



Results of the Citizens, Employees and City Council's Ratings of the Twelve Pillars for Strategic Planning

City Council Retreat
City Hall 2nd Floor Training Room
February 10, 2015



Overview

- » Follow-up from City Council's Retreat on September 29, 2014
- » Review the results from Citizens and Employees survey of the Strategic Pillars
302 on-line citizen responses, 80 on-line employee responses, 11 paper citizen responses
- » Results are not statistically valid, but a sampling
- » Broad overview of Citizen comments
- » General Observations
- » Next Steps



ARTS & CULTURE

Arts & Culture: Lynchburg is a place to discover and enjoy arts, history, and culture.

Strategy: Improve the City's role as facilitator and champion of local and regional efforts to promote preservation, the arts, and heritage development.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.8 and the employees rated 7.1. City Council rated this Pillar 6.5 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 302 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (76 responses):

- Support the restoration of the historic Academy Theater
- Old Courthouse and Point of Honor are historic treasures that are community assets
- Arts and Culture grants are innovative and should continue
- More festivals
- Broaden the locations for public art beyond Downtown
- Live music, like the pianos on Main Street and other concerts appealed to many and enhanced the 'Downtown' experience
- A common comment was "more art" – whether music, graphic, or other medium across the City, and not just Downtown, and better promotion



CITIZEN ENGAGEMENT & SOCIAL CAPITAL

Citizen Engagement and Social Capital: Lynchburg citizens are engaged in participative democracy, interact with each other, learn from each other and together make the community more than the sum of its parts.

Strategy: Promote active and effective participation in civic affairs, democratic process, and community improvement efforts.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.2 and the employees rated 6.7. City Council rated this Pillar 6.4 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 301 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (46 responses):

- Lynchburg Alerts received positive comments
- City needs more cross-cultural events
- Better marketing in general from the City
- Outreach to youth of all socio-economic backgrounds and race to encourage engagement
- Recommendations for better outreach to citizens through a variety of venues including, but not limited to, targeting citizens on the lower socio-economic scale; utilizing churches and other civic organizations to reach citizens; encourage more citizen volunteer activities in their community



ECONOMIC DEVELOPMENT

Economic Development: Lynchburg fosters an environment where businesses develop, thrive and compete in the global marketplace.

Strategy: Focus on areas that will directly impact economic growth and ensure Lynchburg is in a competitive position to attract, retain, and grow the types of companies and industries it desires.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.4 and the employees rated 6.8. City Council rated this Pillar 6.3 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 298 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (67 responses):

- Diversify the economy
- Enhance job growth
- A need for new industry in order to build more permanent & better paying jobs
Many noted the loss of jobs with B&W and Areva
- A strategy needs to be developed to encourage new small businesses and provide an environment for small business success
- Downtown improvement is believed to be successful, but needs continued to oversight to incorporate the entirety of Downtown as some areas/buildings are still vacant



HEALTHY & ACTIVE LIVING

Healthy & Active Living: Lynchburg supports healthy and active living.

Strategy: Upgrade existing facilities in parks to meet current codes and to improve their appearance and function.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.8 and the employees rated 7.2. City Council rated this Pillar 7.0 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 297 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (59 responses):

- Trails are a tremendous asset
- Ability to use SNAP at the Community Market is appreciated
- Live Healthy Lynchburg has raised awareness
- More bike lanes and trails desired
- Need more specific focus on wellness programs towards elderly, youth, and disabled



INFRASTRUCTURE

Infrastructure: Lynchburg will develop, renew and replace the City's infrastructure in a manner that is cost effective, efficient, and sensitive to the community's needs.

Strategy: Provide the citizens of Lynchburg with dependable, modern, high-quality roads, utilities and public spaces to meet the City's long-term requirements.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 5.9 and the employees rated 6.2. City Council rated this Pillar 6.5 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 301 Citizens and 79 employees on this pillar.

Major Themes from Citizen Comments (93 responses):

- General comments about the length of time it takes to complete a road project (Midtown Connector, Fifth Street)
- More sidewalks and bike lanes
- Concerns noted about poor road conditions (pot holes) and poor repairs (sinking patches). Also a common thread regarded traffic congestion on Wards Road, Timberlake Road, and Old Forest Road
- Why will the City not coordinate projects so as to avoid tearing up a recently-completed project area to start another?
- Several responders wanted to see improved on/off ramps for expressway



LAND USE

Land Use: Lynchburg optimizes the use of land and resources within its 50 square miles.

Strategy: Promote public and private strategies that allow for transit and pedestrian-oriented, mixed-use development opportunities, especially within designated redevelopment areas.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.0 and the employees rated 6.7. City Council rated this Pillar 6.9 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 298 Citizens and 79 employees on this pillar.

Major Themes from Citizen Comments (63 responses):

- New GLTC Transfer Station received positive comments
- Concerns with development of apartments in the Timberlake Road area
- Responders voiced concerns regarding the loss of green space within the City to development



LIFELONG LEARNING

Lifelong Learning: Lynchburg is a community that values, encourages, and supports the pursuit of learning opportunities at all stages of life.

Strategy: Create partnerships with Lynchburg City Schools, private schools, universities, colleges and the business community to support workforce development.



Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.2 and the employees rated 6.7. City Council rated this Pillar 6.3 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 293 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (44 responses):

- More coordination with area colleges needed to help all ages participate in learning
- City's internal work force training program received less than stellar remarks
- Some responders concerned with public libraries being underutilized and not well maintained or secure
- Responders would like to see improvements in cooperative ventures with volunteers, libraries, and local media which provide opportunities for children, especially those underprivileged children, which promote college selection, vocational skills, and entrepreneurship
- Provide computers and/or computer access to underprivileged children – including access to the internet



NATURAL RESOURCES

Natural Resources: Lynchburg protects, preserves and restores the natural environment.

Strategy: Encourage development that maximizes the use of limited land resources, while being sensitive to cultural and natural resources and surrounding land uses.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future)

Survey Results: Citizens rated this pillar 6.0 and the employees rated 6.6. City Council rated this Pillar 6.8 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 299 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (41 responses):

- Dissatisfaction with storm water management fees
- More outreach and education needed
- Take care of the sewage odor along Black Water Creek Trail and the pollution of the James River. Make use of better communications and encourage community involvement
- Make recycling mandatory. Consider curb-side recycling pick up
- Restore College Lake



NEIGHBORHOODS

Neighborhoods: Lynchburg is a community of vibrant, healthy, and diverse neighborhoods.

Strategy: Support neighborhoods through infrastructure and public services.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.0 and the employees rated 6.3. City Council rated this Pillar 6.1 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 298 Citizens and 79 employees on this pillar.

Major Themes from Citizen Comments (58 responses):

- Mixed reviews regarding bike lanes
- More sidewalks needed for pedestrian access
- More attention to poorer neighborhoods
- Endeavor to communicate neighborhood programs and encourage civic engagement



SAFE COMMUNITY

Safe Community: Lynchburg supports a safe and vibrant community through partnerships, planning and prevention.
Strategy: Foster a safe and vibrant community through conserving, stabilizing and revitalizing City neighborhoods.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future!

Survey Results: Citizens rated this pillar 6.0 and the employees rated 6.6. City Council rated this Pillar 6.6 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 297 Citizens and 79 employees on this pillar.

Major Themes from Citizen Comments (52 responses):

- Mixed comments regarding general safety of City
- Improve safety in our Parks
- Need to make sure Police and Fire employees receive cultural awareness training
- Safety programs for youth are needed
- Encourage more neighborhood watch programs



SOCIAL EQUITY

Social Equity: Lynchburg is a city where everyone is valued and respected, and has fair access to public resources.

Strategy: Promote activities which support the healthy development of the City's at-risk youth, adults and families.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future!

Survey Results: Citizens rated this pillar 5.4 and the employees rated 6.3. City Council rated this Pillar 4.9 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 295 Citizens and 80 employees on this pillar.

Major Themes from Citizen Comments (73 responses):

- Mixed reviews on "ban the box"
- Concerns with "haves/have nots" and poverty
- Education critical in working towards social equity

SOCIAL EQUITY



TRANSPORTATION

Transportation: Lynchburg's transportation system is multi-modal, safe and accessible to all citizens.

Strategy: Create a sustainable, multi-modal transportation system that minimizes and, where possible, reduces pollution and motor vehicle congestion while ensuring safe mobility and access for all.



Citizen Assessment • December 2014



City Employee Assessment • December 2014



City Council Assessment • September 2014

Based on FY 2014 Major Accomplishments, Works in Progress, and Critical Issues/Concerns for the Future

Survey Results: Citizens rated this pillar 6.2 and the employees rated 6.8. City Council rated this Pillar 6.6 based on FY 2014 Major Accomplishments and associated Metrics. We received survey responses from 297 Citizens and 80 employees on this pillar.

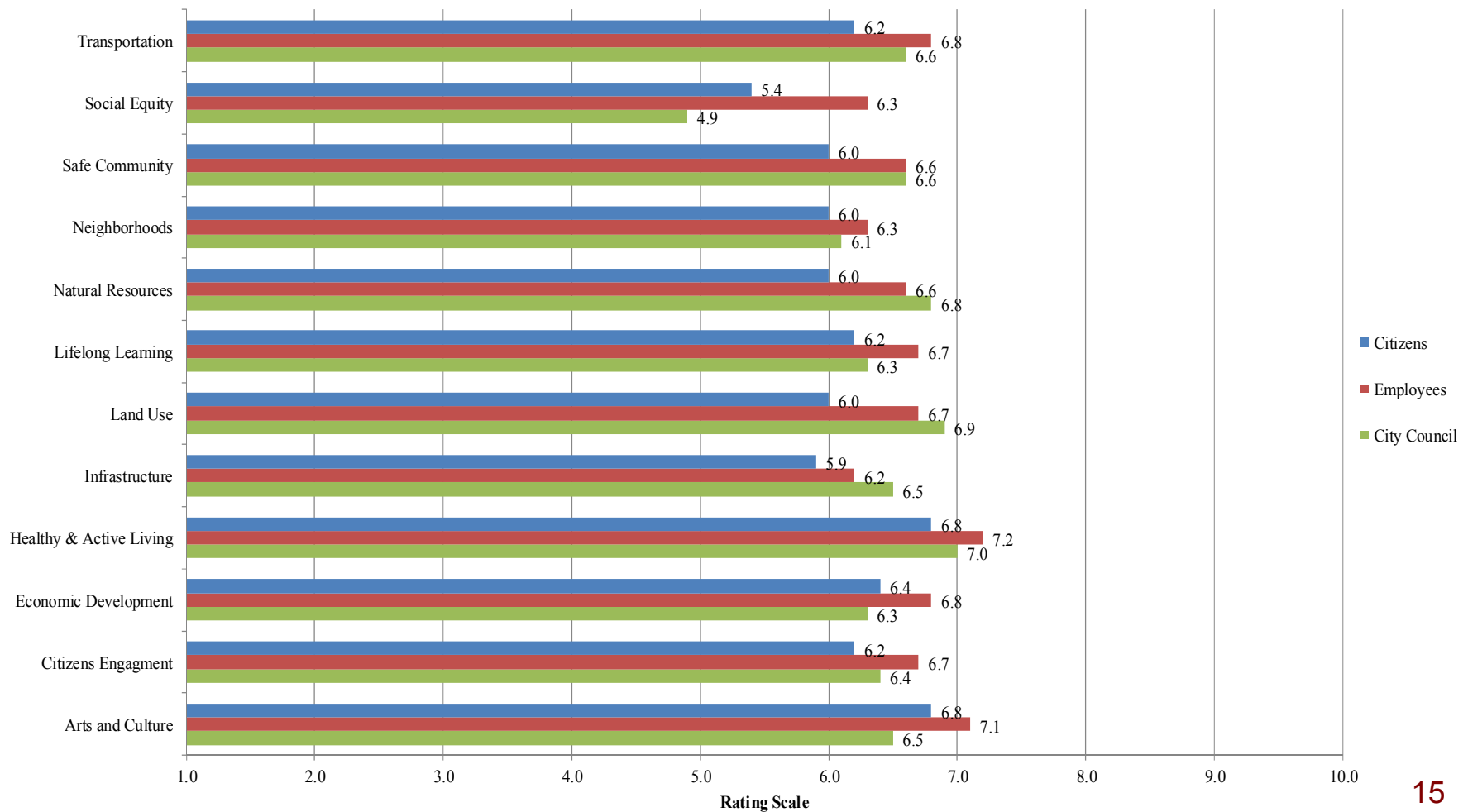
Major Themes from Citizen Comments (79 responses):

- Appreciative of Wards Road traffic flow improvements
- More traffic flow improvements needed
- Positive comments about new GLTC Transfer Center and investment around Train Station



Overall Rating Results

Twelve Pillars Overall Ratings





Overall Rating Results

	Citizens	Employees	City Council
Arts and Culture	6.8	7.1	6.5
Citizens Engagement	6.2	6.7	6.4
Economic Development	6.4	6.8	6.3
Healthy & Active Living	6.8	7.2	7.0
Infrastructure	5.9	6.2	6.5
Land Use	6.0	6.7	6.9
Lifelong Learning	6.2	6.7	6.3
Natural Resources	6.0	6.6	6.8
Neighborhoods	6.0	6.3	6.1
Safe Community	6.0	6.6	6.6
Social Equity	5.4	6.3	4.9
Transportation	6.2	6.8	6.6
Maximum Rating	6.8	7.2	7.0
Minimum Rating	5.4	6.2	4.9
Average Rating	6.2	6.7	6.4



General Observations

- » Employees generally rated pillars higher than citizens or City Council
- » The highest rated pillar overall was Healthy and Active Living
- » Social Equity was rated the lowest by citizens and City Council; employees rated Infrastructure the lowest
- » The average overall rating on all pillars from the three groups was 6.4



Next Steps

- » Administer Biennial Citizen Survey in May 2015
- » Utilize Pillar results and statistically valid Citizen Survey results in FY17 Budget development

