occur beyond any property line~~.

(h) **Landscaping**

1. Where a flexible space development abuts a limited access highway, the area of the development abutting the highway shall be landscaped according to the requirements of section 35.2-56.7(c) (Building Bulk Softening).

(i) **Building Types and Materials**

1. Types of buildings located in a flexible space development include: flex-tech, multitenant, office, and showroom, with space for storage, distribution, and related uses. These buildings are to be laid out in a business park or campus-like setting.
2. Vegetative buffering as provided in section 35.2-63.10 (Buffering) of this ordinance shall be required between buildings in the flex space development and adjoining public right-of-way, single-household districts and two-household districts except where:

    a. Individual buildings are designed so they can be converted to other uses and reused;

    b. The main entrances of buildings are oriented toward the interior roadways, except for those buildings that are sited between the main exterior street and an interior roadway. These buildings may be oriented toward the exterior street. For buildings oriented toward an exterior street, the rear of the building shall be designed to complement the facades of adjacent buildings. A second

264.	**Programmed**: For the purposes of the Zoning Ordinance, the word "programmed" shall refer to a public facility which has been formally scheduled for construction within the following ten (10) years. Such formal scheduling may be in terms of an approved capital improvements program, an officially adopted thoroughfare, public utilities or community facilities plan specifying the approximate date of construction of the facility, or a similar official plan or program.
265.	**Projecting sign**: A sign that is attached to and projects at an angle and extends more than fifteen (15) inches from the face of the wall of a building.
266.	**Property ownership:** Having at least a 50 percent ownership interest.
267.	**Public utility**: A public utility is an activity, or a building housing such an activity, which operates to serve the community as a whole, or a portion of the community, which is publicly run or subject to special government controls and which is overseen by the State Corporation Commission.
268.	**Public**: Any land, structure or building owned, used or maintained by the City government, or a regional authority of which the City is a member, or their agencies.
269.	**Radio frequency engineer**: means a professional engineer licensed by the Commonwealth of Virginia with appropriate documented expertise in radio frequency engineering.
270.	**Raising**: Providing vertical clearance under tree canopy by using appropriate pruning techniques.
271.	**Re-facing**: The replacement of a sign face, regardless of change in copy, of equal size to the original, without altering the sign box, sign frame or sign structure.
272.	**Reach**: Longitudinal segments of a river or stream, which will be affected by the placement of an obstruction in a floodway or floodway fringe.
273.	**Real estate sign**: A temporary sign used to offer property for sale, lease, rent and/or development or to advertise an open house.
274.	**Reconstruction**: Any activity designed to rebuild entirely, or partially, a structure.
275.	**Recreation facility, active:** A field, court building or other structure designed for a specific range of sports or other physical activities, including but not limited to ball fields, tennis courts, swimming pools, gyms and other indoor athletic facilities and playground equipment.
276.	**Recreation facility, passive:** An open field, woods, trail or other public open space that may be used for a wide range of activities, including, but not limited to hiking, biking, picnicking or playing a variety of different sports. Passive recreation facilities may include picnic tables, water fountains and surfaced trails, but do not include buildings or structures devoted to limited ranges of sports activities.
277.	**Recreational vehicle** – A vehicle which is: 1. built on a single chassis; 2. four hundred (400) square feet or less when measured at the largest horizontal projection; 3. designed to be self-propelled or permanently towable by a light duty truck; and, 4. designed primarily not for use as a permanent dwelling but as a temporary living quarters for recreational camping, travel or seasonal use.
278.	**Regulatory flood protection level**: That level delineated by the one hundred (100) year flood.
279.	**Rehabilitation**: Any activity designed to place a structure into a usable condition with or without architectural change.
280.	**Religious Institution**: ~~a~~ A church, synagogue, temple, mosque, convent, monastery or other place of worship

281.	**Related People:** Related individuals include people who are ~~married, children under their care, whether biological, adopted or under foster care, parents, siblings of parents and first cousins.~~related by blood, are married to each other or are in a substantially similar relationship, and children under their care.
282.	**Renovation**: Any activity relating to the updating and/or the modernization of an older structure involving architectural change.
283.	**Repairs in like material and like design**: Any work or all work involving the replacement of existing material with equivalent material for the purpose of maintenance, but not including any addition, change or modification in construction design.
284.	**Residence**: 1. A building or part of a building containing dwelling units or rooming units, including single-household or two-household houses, multiple dwellings, boarding or rooming houses or apartment hotels. Residences do not include the following: a. Such transient accommodations as transient hotels, motels, tourist cabins or trailer courts. b. Dormitories, fraternity or sorority houses, monasteries or convents. c. In a mixed building, that part of the building used for any nonresidential uses, except accessory to residential uses. 2. For the purposes of determining setback and/or height requirements for IN-1 District, a residence shall not include any properties owned, leased, or used by the institution regardless of zoning or land use.
285.	**Residence, single-household**: A building containing only one (1) dwelling unit.
286.	**Residential**: Pertaining to one or more residences.
287.	**Residential district**: Any district whose designation begins with the letter "R".
288.	**Residential Street** – any local City street where the majority of land use on one or both sides of the street within the block is residential.
289.	**Restoration**: Any or all work connected with the returning to or restoring of a building, or part of any building, to its original condition through the use of original or nearly original materials.
290.	**Retail establishment**: A commercial enterprise that provides a combination of goods and / or services directly to the consumer, where the principal use is providing goods that are available for immediate small quantity purchase and removal from the premises by the purchaser.
291.	**Riding stable**: Any zoning lot used or designed for the boarding, breeding or care of horses or ponies, other than for farming or agricultural purposes, either with or without instruction in riding.
292.	**Riprap**: A permanent, large, loose angular stone generally used for erosion and sediment control in concentrated high velocity flow areas.
293.	**Roof sign**: A sign installed or constructed upon or above a roof.
294.	**Rooming house**: A dwelling consisting of one (1) single building in which, for compensation, lodging or meals, or both, are furnished to transient or non-transient guests. A rooming house shall not be deemed a home occupation.
295.	**Runway**: a specified area on an airport prepared for landing and takeoff of aircraft.
296.	**Sanitary or solid waste management facility, private**: A sanitary or solid waste management facility that is not a public sanitary or solid waste management facility, and which is owned and operated by a private entity for the purpose of handling sanitary or solid waste generated only by such private entity.