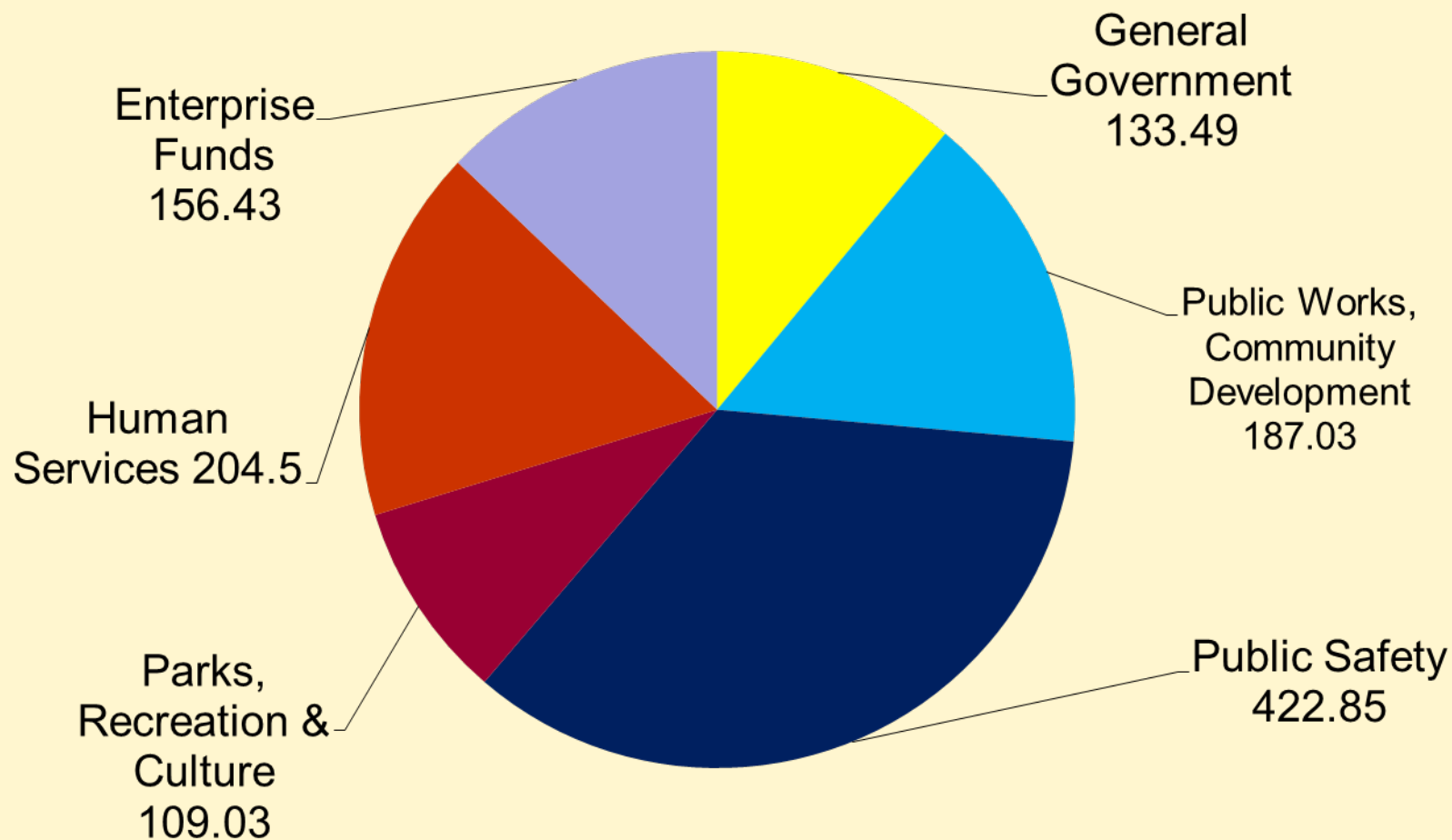


Workforce Overview

February 10, 2015



Workforce Distribution



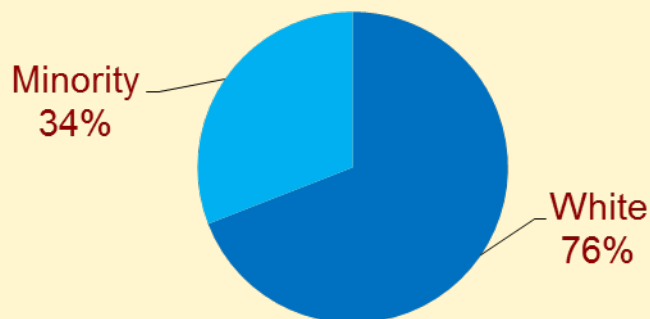
Total of 1213.33 FTE (FT, PT, Hourly)



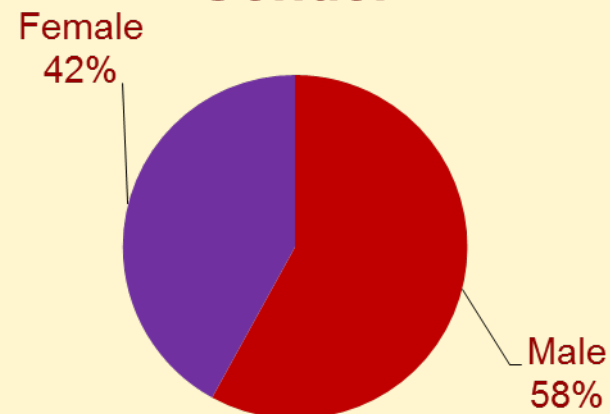
Workforce Demographics

Average Years of Service - 11.5

Ethnicity



Gender



Average Age - 43

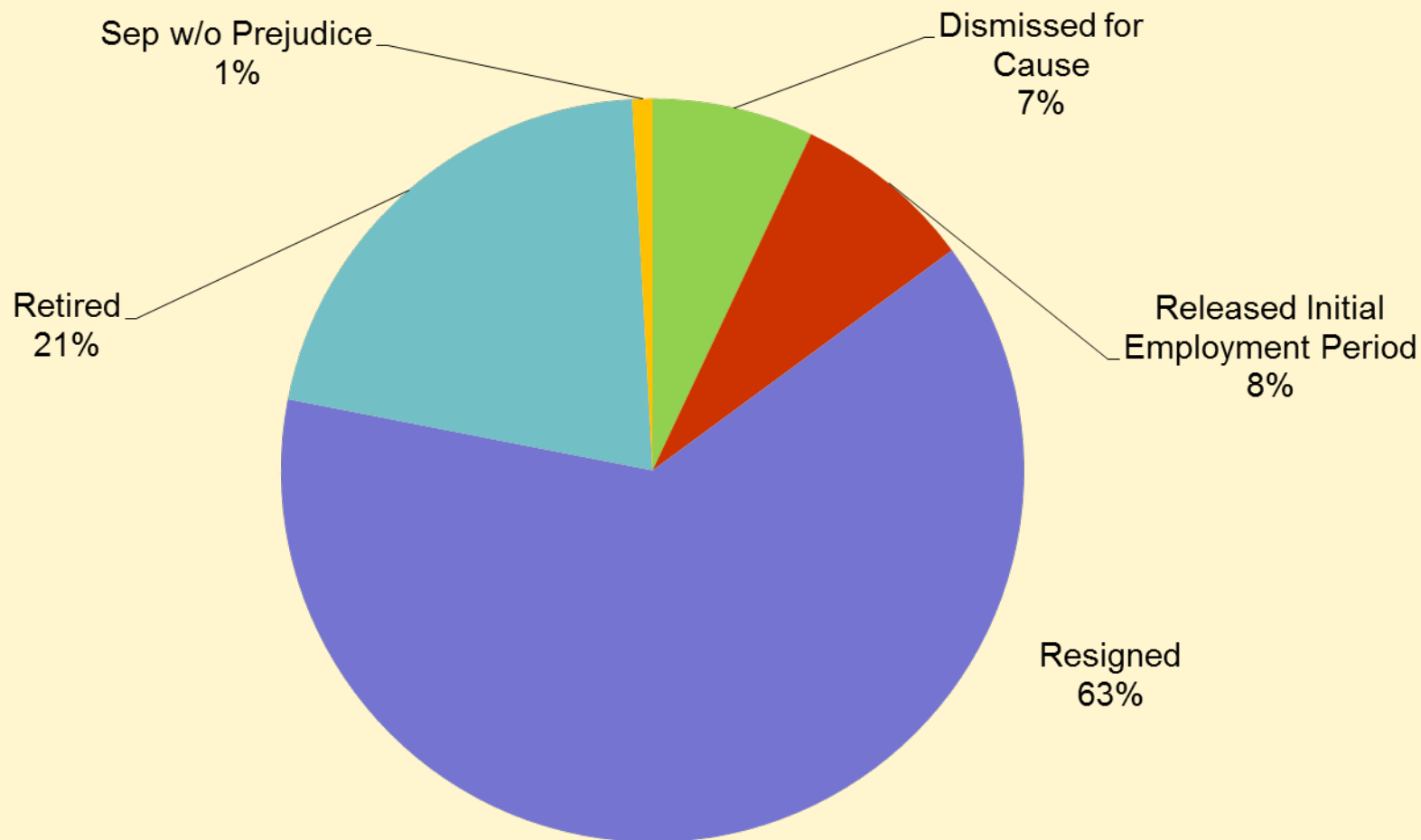


Citywide Turnover CY 2014

- Overall turnover rates decreased slightly
 - 6.33% Voluntary
 - Resignations
 - 10.03% Total
 - All Reasons: Resignation, Resignation in lieu of Dismissal, Release during Initial Employment Period (IEP), Dismissal, Retirement



CY 2014 Turnover By Type of Separation





City-Wide Turnover Trend

Calendar Year Turnover

Year	Voluntary (Resignations)	Total (All Reasons)
2014	6.33%	10.03%
2013	7.02%	11.59%
2012	5.37%	10.31%
2011	4.98%	9.44%
2010	5.10%	11.56%



Public Safety Turnover Trend

Sworn Police

	Voluntary	Total
2014	4.62%	8.67%
2013	8.33%	9.44%
2012	4.73%	9.47%
2011	6.32%	12.07%
2010	9.47%	12.43%

Sworn Fire

	Voluntary	Total
2014	2.15%	3.76%
2013	2.07%	6.21%
2012	2.27%	10.8%
2011	1.13%	4.52%
2010	2.29%	6.29%



Public Safety Turnover

Emergency Services

	Voluntary	Total
2014	8.57%	11.43%
2013	8.57%	14.29%
2012	8.11%	10.81%
2011	5.41%	10.81%
2010		8.11%



Departments with Highest Turnover

At least 20 employees and overall turnover above the City average

Department	Resignation Rate	Total Turnover
Information Technology	13%	13%
Water Resources	10%	14%
Community Development	14%	14%
Social Services	10%	15%
Public Works	8%	15%
Parks & Recreation	16%	19%



Positions with Highest Turnover

At least 5 budgeted positions

Position	Resignation Rate	Total Turnover
Benefit Program Specialist	12%	18%
Family Services Specialist (formerly titled social worker)	15%	23%
Custodian II	17%	50%
CPS Investigator	20%	40%
Grounds Maintenance Tech	22%	44%
Utility Line Tech	29%	38%
Benefit Program Supervisor	40%	60%
Sr. Recreation Specialist	60%	60%



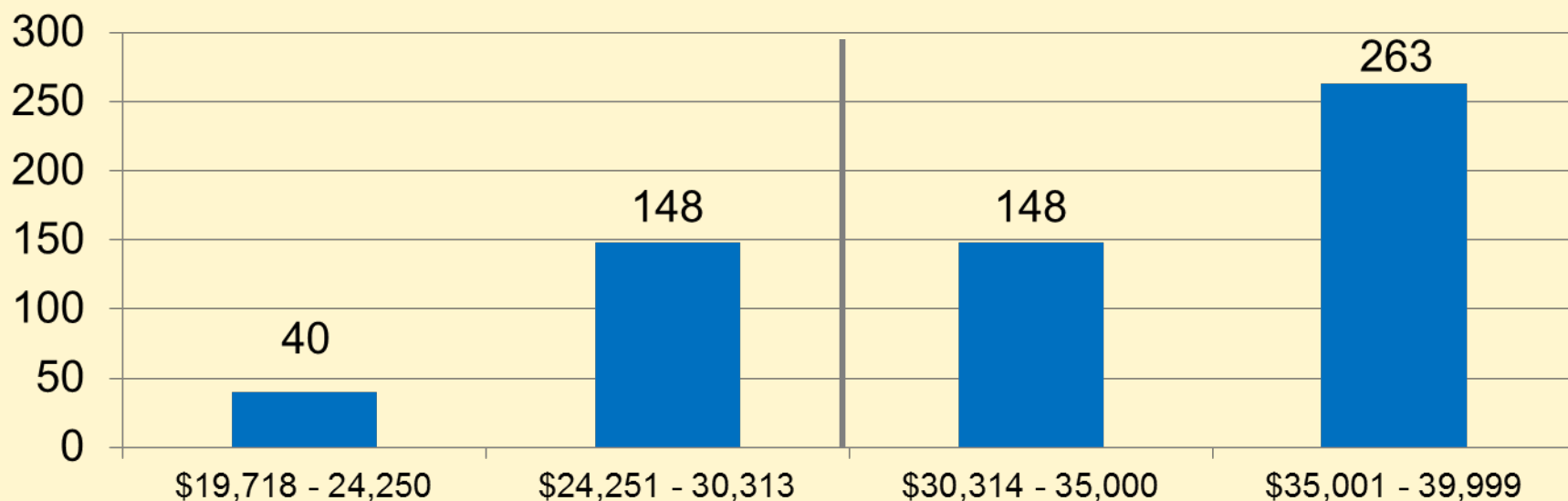
Average Salary Trend

Annual Salary as of January 2015

Year	Average Salary	Median Salary
2015	43,928	39,399
2014	42,888	38,230
2013	42,426	37,681
2012	40,268	35,006
2011	40,555	35,568



Employee Salaries Below the Median - Individuals



Examples

Custodian	ASA I and II	Benefit Program Spec	Streets Crew Leader
Utility Line Technician	Financial Tech II	Family Services Spec	Office Manager
Streets/Grounds Technicians	Animal Control Officer	Youth Counselor	Facilities Supervisor
Cook	Recreation Specialist	Water Plant Operator 3	Financial Prof I
Library Assistant	Meter Reader	Utility Crew Leader	Librarian



Market Comparison Trend

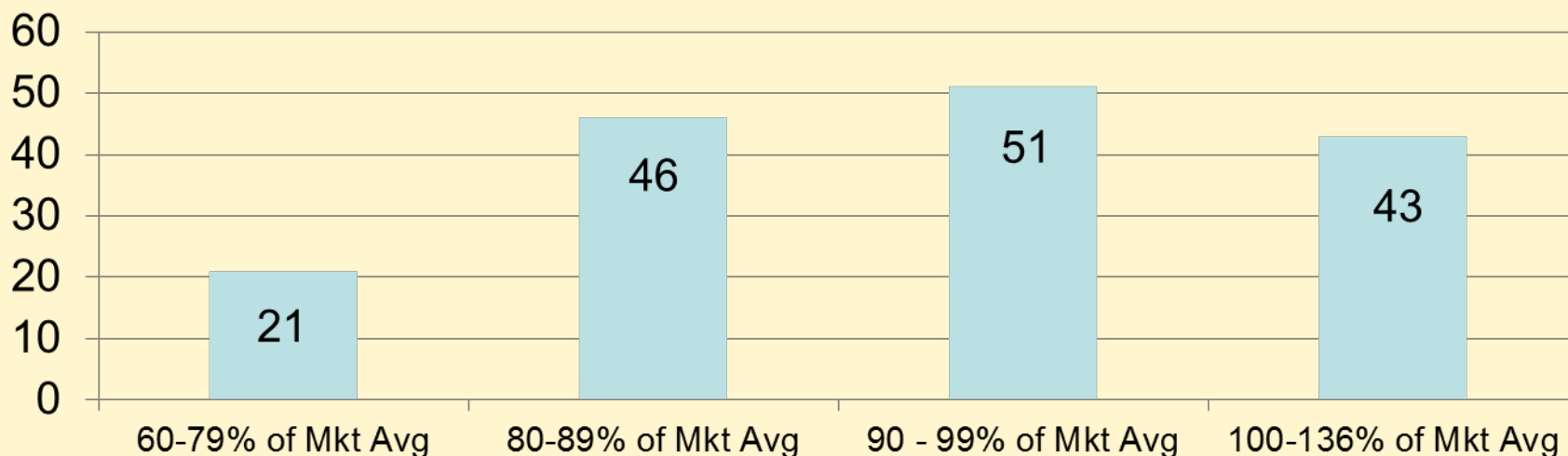
Market Data and Salaries as of January 2015

	Pay Range Minimum to Average Market Range Minimum	Lynchburg's Average Pay to Average Pay in the Market
2015	Public Safety 111% Gen Workforce 84%	Public Safety 110% Gen Workforce 93%
2014	Public Safety 113% Gen Workforce 89%	Public Safety 115% Gen Workforce 90%
2013	Public Safety 116% Gen Workforce 93%	Public Safety 108% Gen Workforce 95%
2012	92.28%	93.96%
2011	90.25%	91.52%
2010	91.96%	93.48%



City Average Pay to Market Average Pay - Jobs

Market Comparison Distribution 161 Benchmarks



Examples

Police Cadet Rec Specialist Sr. Rec Specialist Family Services Specialist Youth Counselor Sr. Parks and Rec Service Worker	Family Services Supv Cook Librarian III Recreation Supervisor Financial Professional I ASA II, ASA III Employment Svcs Wrkr	Library Assistant III HR Manager Appraiser I, III Aide III Utility Line Tech III City Attorney Financial Professional III	Master Plumber Financial Technician II Civil Engineer II Driver/Operator Plant Assistant Shift Supv Construction Coordinator I
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Police Officer Market Data as of January 2015

	Lynchburg's Range Minimum compared to Average Market Range Minimum	Lynchburg's Average Pay to Average Pay in Market
Police Recruit	108%	
Police Officer	103%	106%
Master Police Officer	119%	107%
Police LT	100%	98%



Firefighter Market Data as of January 2015

	Lynchburg's Range Minimum compared to Average Market Range Minimum	Lynchburg's Average Pay to Average Pay in Market
Fire Recruit	130%	
Firefighter/EMT	118%	108%
Master Firefighter	100%	111%
Fire Captain	111%	119%



Emergency Services Market Data as of January 2015

	Lynchburg's Range Minimum compared to Average Market Range Minimum	Lynchburg's Average Pay to Average Pay in Market
Public Safety Communication Specialist	113%	110%
Assistant Supervisor	112%	110%
Supervisor	107%	96%



Strategic Focus Areas

- **Competitive Compensation**
 - Attracting and retaining staff in highly skilled positions
 - Rewarding High Performers
 - Succession Planning
- **Virginia Retirement System**
 - Unfunded liability and high contribution rates
 - VRS Hybrid Plan implementation began 1/1/4 for new hires
 - Short/Long Term Disability coverage now available
- **Medical Costs**
 - Impact of Affordable Care Act: uncertainty, fees, additional regulation
 - Overall medical cost containment and ability to maintain “grandfathered” status
 - Specialty Drug costs
 - Health Management Program
- **Federal and State Mandates**
 - Line of Duty
 - Employment law “enhancements”



Market Competitiveness Concerns as of January 2015

	Lynchburg's Average Pay to Average Pay in Market	Total Turnover Rate
All Parks and Recreation • Recreation Specialist • Sr Recreation Specialist	86% 74% 78%	19% 100% 60%
All Social Services • Benefit Program Specialist • Benefit Program Supervisor • Family Services Specialist	88% 89% 79% 76%	15% 18% 60% 23%
All Public Works • Grounds Maintenance Tech • Streets Maintenance Tech II • Custodian II • Bldg Maintenance Supervisor	90% 83% 86% 92% 81%	15% 44% 13% 50% 25%
All Water Resources • Utility Line Techs • Plant Operator Class 1	96% 90% 83%	14% 38% 50%



Strategic Focus Areas

- Talent Management

- Retirement Pipeline

- 32% of Leadership Team eligible to retire in 2015
 - 50% eligible to retire within 3 years

- Leadership Development

- Emerging Leaders group identified
 - Multi-faceted approach to developmental opportunities
 - Designed to help our current employees be competitive as openings become available
 - Success indicators include emerging leader internal promotions, formal education completed and turnover



Strategic Focus Areas

- Health Management Program
 - Ability to impact overall health
 - Contradictions in legal requirements
 - EEOC stance on wellness programs
 - Wellness Champions



- Questions?
- Additional Information?



City Council Retreat

FY 2016 Budget and CIP Update

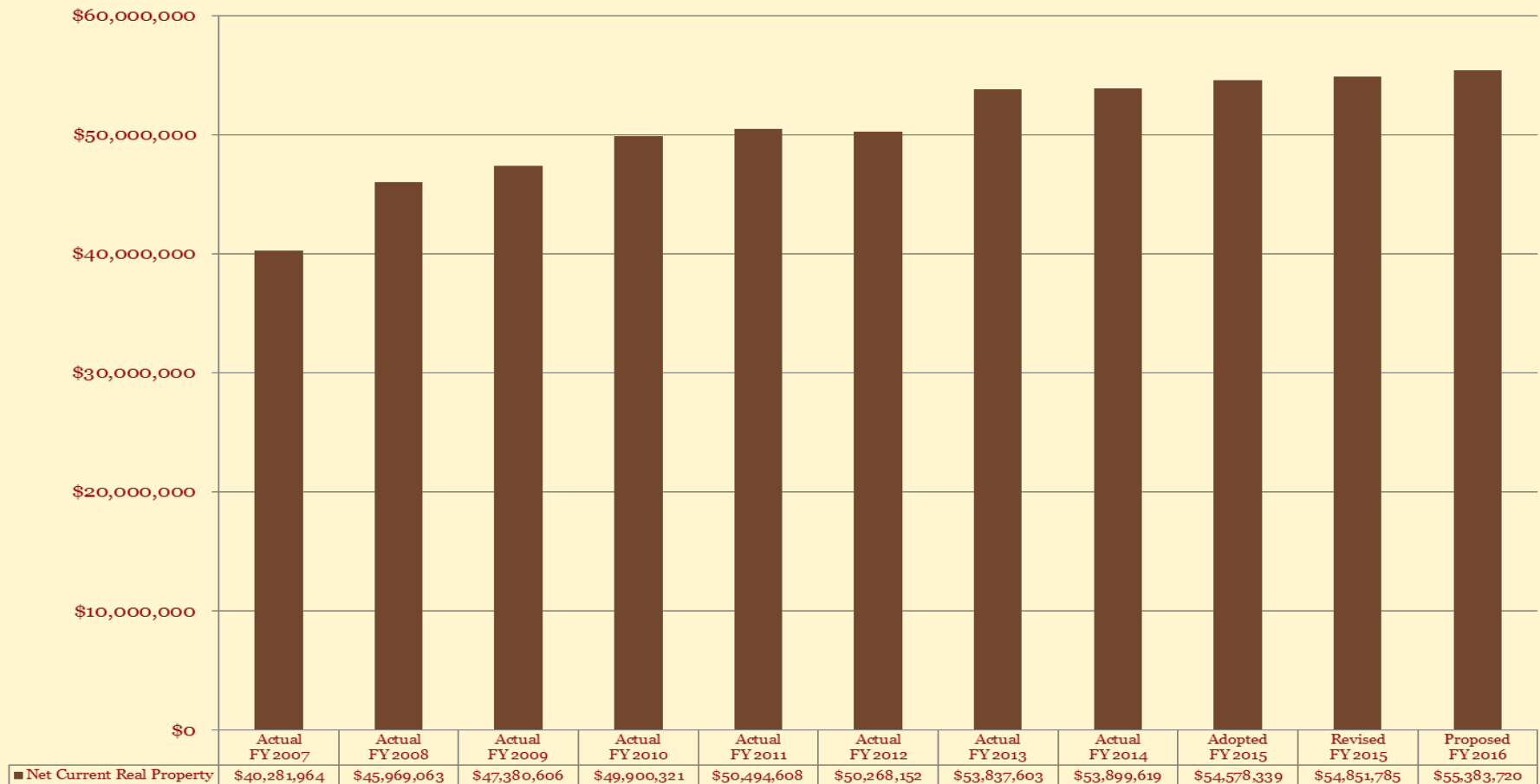
February 10, 2015





Major Revenues

Net Current Real Property

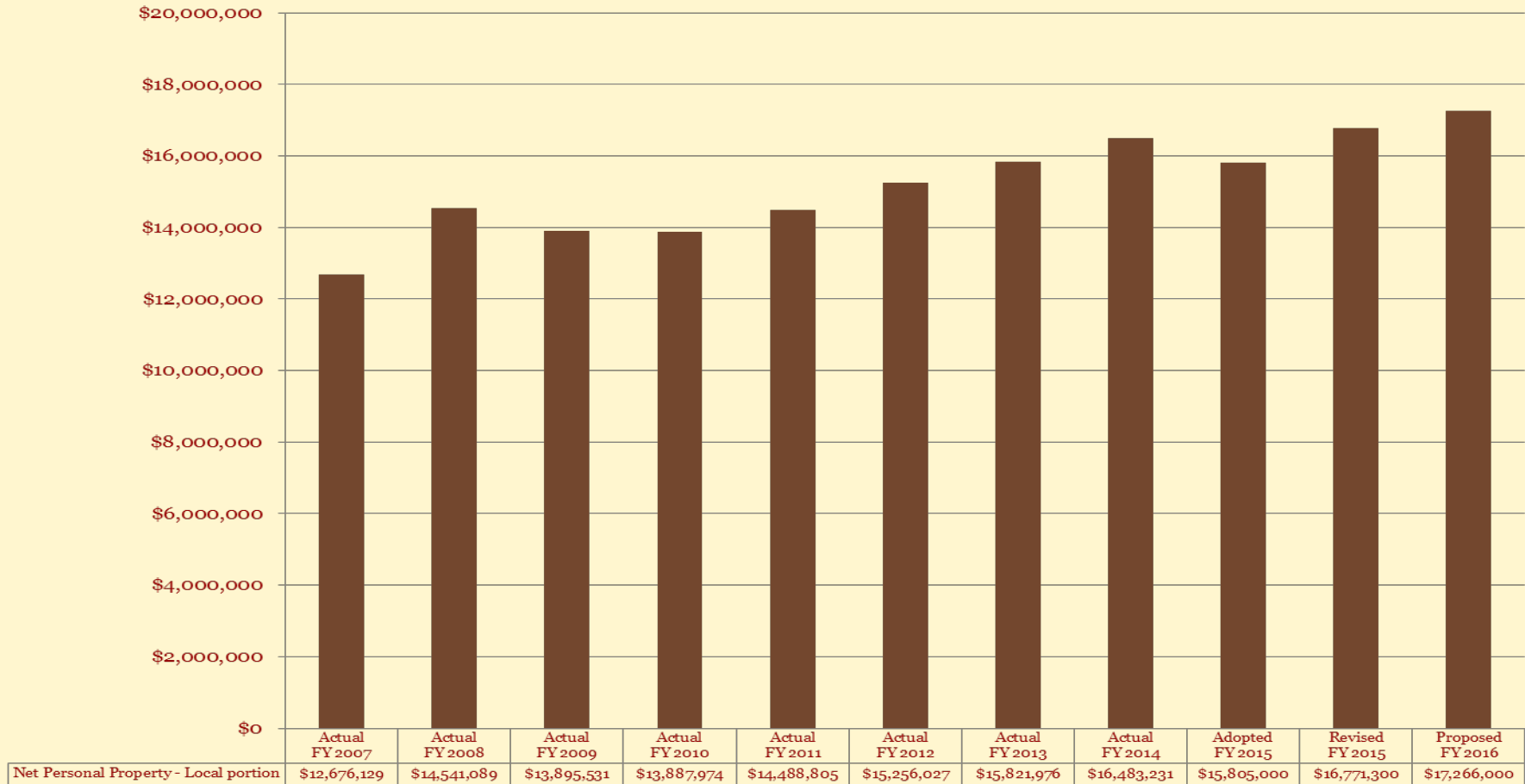


Analysis: The Net Current Real Property figure includes the real property tax less allowances for the tax relief program, the rehab program, and an anticipated percentage of uncollectible accounts. At this time, the City Assessor is projecting the FY 2016 reassessment will result in a 1.0% increase in values over the final July 1, 2014 land book (Revised FY 2015). The City Assessor will reevaluate this projection in the coming months as the land book is finalized.



Major Revenues

Net Personal Property - Local portion

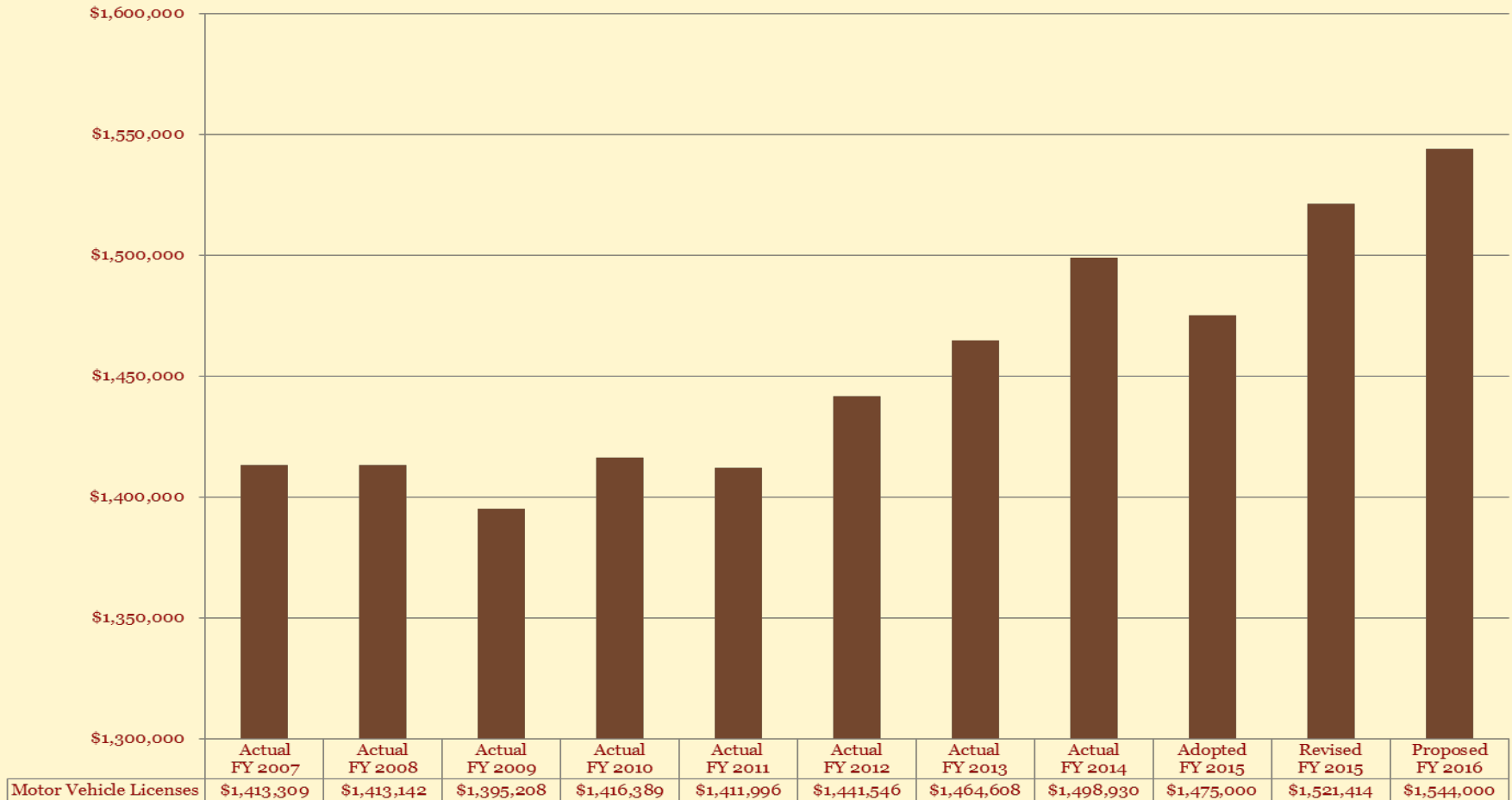


Analysis: Personal Property Tax revenue has increased every year since FY 2010, ranging from a 3.7% increase to a 5.3% increase. The Actual FY 2014 revenue is greater than the FY 2015 Adopted; therefore, FY 2015 is revised to include a 1.7% increase over FY 2014 Actual. The Projected FY 2016 revenue reflects a 3.0% increase from FY 2015 to FY 2016. These projections are based on anticipated NADA values (the Commissioner of Revenue expects to have final numbers later this month), consumer friendly gas prices, and a favorable resolution to a significant refund request.



Major Revenues

Motor Vehicle Licenses



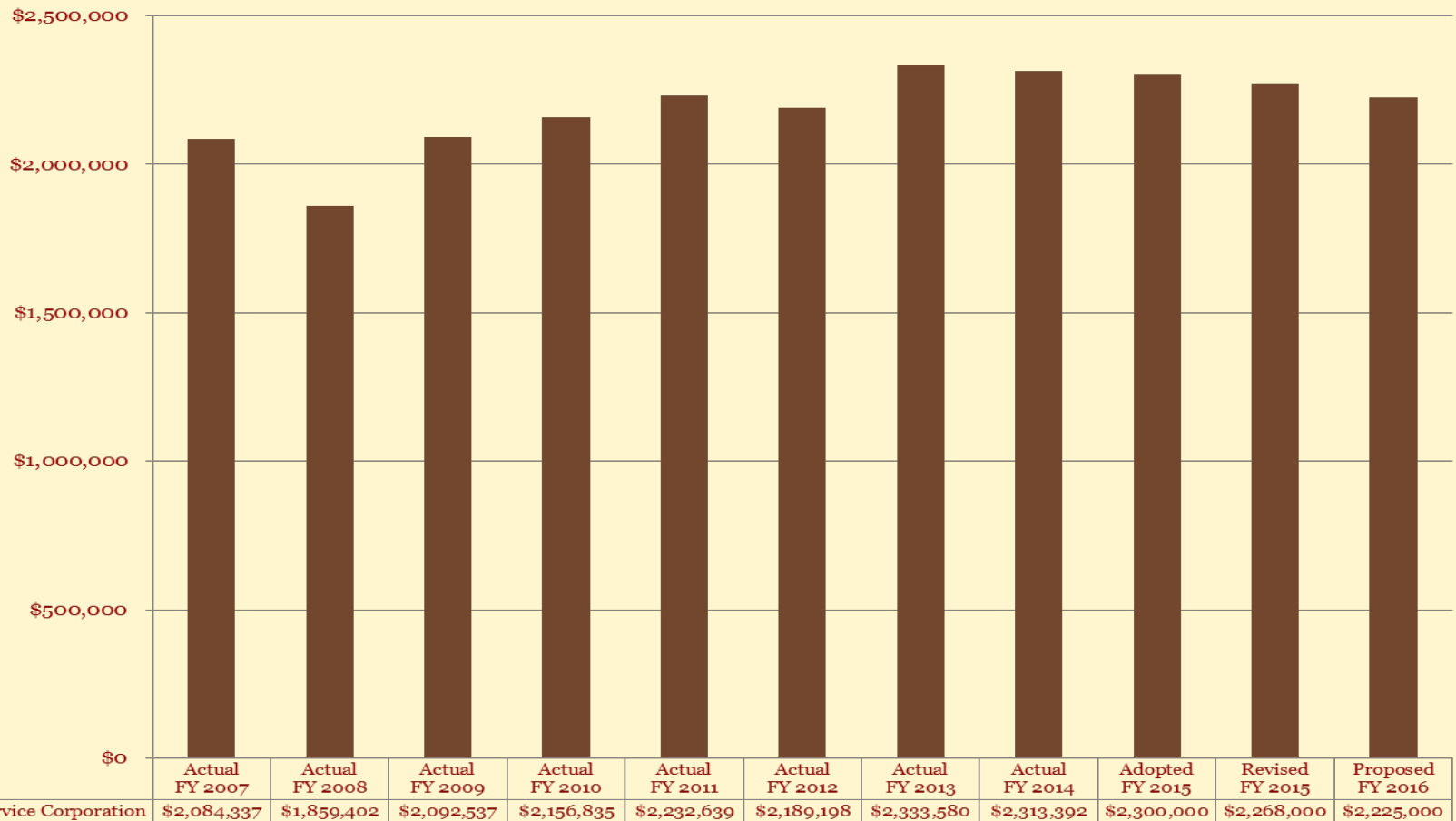
Analysis: From FY 2007 to FY 2011, Motor Vehicle Licenses revenue was relatively constant at \$1.4m. Within the last few years, this revenue stream has experienced increases between 1.6% and 2.3%. Based on this trend, FY 2015 is revised to include a 1.5% increase and FY 2016 is projected to include the same.

Note: Unlike the Personal Property tax, State code authorizes cities to levy a Motor Vehicle License tax on all motor vehicles, trailers, and semi-trailers without exemption.



Major Revenues

Public Service Corporation

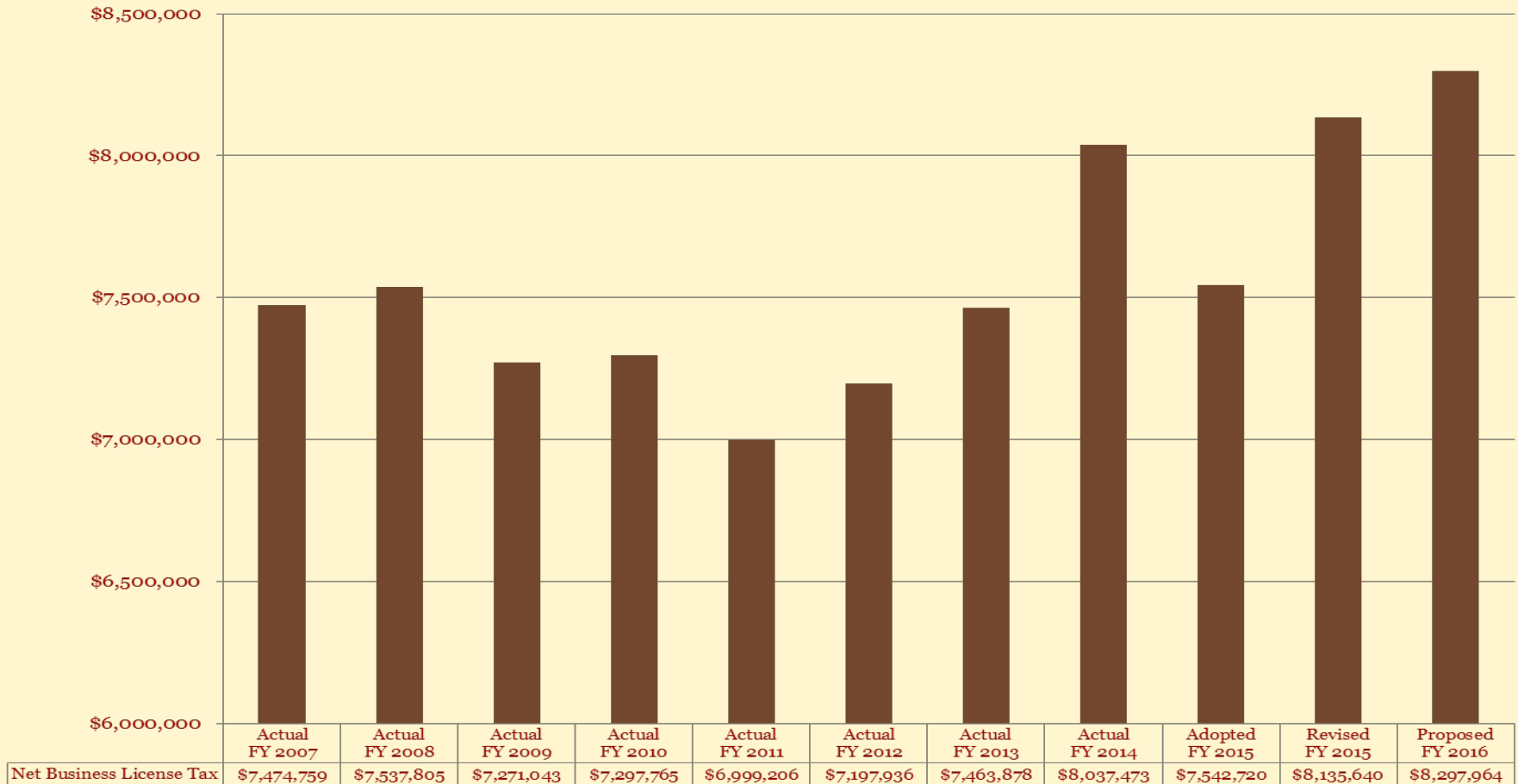


Analysis: Public Service Corporation tax collections peaked in FY 2013 due to the real estate tax rate increase from \$1.06 to \$1.11. Generally, this tax decreases from year to year based on aging equipment. There are no known improvements or equipment purchases anticipated in FY 2016; therefore, the tax collected is projected to decrease by 1.9%, the same decrease experienced between FY 2014 and FY 2015.



Major Revenues

Net Business License Tax

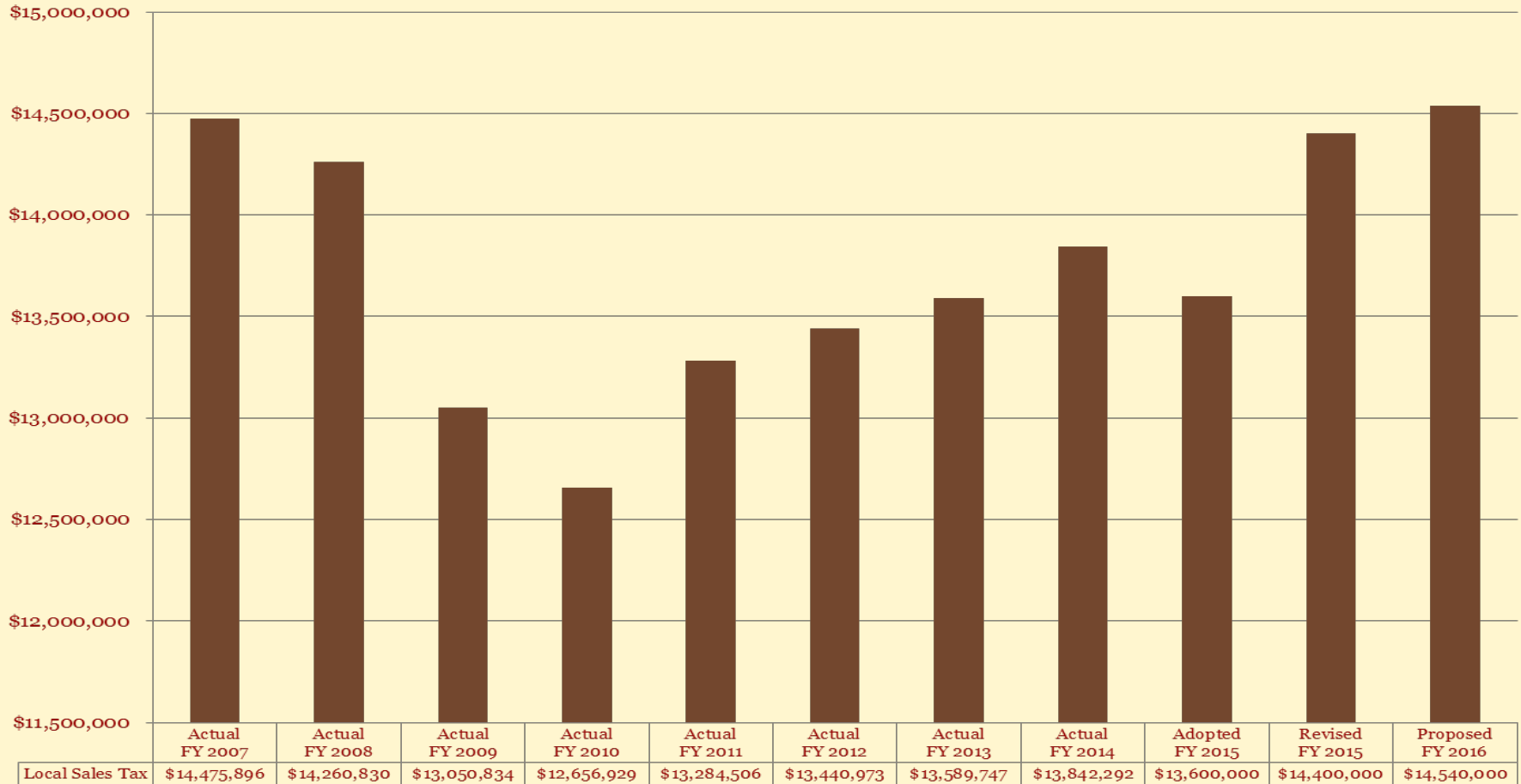


Analysis: While FY 2014 reflects a significant increase from FY 2013, FY 2015 will see some growth offset by previously private medical practices/services shifting to non-profit status. Growth in Cornerstone, Timberlake, Wards, and Downtown commercial areas as well as a full year of operation of the Fresh Market complex in addition to anticipated new hotels are positive impacts on this revenue stream. The FY 2016 projection reflects a 2% increase over FY 2015 Revised.



Major Revenues

Local Sales Tax

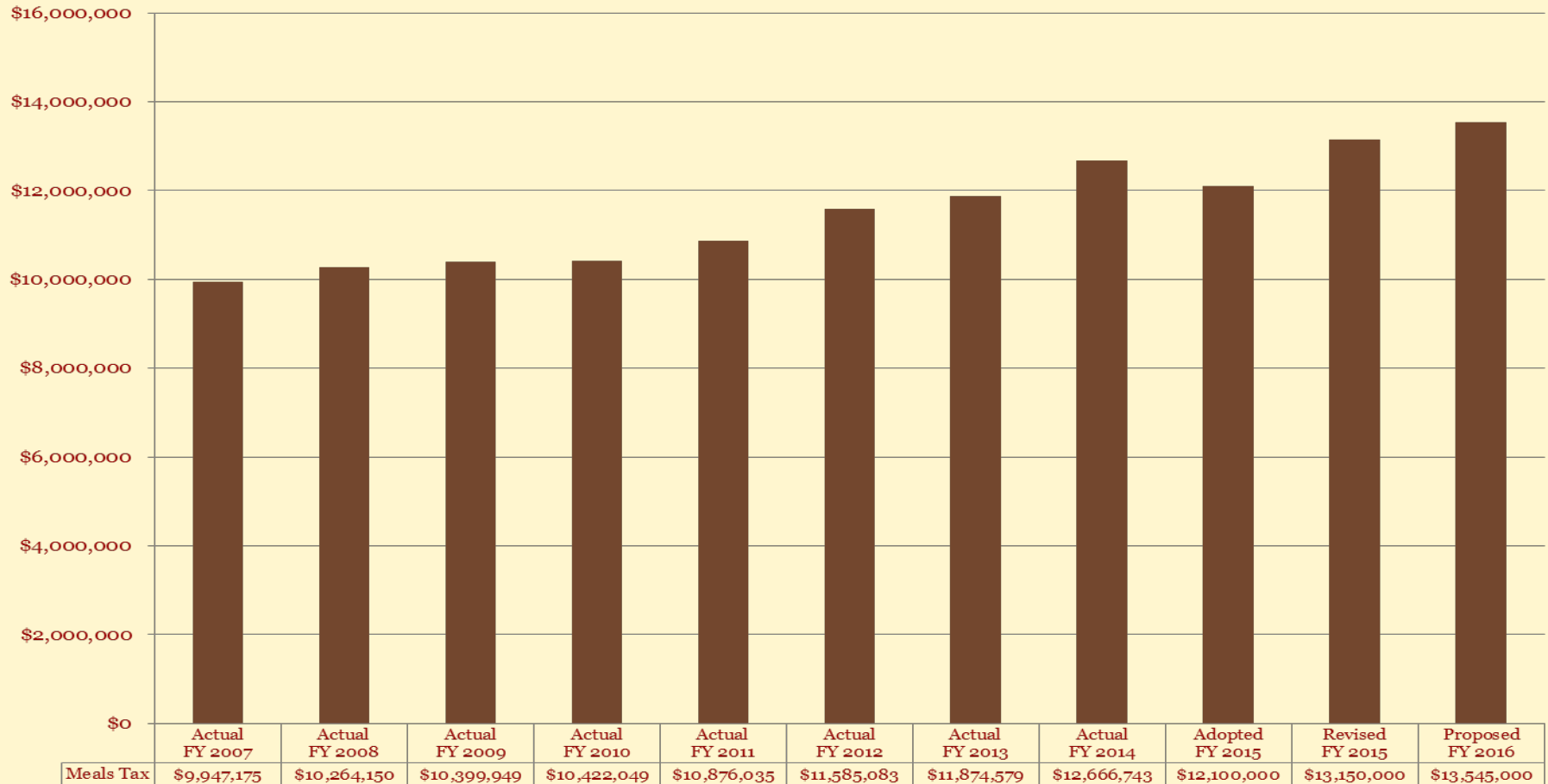


Analysis: In August FY 2015 the State redistributed \$145,000 in funds to the City. Excluding this amount, over the first 5 months of FY 2015, Sales Tax revenue is \$340,000, or 6.2%, ahead of FY 2014 Actual. Although year-to-date revenue does not reflect December holiday spending (which has consistently decreased from year-to-year), revising the FY 2015 revenue to \$14,400,000 equates to averaging \$10,000 more per month through the rest of the fiscal year. The FY 2016 projection reflects a 2% increase over FY 2015 Revised (less \$145k).



Major Revenues

Meals Tax

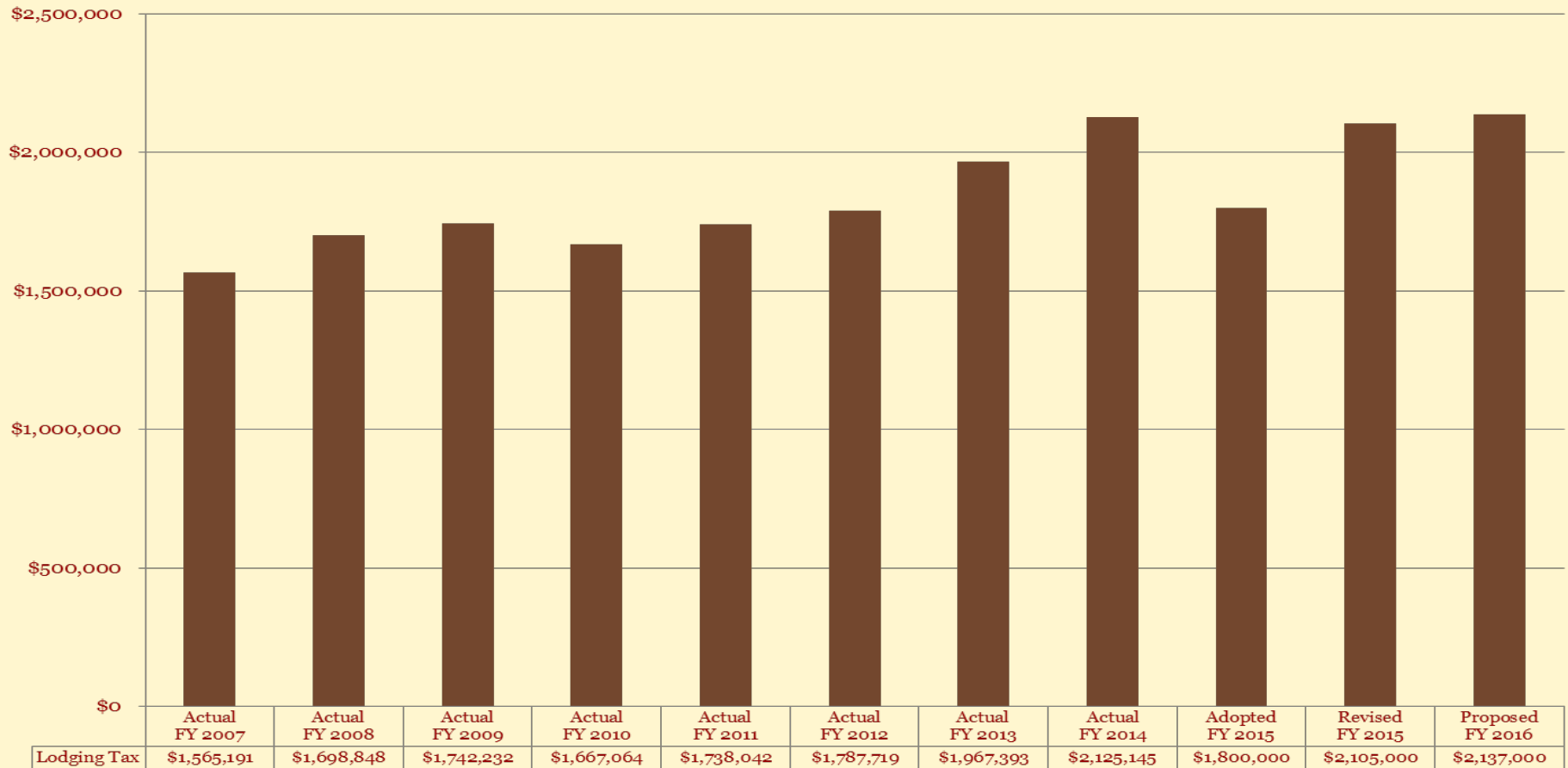


Analysis: Over the first 5 months of FY 2015, Meals Tax collections exceed FY 2014 by an average of \$42k per month, or 4.0%. Revising the FY 2015 revenue to \$13,150,000 equates to averaging just over \$40k more per month over FY 2014. The FY 2016 projection reflects a 3.0% increase over FY 2015 Revised.



Major Revenues

Lodging Tax

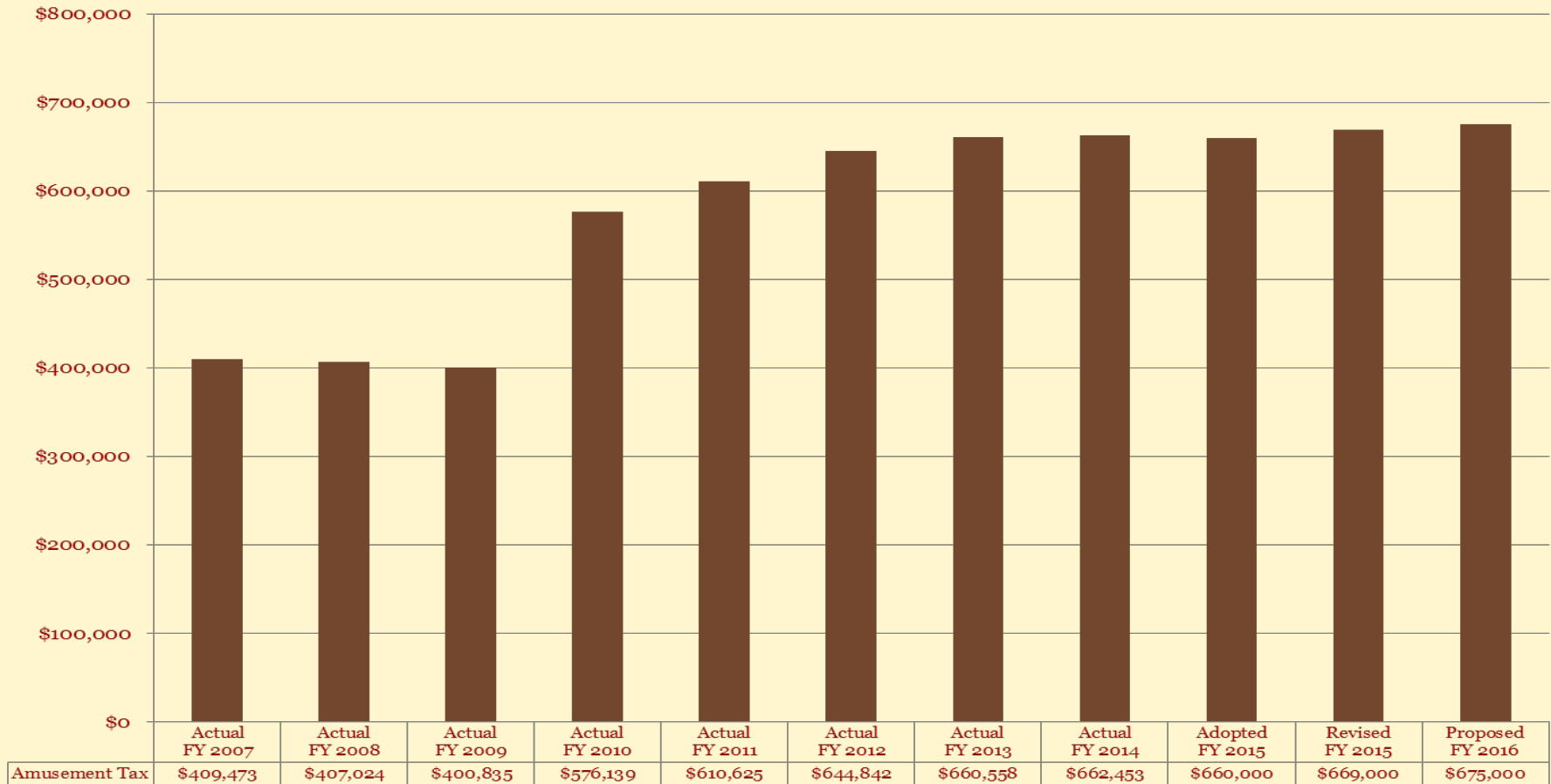


Analysis: Although Lodging Tax collection and assessment generally align very closely, in FY 2014 collections were approximately \$50k higher than assessed; therefore, the Actual FY 2014 (collection) figure is too high to use as a baseline. Over the first 5 months of FY 2015, Lodging Tax assessments are approximately \$12k, or 1.4%, ahead of FY 2014 Assessed. For FY 2015, the revenue is revised to \$2,105,000, applying the 1.4% increase to the FY 2014 Assessed tax. The FY 2016 projection reflects a 1.5% increase over FY 2015 Revised. The new Microtel is open and a concept for a new hotel is in early development. The Commissioner of Revenue is monitoring the heads in beds number to see if the hotels near the Lynchburg Airport are impacting City revenues.



Major Revenues

Amusement Tax



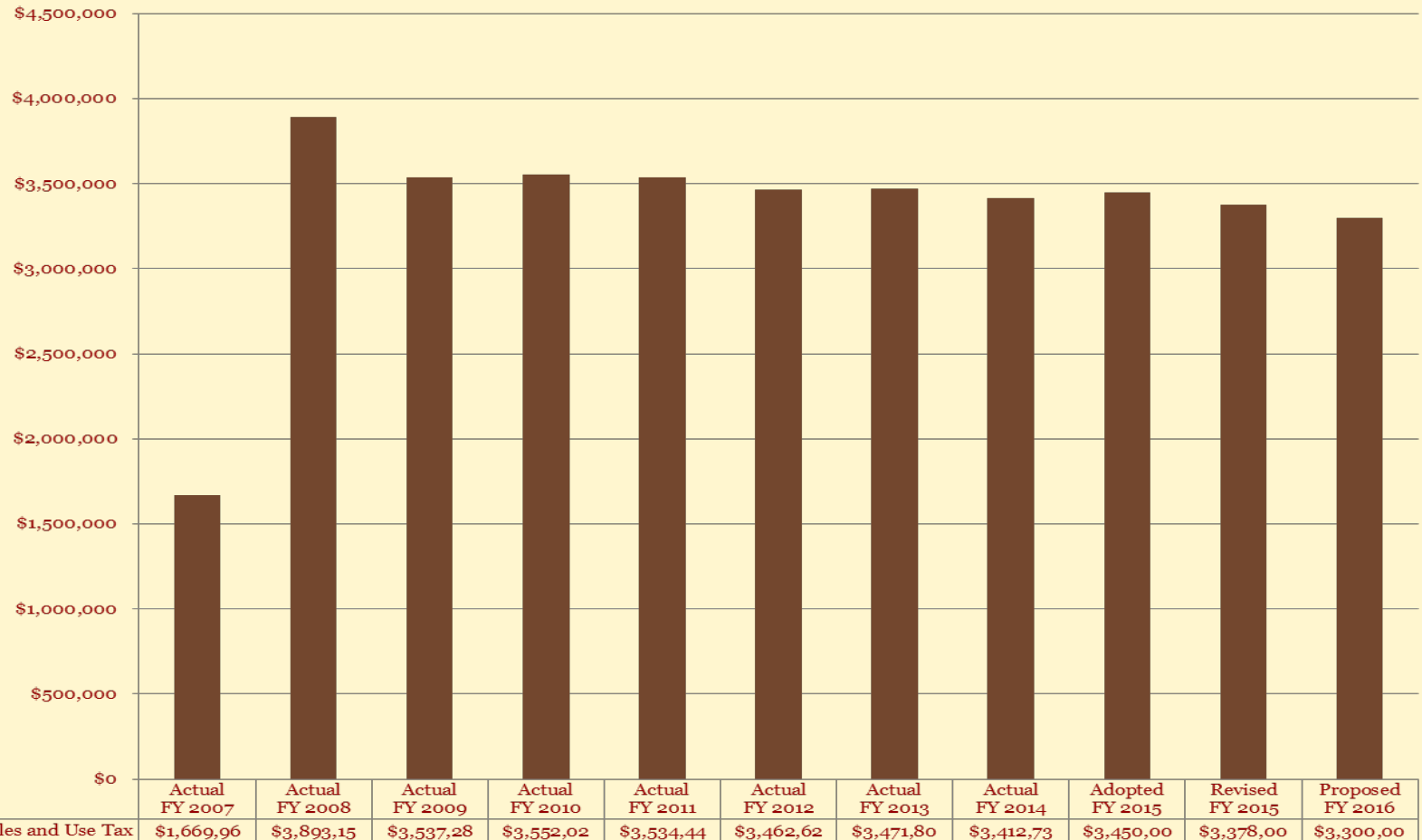
Analysis: Year to date (thru November 2014) FY 2015 Amusement Tax revenues are approximately \$10k, or 4.0%, behind FY 2014. Revenues from the Virginia Christmas Spectacular and Winterfest ticket sales are not included in this figure. Another driver of this revenue stream is movie ticket sales, which does not follow a schedule. At this time, FY 2015 Revised and FY 2016 are projected with slight increases.

Note: A portion of Amusement Tax revenues are dedicated to the Arts and Culture District Program, in FY 2016 this amount is \$33,420.



Major Revenues

Communications Sales and Use Tax

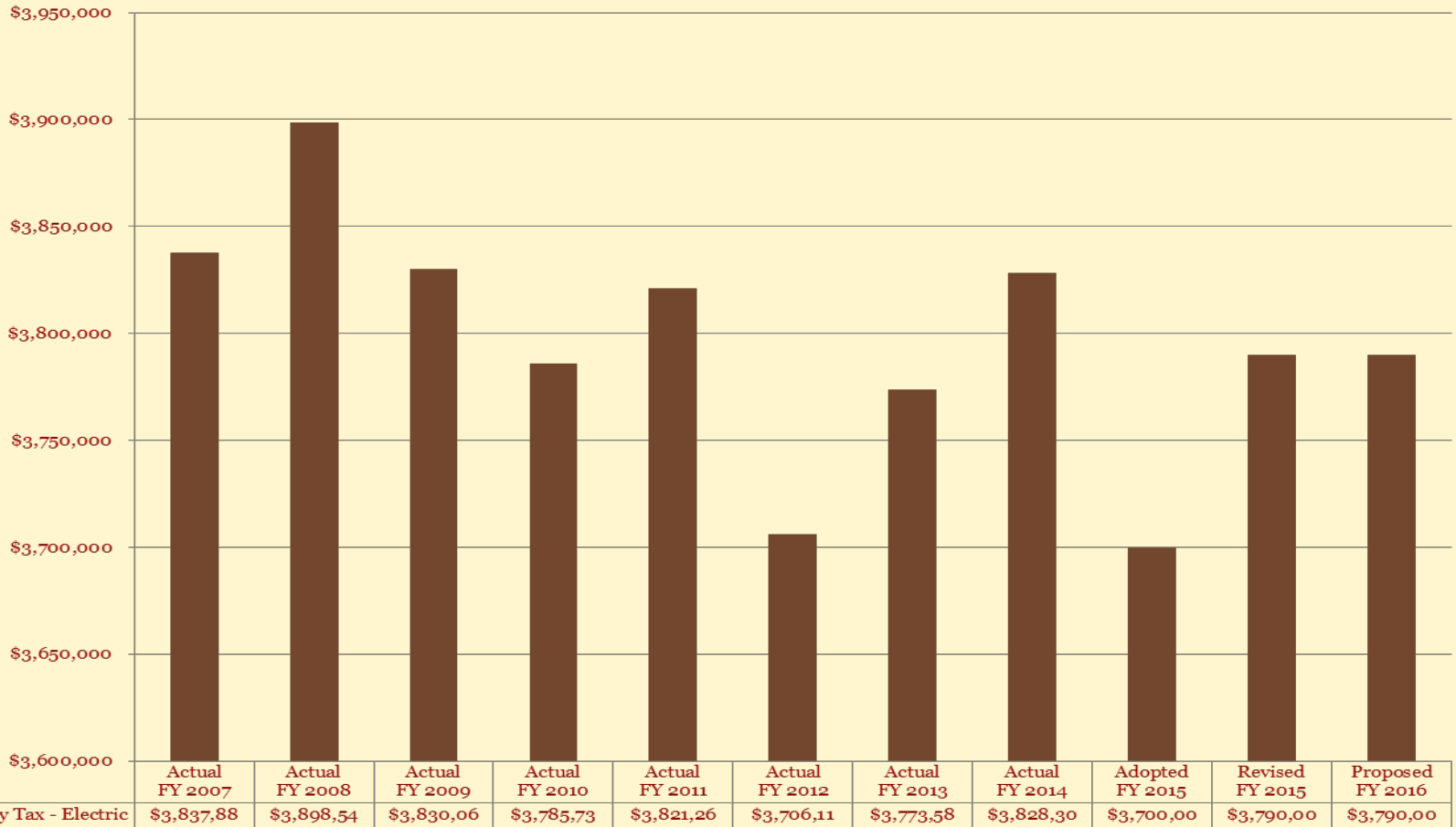


Analysis: Communication Sales and Use Tax continues to decline; the reduction in land line use and the lower cost for telecommunication services has affected the revenue generated through this stream. The Projected FY 2016 figure reflects the continued reduction in revenue.



Major Revenues

Consumer Utility Tax - Electric

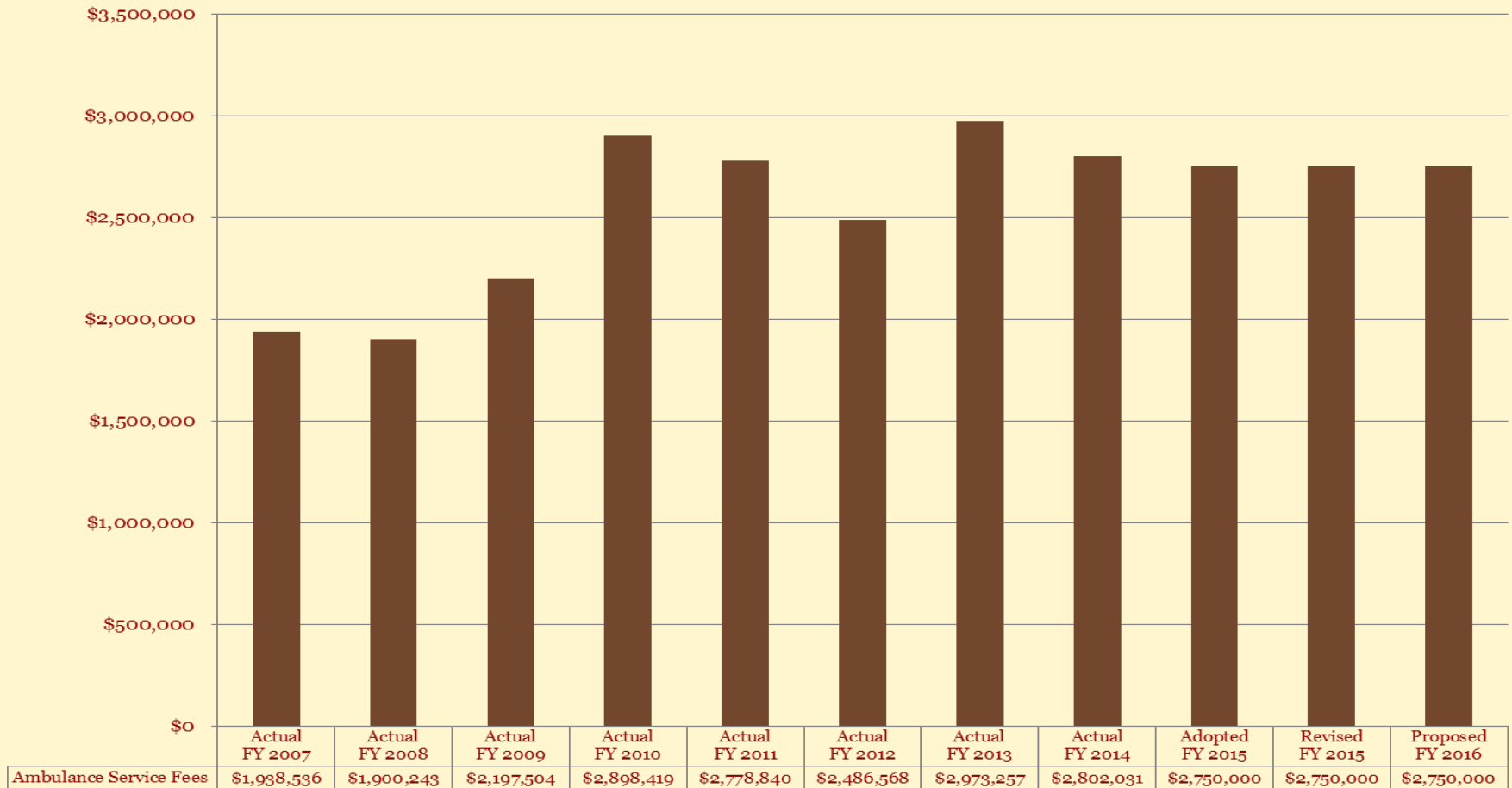


Analysis: Electric and Gas Utility consumption tax revenue collected in FY 2015 has been less than FY 2014 due to relatively mild weather prior to December. Through November, Consumer Utility Tax - Electric revenue is \$25k less than FY 2014. While December and January have been colder months, actual revenue figures are still unavailable. Based on current figures, FY 2015 is revised to be slightly less (1%) than Actual FY 2014; FY 2016 is projected flat with FY 2015. In the coming weeks, actual revenues for December and January will become available; based on additional information, these projections may be adjusted prior to budget adoption.



Major Revenues

Ambulance Service Fees

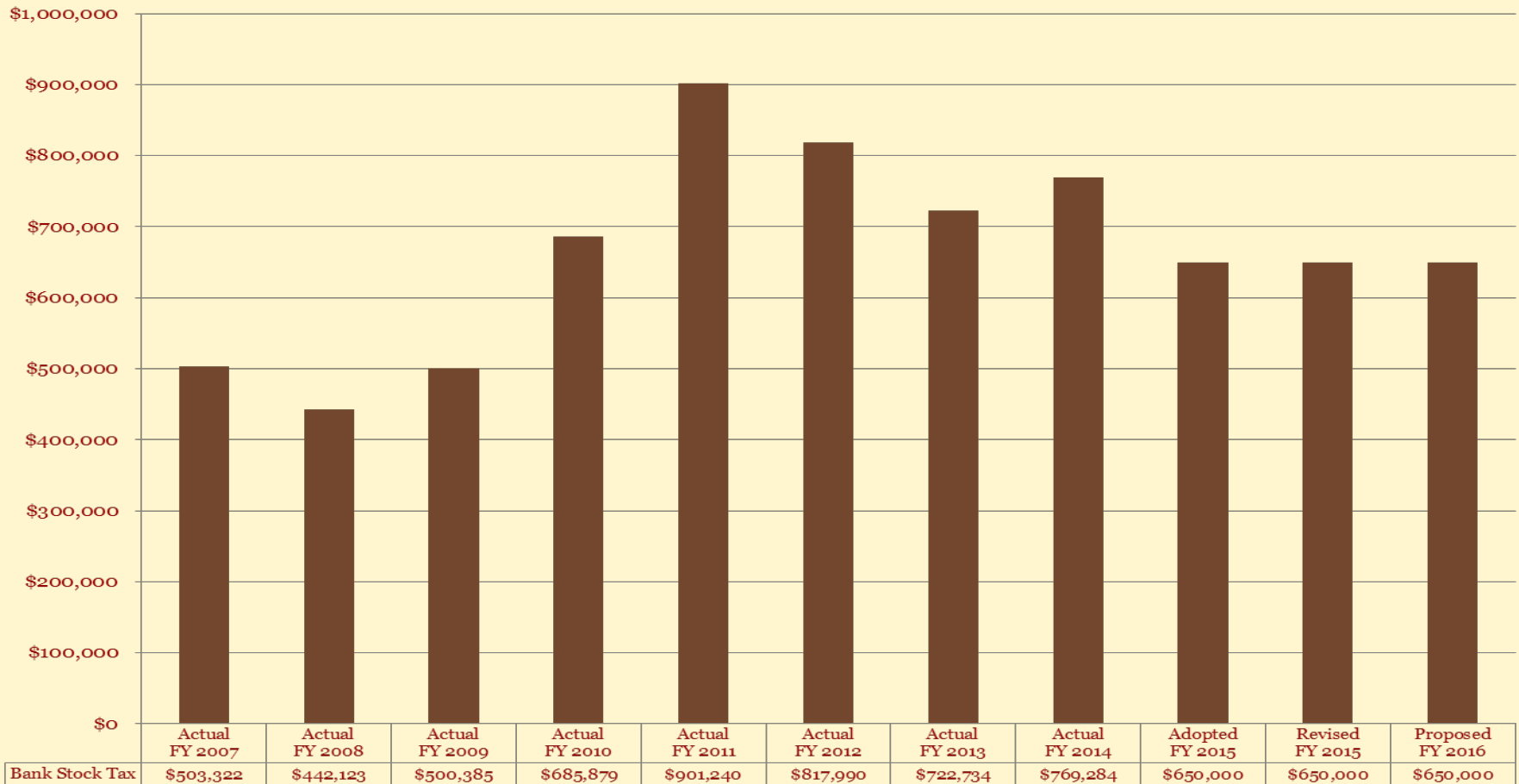


Analysis: Ambulance Service Fees are collected for the City by EMS-MC; the City pays the company 5.75% of total collections for this service. EMS-MC performed an analysis of collections and estimated a \$2.85m collection in FY 2016. The FY 2016 Projection is at \$2.75m based on current year collections as well as the uncertainty of the impact of the Affordable Care Act on ambulance services..



Major Revenues

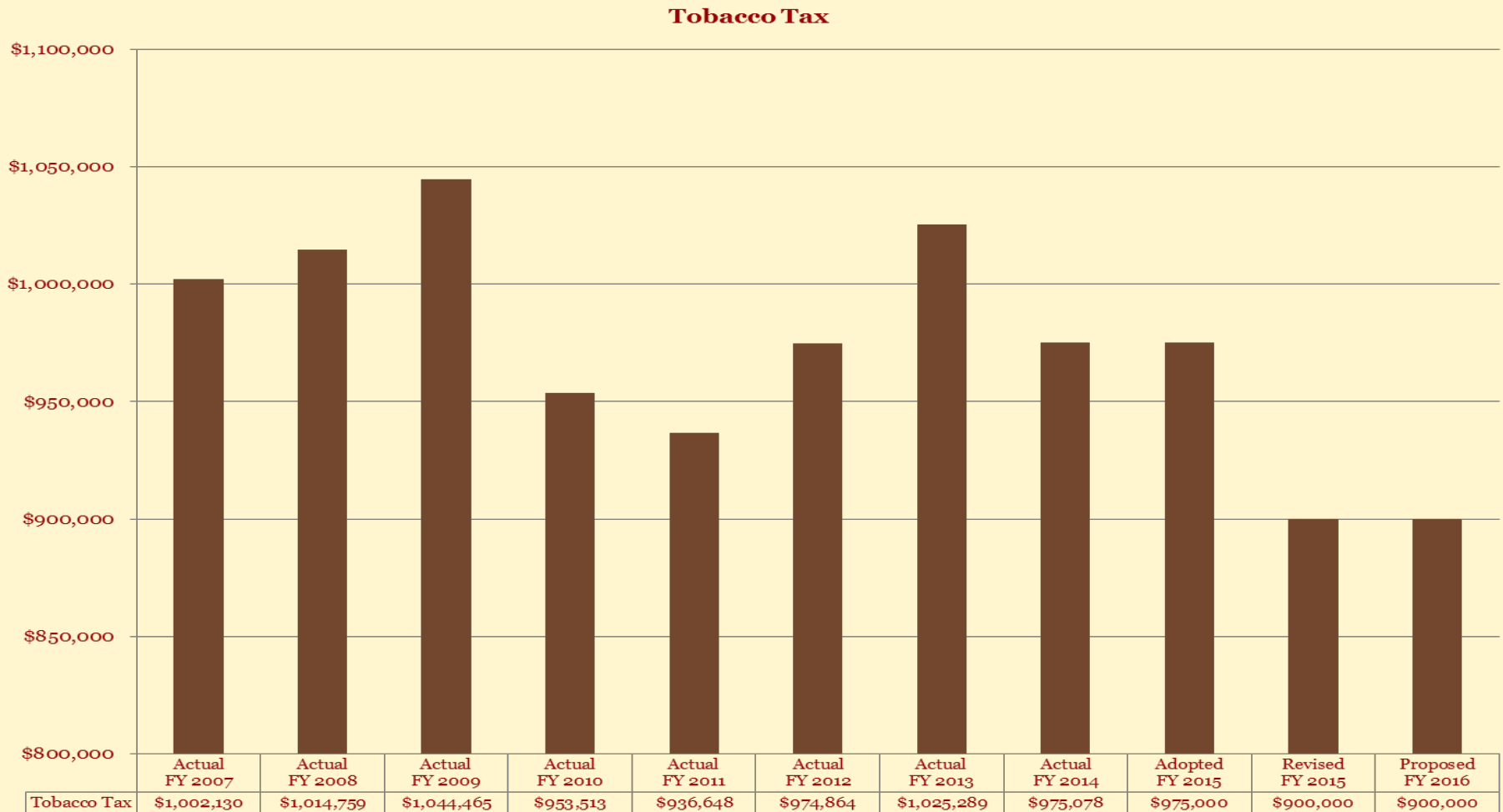
Bank Stock Tax



Analysis: Bank Stock Tax has mostly reflected a steady decrease since its peak in FY 2011. This is a difficult tax to project with any certainty because it is determined by the percent of funds in Lynchburg banks in comparison to all others in Virginia at a single point in time. Based on this uncertainty, this revenue is projected to decrease in FY 2015 Adopted and Revised and continue to be flat in FY 2016.



Major Revenues



Analysis: The first half of FY 2015 has seen a reduction in revenue of approximately \$33,500 from the same period last year. The popularity of e-cigarettes and "vaping" may be affecting this revenue. Both FY 2015 Revised and FY 2016 revenue is decreased to reflect the decrease in Tobacco Tax revenue.



FY 2016 Major Expenditure Requests

- 11 New Full-Time Positions Requested
 - Animal Control Officer
 - Communications and Marketing Citizens First Representative
 - Convert part-time to full-time
 - Community Development Environmental Compliance Inspector
 - (2) Fire/EMT to staff medic unit
 - Information Technology Application Developer II
 - Information Technology Network Engineer
 - Parks and Recreation Assistant Community Market Director
 - Public Works (2) Ground Maintenance Technicians for Bluffwalk
 - Public Works Custodian III for the Library



FY 2016 Major Expenditure Requests

- Compensation Adjustment of 2% \$1.2 million
- City Schools Request over FY 2015 \$1.2 million
- Public Works Request over FY 2015 \$1.3 million
- New Voting Machines \$ 300,000
- Police Overtime over FY 2015 \$ 250,000
- New & Replacement Vehicles over FY 2015 \$ 413,000
- FF&E¹ for Heritage High School \$1.7 million

¹ Furniture, Fixtures and Equipment



FY 2016

Pay-As-You-Go Projects

Buildings

Major Building Repairs	\$1,304,461
Monument Terrace Building Improvements	625,482
Parking Deck Repairs/Maintenance	475,000
Roof Replacement	317,830

Total Buildings	\$2,722,773
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Transportation

Bridge Maintenance	\$134,200
Community Market Plaza Deck Repairs / Renovation	250,000
Culvert Replacement	60,000
General Street Improvements	230,235
Public Transportation Improvements (GLTC)	35,617
Retaining Wall Replacement/Repair Program	225,000
Traffic Signal Replacement/Repair Program	205,000

Total Transportation	\$1,140,052
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Economic Development

Downtown Redevelopment	\$1,000,000
General Development Support	250,000
Street and Utility Extensions to Promote Economic Development	250,000

Total Economic Development	\$1,500,000
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FY 2016

Pay-As-You-Go Projects Cont.

Parks and Recreation

City Stadium Park	\$125,000
Community Park Investment Fund	75,000
Athletic Field Maintenance	415,000
General Park Maintenance	153,000
Lumos Fiber Optic Connections at Parks and Recreation	50,000
Parks Paving and Lighting/Reconstruction	476,000

Total Parks and Recreation	\$1,294,000
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Miscellaneous

Radio Replacements	\$191,500
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Total Miscellaneous	\$191,500
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Reserves

Snow, Streets and Bridges Reserve	\$250,000
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Total Reserves	\$250,000
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TOTAL GENERAL FUND PAY-AS-YOU-GO	\$7,098,325
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Schools

School Bus Replacements	\$950,000
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Total Schools	\$950,000
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TOTAL SCHOOLS PAY-AS-YOU-GO	\$950,000
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TOTAL GENERAL FUND and SCHOOLS PAY-AS-YOU-GO	\$8,048,325
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Additional Use of Pay-As-You Go Funds

- Jefferson Park Landfill Clean-Up \$500,000
- Increase Heritage High School FF&E Reserve by \$779,471



Big Issues/Projects/Opportunities

College Lake Dam	Downtown Water Line Replacement	Talent Management/ Employee Compensation	Poverty
Maintenance of Capital Assets	Airport General Aviation / Long-term Sustainability	Affordable Housing	Education Achievement
Downtown Parking / 2-Way Traffic	Academy Restoration	Regional Library	Zoning Ordinance
Schools	Bedford PSA	Jefferson Park Landfill	Storm Water Regulations
Increasing Regulations (general)	Long-term Consent Order	Service Demands of Exempt properties (Service Fee)	Service Delivery for Increasing Population
Public Wi-Fi	Cultural Differences	Community Market Parking Deck	Police Body Cameras
CIP – General District Court Building	City Entrance Signs	Library Renovation	Economic Development Authority (EDA) and Development Support
Firing Range	Regional Landfill	Citizen Engagement	
			19

// A regular meeting of the Council of the City of Lynchburg was held on the 9th day of December, 2014, at 4:00 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. The following Members were present:

Present: Foster, Helgeson, Perrow, Tweedy, Gillette

5

Absent: Johnson, Nelson

2

// Parks and Recreation Director Kay Frazier provided information and introduced the Friends Groups Supporting Parks and Recreation. Ms. Frazier stated that it has been a long standing goal of Parks and Recreation to work collaboratively with citizen groups to form 501-c3 non-profits to support the efforts of the department. Ms. Frazier went on to say that Parks and Recreation is pleased to have two new Friends groups that were formed in calendar year 2014. Representatives of the newly formed Friends of the Lynchburg Nature Center and Friends of Lynchburg Parks and Recreation briefed Council on their mission, goals and projects.

// Director of Financial Services Donna Witt introduced Mr. Chris Banner with Brown Edwards, LLC, who provided the audit presentation. Mr. Banner presented an overview of the City's Comprehensive Annual Financial Report (CAFR) and related reports for fiscal year ending June 30, 2014. Mr. Banner stated that no new accounting policies were adopted and the application of existing policies was not changed during the year. All significant transactions have been recognized in the financial statements in the proper period. Mr. Banner also stated that Schools accounting has been corrected and there was a clean audit of Schools.

// City Manager Kimball Payne introduced representatives of the Region 2000 Partnership. The representatives were Megan Lucas, of the Local Government Council, Ben Boden of the Workforce Investment Board and Gary Christie of the Business and Economic Development Alliance. Each representative gave a report on the partnership's role that made the Region 2000 Annual Report.

// During roll call Council Member Foster complimented the new signs in City Hall and the new look at the Information Desk.

// Council Member Tweedy thanked the City Staff for the session on Bridges Out of Poverty, which was well attended.

// Council Member Perrow thanked the Business Merchants Association for a well-planned Christmas parade which was well attended.

// Council Member Helgeson congratulated the Liberty University Football Team and also the Lynchburg College Women's Soccer Team for being the Division Three National Champions.

// Mayor Gillette made a public statement to Roanoke Mayor David Bowers, for being the top winner in the ASPCA Rachael Rae Challenge. The City of Roanoke won first place for adopting more animals in this Region. The City of Lynchburg came in second place. Again congratulations to Mayor David Bowers the City of Roanoke.

// On motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote elected to hold a closed meeting for discussion concerning the location of a prospective

business or industry in the City where no previous announcement has been made of the business' or industry's interest in locating its facilities in the community, and to consider appointments to Council-appointed Boards and Commissions, i.e., Community Development Advisory Committee, Planning Commission, Horizon Behavioral Health, Sister City Liaison, Lynchburg Regional Airport Commission, Towing Advisory Board, Region 2000 Greenways Alliance, Design Review Board, Lynchburg Business Development Centre and Transit Company Board; pursuant to Section 2.2-3711(A.) (1) and (5) of the Code of Virginia, 1950, as amended:

Ayes: Foster, Helgeson, Perrow, Tweedy, Gillette 5

Noes: 0

Absent: Johnson, Nelson 2

// The meeting was re-opened to the public.

// Vice Mayor Johnson joined the closed meeting.

// Vice Mayor Johnson made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by Council.

The Motion was seconded by Council Member Helgeson, and Council by the following recorded vote adopted the motion:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

// In the matter of Appointments, and on nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote reappointed Michael Bedsworth, Jeff Helgeson, Michelle Jackson, Ceasor T. Johnson, Jeffery Schneider and Jimmie Stevens, to serve another term on the Community Development Advisory Committee, terms to expire December 31, 2015:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote appointed Pamela Brown to serve on the Community Development Advisory

December 9, 2014

119

Committee for a term to expire December 31, 2015:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote reappointed Nancy Marion and William Mays, Jr., to serve on the Planning

Commission for terms to expire December 31, 2017:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote appointed Nathania E. Fleshman to serve on the Horizon Behavioral Health Board to fill an unexpired term ending December 31, 2016:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote reappointed C. Lynch Christian, III and Stewart Hobbs to serve on the Lynchburg Regional Airport Commission for terms to expire December 31, 2017:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote reappointed Randall S. Houck, Donald W. Irby, Blake Isley, III, Daniel J. Laslie and John McCorkhill to serve on the Towing Advisory Board for terms to expire December 31, 2017:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

On nomination of Council Member Perrow, seconded by Council Member Helgeson Council by the following recorded vote appointed Glenn E. McGrath to serve on the Transit Company Board to fill an unexpired term ending October 30, 2016:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

// City Council recessed the meeting at 6:13 p.m.

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

The following Members were present:

Present: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Absent: Nelson 1

Council Member Perrow gave the Invocation, followed by the Pledge of Allegiance.

// Copies of the minutes of the November 4, 2014 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote approved the minutes as presented:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

// Copies of the minutes of the November 11, 2014 meeting, having been previously furnished Council, reading was dispensed with, and on motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote approved the minutes as presented:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #8 concerning the petition of VIP, LLC to vacate a portion of right-of-way known as Misty Mountain Road adjoining 552 and 554 Leesville Road. The area is approximately one hundred eighty thousandths (.180) of an acre. The dimensions of the proposed vacation are eighty-eight (88) feet long by eighty-five (85) feet in width. Kevin Henry, Planner II, gave a summary of the request. Norm Walton, representing Robb Egel with VIP, LLC asked Council for approval for a right-of-way known as Misty Mountain Road. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Council Member Helgeson, Council by the following recorded vote adopted Ordinance #O-14-130, as presented, to vacate a portion of right-of-way known as Misty Mountain Road adjoining 552 and 554 Leesville Road:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette 6

Noes: 0

Absent: Nelson 1

// In the matter of Public Works – Street Vacation, a public hearing was held regarding City Council Report #9 concerning the petition of Carriage Square LTD, to vacate a portion of right-of-way known as Timbrook Place adjoining 218 Timbrook Place. The area is approximately seven thousandths (.007) of an acre on the northern curve of the cul-de-sac. Kevin Henry, Planner II, gave a summary of the street vacation request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC), stated that this item came before PDC and made a motion to approve the request. The motion did not require a second. Council by the following recorded vote adopted Ordinance #O-14-131, as presented, to vacate a portion of

December 9, 2014

121

right-of-way known as Timbrook Place adjoining 218 Timbrook Place:

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

6

Noes:

0

Absent: Nelson

1

// In the matter of Community Development – General, a public hearing was held regarding City Council Report #10 concerning the petition of Carriage Square LTD, to rename a public street known as Timbrook Place to Beverly Hills Circle. Timbrook Place is located approximately seven hundred thirty (730) feet south of the intersection of Timberlake Road and Old Graves Mill Road.

Kevin Henry, Planner II, gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council discussed this item at length with concerns that the name change was confusing. Council Member Perrow stated he would not vote to change the street name because it was not a circle and it should remain a street name. On motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-14-132, as presented, to rename a public street known as Timbrook Place to Beverly Hills Circle:

Ayes: Foster, Helgeson, Johnson, Tweedy, Gillette

5

Noes: Perrow

1

Absent: Nelson

1

// In the matter of Community Development – Rezoning Amendments, a public hearing was held regarding City Council Report #11 on amending the Future Land Use Map (FLUM) from Institutional to Traditional Residential for property located at 434 Rivermont Avenue and outlining the petition of Buffalo Creek Land Company, LLC to rezone approximately one and thirty-nine hundredths (1.39) acres at 434 Rivermont Avenue from R-4, Medium-High Density, Multi-Family Residential District to B-6C, Riverfront Business District (Conditional) to allow the use of an existing building for event, office and educational uses. City Planner Tom Martin gave a summary of the FLUM and the rezoning. Mr. Martin stated that the Planning Commission recommended approval of the FLUM amendment and rezoning petition. Representative Kristin Osborne with Buffalo Creek Land Company, LLC, representing the petitioner asked Council for approval of the FLUM and rezoning petition. One individual spoke in favor of the FLUM and the rezoning petition. There was no one else present who wished to speak to this item, and the public hearing was closed. Following Council discussion and on motion of Council Member Helgeson, seconded by Council Member Perrow, Council by the following recorded vote adopted Ordinance #O-14-133, as presented, amending the Future Land Use Map (FLUM) from Institutional to Traditional Residential for property located at 434 Rivermont Avenue:

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

6

Noes:

0

Absent: Nelson

1

On motion of Council Member Perrow, seconded by Council Member Foster, Council by the following recorded vote adopted Ordinance #O-14-134, with amended proffers, to rezone approximately one and thirty-nine hundredths (1.39) acres at 434 Rivermont Avenue from R-4, Medium-High Density, Multi-Family Residential District to B-6C, Riverfront Business District (Conditional) to allow the use of an existing building for event, office and educational uses:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette	6
Noes:	0
Absent: Nelson	1

// In the matter of Economic Development – General, a public hearing was held regarding City Council Report #12 concerning the support and reaffirmation for the Incentive Amendments of the City of Lynchburg Enterprise Zones #2 and #46. Marjette Upshur, Director of Economic Development, gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted Resolution #R-14-135, as presented, to support and reaffirm the Incentive Amendments of the City of Lynchburg Enterprise Zones #2 and #46:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette	6
Noes:	0
Absent: Nelson	1

// In the matter of Economic Development – General, a public hearing was held regarding City Council Report #13 concerning Boundary Amendments to Enterprise Zones #2 and #46. Marjette Upshur, Director of Economic Development, gave a summary of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-14-136, as presented, regarding Boundary Amendments to Enterprise Zones #2 and #46:

Ayes: Foster, Helgeson, Johnson, Perrow, Tweedy, Gillette	6
Noes:	0
Absent: Nelson	1

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #14 concerning the sale of approximately one and six tenths (1.608) acres of city owned property, in three parcels (ID #'s 23106012, 23106013, & 23106021), located at 99 Breezewood Drive, 103 Breezewood Drive, and 106 Breezewood Drive, respectively, and fronting, in part, on the Lynchburg Expressway near its intersection with Lakeside Drive, to Lynchburg Realty, LLC for \$90,000. City Manager Kimball Payne gave a summary of the request. Raymond A. Booth with Milton and Neal Properties, Inc., asked Council for approval of the sale of city owned property. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Council Member Perrow, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-14-137, as amended, for the sale of approximately one and six tenths (1.608) acres of city owned property, located at 99

December 9, 2014

123

Breezewood Drive, 103 Breezewood Drive, and 106 Breezewood Drive:

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

6

Noes:

0

Absent: Nelson

1

// In the matter of Parks and Recreation – General, City Council Report #15 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Foster, Council by the following recorded vote adopted Resolution #R-14-138, as presented, approving the use of \$50,000 from the Capital Improvement Program Community Park Investment Funds to be used, in conjunction with funds raised in the community to renovate four public tennis courts at E. C. Glass High School:

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

6

Noes:

0

Absent: Nelson

1

// In the matter of Schools – General, City Council Report #16 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Perrow, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-14-139, as presented, amending the FY 2015 General Fund budget and appropriating \$100,000 with resources from the Heritage High School Furniture, Fixtures and Equipment (FFE) Committed Fund Balance Reserve for transfer to the FY 2015 Schools Capital Project Fund to purchase equipment for the Heritage High School athletic fields:

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

6

Noes:

0

Absent: Nelson

1

// In the matter of Schools – General, City Council Report #17 was considered. On motion of Vice Mayor Johnson, seconded by Council Member Foster, Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-14-140, as presented, to amend the FY 2015 General Fund budget and appropriate \$2,648,287 with resources from unexpended FY 2014 Schools Operating Fund appropriations for transfer to the FY 2015 Schools Operating Fund (\$130,000) and to the FY 2015 Schools Capital Fund (\$2,518,287) to fund needs as approved by the School Board:

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

6

Noes:

0

Absent: Nelson

1

// The meeting was adjourned at 9:36 P.M.

Clerk of Council

// A regular meeting of the Council of the City of Lynchburg was held on the 13th day of January, 2015, at 7:30 P.M. in the Council Chamber, City Hall, Michael Gillette, President, presiding. Vice Mayor Johnson gave the Invocation, followed by the Pledge of Allegiance led by Boy Scout Troops 118 and 128. The following Members were present:

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

Absent: 0

// Mayor Gillette read a certificate presenting the Government Finance Officers Association Distinguished Budget Presentation Award to the City of Lynchburg, Virginia.

// Mayor Gillette recognized City Manager Kimball Payne for receiving the John D. Owen Memorial Award from the Lynchburg Historical Foundation (LHF). This award is for an individual who is dedicated to promoting Lynchburg's history and architecture and is a dedicated supporter of the LHF and the Lynchburg community.

// Mayor Gillette recognized two Mayor's Youth Council Members, Krista Hartmann, a senior at E.C. Glass and President of the Mayor's Youth Council and Kyler Thomas, a senior at Liberty Christian Academy and Vice President of the Mayor's Youth Council.

// Mayor Gillette made the following announcements:

- Miller Center Grand Opening at 301 Grove Street (Open House) will be on Saturday, January 24, 2015 at 10:00 a.m. – 3:00 p.m. (formal dedication at 10:00 a.m.) – Opening Concert from 6:00 p.m. to 10:00 p.m. – Tickets are \$15.00.
- Dr. Martin Luther King, Jr. 17th Annual Birthday Breakfast will be on January 19, 2015 - 8:00 AM – 10:00 AM – Tickets are \$30 – Keynote Speaker: Astronaut Leland Melvin – at the Holiday Inn Downtown.
- Finance Committee Meeting for January 27, 2015 has been cancelled.
- Council Budget Planning Session has been set for February 10, 2015.

// In the matter of Schools – General/Budget, Resolution #R-14-139 to amend the FY 2015 General Fund budget and appropriate \$100,000 with resources from the Heritage High School Furniture, Fixtures and Equipment (FFE) Committed Fund Balance Reserve for transfer to the FY 2015 Schools Capital Project Fund to purchase equipment for the Heritage High School athletic fields, laid over from the December 9, 2014 meeting, was again presented and read, and on motion of Council Member Foster, seconded by Vice Mayor Johnson, Council by the following recorded vote adopted the Resolution:

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

Noes: 0

// In the matter of Schools – General/Budget, Resolution #R-14-140 to amend the FY 2015 General Fund budget and appropriate \$2,648,287 with resources from unexpended FY 2014 Schools Operating Fund appropriations for transfer to the FY 2015 Schools Operating Fund (\$130,000) and to the FY 2015 Schools Capital Fund (\$2,518,287) to fund needs as approved by the School Board, laid over from the December 9, 2014 meeting, was again presented and read, and on motion of Council Member Foster,

January 13, 2015

125

seconded by Vice Mayor Johnson, Council by the following recorded vote adopted the Resolution:

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

7

Noes:

0

// City Manager Kimball Payne introduced Jim Richards and Ed Craighill, representatives from the Lynchburg Regional Transportation Advisory Group (LRTAG). The LRTAG, which consists of local business representatives, under the direction of the Lynchburg Regional Chamber of Commerce and in coordination with Region 2000 and the City of Lynchburg, has discussed and advocated for significant transportation projects in this region. LRTAG representatives have met with the Secretary of Transportation and senior Virginia Department of Transportation (VDOT) staff and have spoken at public hearings. The goal of LRTAG has been to put forth a clear, consistent and coordinated message about the need for this region to get its fair share of transportation funding to improve safety, enhance transportation efficiency, and support economic development.

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #4 on granting Appalachian Power Company an easement on city-owned property at 3020 Wards Ferry Road for the new Heritage High School. City Manager Kimball Payne gave an overview of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this item came before PDC and made a motion to approve the request. The motion did not require a second. Council by the following recorded vote adopted Resolution #R-15-001, as presented, granting Appalachian Power Company an easement on city-owned property at 3020 Wards Ferry Road for the new Heritage High School:

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

7

Noes:

0

// In the matter of Public Works – General, a public hearing was held regarding City Council Report #5 on granting Columbia Gas of Virginia, Inc. an easement on city-owned property at 3020 Wards Ferry Road for the new Heritage High School. City Manager Kimball Payne gave an overview of the request. There was no one else present who wished to speak to this item, and the public hearing was closed. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this item came before PDC and made a motion to approve the request. The motion did not require a second. Council by the following recorded vote adopted Resolution #R-15-002, as presented, granting Columbia Gas of Virginia, Inc. an easement on city-owned property at 3020 Wards Ferry Road for the new Heritage High School:

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

7

Noes:

0

// In the matter of Housing Authority – General, a public hearing was held regarding City Council Report #6 authorizing the City Manager to sign a deed and any other documents that may be necessary to convey the lot at 915 2nd Street in Tinbridge Hill to the Lynchburg Redevelopment and Housing Authority (LRHA). City Attorney Walter Erwin gave an overview of the request to convey the lot at 915 2nd Street in Tinbridge

Hill to the Lynchburg Redevelopment and Housing Authority. There was no one else present who wished to speak to this item, and the public hearing was closed. On motion of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote adopted Resolution #R-15-003, as presented, authorizing the City Manager to sign a deed and any other documents that may be necessary to convey the lot at 915 2nd Street in Tinbridge Hill to the Lynchburg Redevelopment and Housing Authority:

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

Noes: 0

// In the matter of Community Development – Rezoning Amendments, City Council Report #7 was considered. City Planner Tom Martin gave a summary of the request to amend existing rezoning to increase parking and seating at Acorn Hill located at 2134 Old Forest Road. During Council discussion, several Council Members had concerns with the new site plan. The additional parking spaces would be located in the front of the building; this is a neighborhood and was designed for a small bed and breakfast not a hotel or restaurant; this is a great business but has grown too large for the neighborhood; and the lighting and parking pattern is still a great concern. Several other Council Members would not vote to deny the request because the petitioner has brought the site plan in compliance. The additional parking spaces have been approved and the proffers have been amended. Council Member Helgeson made a motion, seconded by Council Member Perrow to deny the request to amend previously approved proffers and the motion failed:

Ayes: Helgeson, Perrow, Gillette 3

Noes: Foster, Johnson, Nelson, Tweedy 4

After the above motion failed, Vice Mayor Johnson made a motion seconded by Council Member Nelson, to approve the request to amend previously approved proffers. Council by the following recorded vote adopted Ordinance #O-15-004, as presented, changing a certain area located at 2134 Old Forest Road from B-3C, Community Business District (Conditional) to B-3C, Community Business District (Conditional) to amend previously approved proffers:

Ayers: Foster, Johnson, Nelson, Tweedy 4

Noes: Helgeson, Perrow, Gillette 3

// In the matter of Public Works – General, City Council Report #8 was considered. Council Member Perrow, Chair of the Physical Development Committee (PDC) stated that this item came before PDC and made a motion to approve the request. The motion did not require a second. Council by the following recorded vote adopted Ordinance #O-15-005, as presented, authorizing the City Manager to execute Change Order No. 5, with AECOM in the amount of \$1,472,233.00, for Phase II Construction Administration, Quality Assurance/Quality Control Inspection and Project Controls Services for the Midtown Connector Project:

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

Noes: 0

// On motion of Council Member Foster seconded by Vice Mayor Johnson, Council by the following recorded vote elected to hold a closed meeting to consider appointments to Council-appointed Boards and Commissions, i.e., Planning Commission, and Sister City Liaison; pursuant to Section 2.2-3711(A)(1), Code of Virginia (1950), as amended:

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

Noes: 0

// The meeting was re-opened to the public.

// Council Member Nelson made the following motion:

WHEREAS, the Council of the City of Lynchburg has convened a closed meeting on this date, pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by City Council that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Lynchburg certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by Council.

The Motion was seconded by Vice Mayor Johnson, and Council by the following recorded vote adopted the motion:

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

Noes: 0

// In the matter of Appointments, and on nomination of Vice Mayor Johnson, seconded by Council Member Nelson, Council by the following recorded vote appointed Steven B. Wood, to serve as Liaison on the Lynchburg Sister City Plus organization for a term to expire December 31, 2017:

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

Noes: 0

// The meeting was adjourned at 9:22 P.M.

Clerk of Council

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **February 10, 2015**

AGENDA ITEM NO.: 3

CONSENT: REGULAR: **X**

WORK SESSION:

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Change zoning to allow a bakery and other limited retail within an existing building – 7708 Timberlake Road**

RECOMMENDATION: Approval of the rezoning petition.

SUMMARY: Adams Investment Properties, LLC is petitioning to rezone approximately ninety-three hundredths (0.93) acres at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District. If approved, the lower level of the existing building would be used as a bakery and the first floor would continue to be used for an alteration business. There are no exterior alterations proposed for the property.

The rezoning would also allow other light retail and service uses that do not require outdoor displays such as delicatessens, florists, hardware stores, barber or beauty salons and banks. The current layout of the site is considered non-conforming because it does not meet various setback, buffering, and landscaping requirements. Any new use that requires exterior modifications must be brought into compliance with site design standards of the *Zoning Ordinance*.

PRIOR ACTION(S):

January 14, 2015: The Planning Division recommended approval of the rezoning petition.

The Planning Commission recommended approval of the rezoning petition (6-0 with one vacancy)

FISCAL IMPACT: N/A

CONTACT(S):

Tom Martin, City Planner - 455-3900

Kent White, Director of Community Development – 455-3900

ATTACHMENT(S):

- Ordinance
- Planning Commission Report and Minutes – January 14, 2015
- Vicinity Zoning Map
- Vicinity Proposed Land Use Map
- Watershed Location Map
- Planimetric and Topographic Map
- Rezoning Plan
- Letter sent by Petitioner to Neighbors
- Property Photograph
- Speaker Signup Sheet

REVIEWED BY: lkp

UNCODIFIED ORDINANCE:

AN ORDINANCE CHANGING A CERTAIN AREA LOCATED AT 7708 TIMBERLAKE ROAD FROM B-1, LIMITED BUSINESS DISTRICT TO B-2, LOCAL NEIGHBORHOOD BUSINESS DISTRICT.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG that in order to promote the public necessity, convenience, welfare and good zoning practice that Chapter 35.1 of the Code of the City of Lynchburg, 1981, as amended, be and the same is hereby further amended by adding thereto Section 35.1-76__, which section shall read as follows:

Section 35.1-76__. Change of a certain area located at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District.

The area embraced within the following boundaries:

BEGINNING at an iron in the line between Lot 1 and the Morey property thence N. 54-57 E, 100 feet to the aforesaid plat and the Morey property thence S. 35-03 E. 273 feet to a stake; thence S. E 273 feet to a stake; thence S. 52-30 W. 193.7 feet to an iron, and thence N. 16-41 W. 296.4 feet to an iron, the point of BEGINNING.

Being the same property granted and conveyed to the grantors herein by deed dated December 29, 2004, and recorded in the Office of the Clerk, Circuit Court, City of Lynchburg, Virginia, as Instrument Number 040013437.

...is hereby changed from B-1, Limited Business District to B-2, Local Neighborhood Business District.

And the Director of Community Development shall forthwith cause the "Official Zoning Map of Lynchburg, Virginia," referred to in Section 35.1-4 of this chapter to be amended in accordance therewith.

Adopted:

Certified: _____
Clerk of Council

008K

The Department of Community Development

City Hall, Lynchburg, VA 24504 434-455-3900

To: Planning Commission
From: Planning Division
Date: January 14, 2015
Re: Rezoning: B-1, Limited Business District to B-2, Local Neighborhood Business District – 7708 Timberlake Road

I. PETITIONER

Adams Investment Properties, LLC, 2601 Memorial Avenue, Lynchburg, VA 24501
Representative: Ernest W. Adams IV, Adams Investment Properties, LLC, 2601 Memorial Avenue, Lynchburg, VA 24501

II. LOCATION

The subject property includes one (1) tract totaling approximately ninety-two hundredths (0.92) of an acre located at 7708 Timberlake Road, Lynchburg, VA 24502
Property Owners:
Adams Investment Properties, LLC, 2601 Memorial Avenue, Lynchburg, VA 24501

III. PURPOSE

The purpose of the petition is to rezone approximately ninety-two hundredths (0.92) of an acre located at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District to allow the use of the existing building as a bakery.

IV. SUMMARY

- The *Future Land Use Map (FLUM)* recommends a Neighborhood Commercial use for this property.
- Petition agrees with the *Zoning Ordinance* which permits bakeries in a B-2, Local Neighborhood Business District.
- The first floor of the existing building is being used for an alterations business. The petitioner is proposing to lease the lower level to a bakery.

The Planning Division recommends approval of the rezoning petition.

V. FINDINGS OF FACT

1. **Comprehensive Plan.** The *FLUM* of the *Comprehensive Plan 2013-2030* recommends a Neighborhood Commercial use for the area. Neighborhood Commercial areas “are intended to consist primarily of office, retail, personal service, and restaurant use that are scaled and designed to be compatible with and serve their immediate neighborhood. They are comprised of individual businesses, clusters of businesses, or small shopping centers.” (pg. 75).

Adjacent land uses along Timberlake Road are also designated for Neighborhood Commercial by the *FLUM*, while properties to the rear of the subject property are designated Low Density Residential by the *FLUM*. Within the *Comprehensive Plan 2013-2030* one area of concern that citizens highlighted was “the lack of buffering and poor transitions between commercial and residential areas.” (pg. 81). The subject property contains a significant vegetated buffer between the adjoining residential properties to the rear.

2. **Zoning.** The subject property was annexed into the City in 1976. The existing B-1, Limited Business District zoning was established in 1989 with the adoption of the Timberlake Road Corridor Land Use Study.
3. **Proffers.** N/A
4. **Board of Zoning Appeals (BZA).** The Zoning Official has determined that no variances would be needed for the development of the property as proposed.
5. **Surrounding Area.** There have been several items requiring City Council approval in the immediate area:
 - On July 10, 1979, Council approved the conditional use permit (CUP) petition of George Fralin, Jr. to allow a family billiard hall at 7705 Timberlake Road.
 - On May 13, 1986, Council approved the CUP petition of First Southern Methodist Church to construct a softball field, pavilion and new sign at 7808 Timberlake Road.
 - On April 9, 2002, Council approved the petition of Lynchburg Computer Systems to rezone approximately four hundred seventy-two thousandths (0.472) of an acre at 7605 Timberlake Road from B-1, Limited Business District, to B-3C, Community Business District (Conditional), for retail and repair of computers.
 - On July 13, 2010, Council approved the CUP petition of Brooke's Brothers, LLC to allow for a consolidated sign plan at 7802 Timberlake Road.
 - On November 10, 2010, Council approved the petition of Dr. Jeffery Widmeyer to rezone approximately one and thirty-eight hundredths (1.38) acres at 7626 Timberlake Road from R-1, Low Density, Single-Family Residential District to B-1C, Limited Business District (Conditional) for a medical office.
 - On August 9, 2012, Council denied the petition of Wyndhurst Counseling Center to rezone approximately one and a half (1.5) acres at 1001 Oakmont Circle from R-1, Low Density, Single-Family Residential District to B-1C, Limited Business District (Conditional) to allow an office use.
6. **Site Description.** The subject property includes an existing building and parking lot which are non-conforming because they do not meet particular setback, buffering, and landscaping requirements of the zoning ordinance. The property is bound by single-family uses as well as a mechanic shop to the southwest.
7. **Proposed Use of Property.** If the rezoning petition is approved, the present alterations business would remain on the first level. The lower level would be used for a bakery. The owner of the proposed bakery business plans to renovate the interior of the lower level. There are no planned exterior modifications to the site. There are no proffers associated with this petition, therefore, all permitted uses within the B-2, Local Neighborhood Business District would be allowed.
8. **Traffic, Parking and Public Transit.** The City Traffic Engineer did not have any concerns with the proposed use given the site was previously used as a small scale tailor.

The property is served by Greater Lynchburg Transit Company's Route 6, which makes a stop at the Social Security office approximately five hundred (500) feet northeast from the subject property.
9. **Stormwater Management.** N/A.

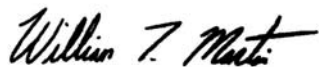
- 10. Emergency Services.** The City Fire Marshal provided comments regarding site design requirements of the City of Lynchburg and the Virginia Statewide Fire Prevention Code. The City's Police Department provided general comments related to site safety and security.
- 11. Impact.** Approval of the rezoning petition will allow for small scale business uses, such as a bakery to be conducted within the existing building. Since this property is already occupied by an existing business open Monday through Saturday from 10:00 a.m. to 4:00 p.m., the additional business will not create a significant change in traffic. The proposed bakery does not anticipate much traffic as its clients usually visit the business by a scheduled appointment. Although there are no proffers proposed with this petition, the applicant has indicated modest hours of operation, 9:00 a.m. to 3:00 p.m. Tuesday through Friday.
- The current layout of the site is considered non-conforming because it does not meet various setback, buffering, and landscaping requirements. Any expansion of the existing footprint would require the site to meet those above site design standards. If there were to be a change of use, the site would prove to be constrained for many of the permitted uses in B-2 because any use that would include modifications to the site outside the existing footprint must be brought into compliance with site design standards of the *Zoning Ordinance*. Due to the size and shape of the lot, the above mentioned standards would most likely require lot reconfiguration.
- The proposed petition is in conformance with the *FLUM*, which projects a Neighborhood Commercial use for the site. The change in use is negligible and will allow for the continued commercial use of this site.
- 12. Technical Review Committee.** The Technical Review Committee (TRC) reviewed the rezoning petition on December 23, 2014. Comments related to the proposed use have or will be addressed by the petitioner prior to a certificate of occupancy being issued.

VI. PLANNING DIVISION RECOMMENDATION

Based on the preceding Findings of Fact, the Planning Commission recommends to City Council approval of the petition of Adams Investment Properties, LLC to:

Rezone approximately ninety-two hundredths (0.92) of an acre located at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District.

This matter is respectfully offered for your consideration.



William T. Martin, AICP
City Planner

pc: Mr. L. Kimball Payne, III, City Manager
Ms. Bonnie M. Svrcek, Deputy City Manager
Mr. Walter C. Erwin, City Attorney
Mr. Kent L. White, Director of Community Development
Mr. J. Lee Newland, City Engineer
Ms. Cynthia Kozzerow, Lynchburg Police Department
Battalion Chief Greg Wormser, Fire Marshal
Mr. Don DeBerry, Transportation Engineer
Mr. Doug Saunders, Building Commissioner
Mr. Ernest W. Adams IV, Adams Investment Properties, LLC

VII. ATTACHMENTS

- 1. Vicinity Zoning Pattern Map**
- 2. Vicinity Proposed Land Use Map**
- 3. Watershed Location Map**
- 4. Planimetric and Topographic Map**
- 5. Concept Plan**
- 6. Letter sent by Petitioner to Neighbors**
- 7. Property Photograph**

MINUTES OF THE JANUARY 14, 2015 PLANNING COMMISSION MEETING (MINUTES HAVE BEEN APPROVED):

- a. Petition of Adams Investment Properties, LLC to rezone approximately ninety-three hundredths (0.93) of an acre at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District to allow the use of an existing building for a bakery.**

Mr. Tom Martin explained that Mr. Kevin Henry would be presenting this petition today. This will be Mr. Henry's last meeting as a planner, as he has accepted the position of the City's Zoning Administrator. Mr. Henry explained that this petition is a request to allow a bakery to occupy the bottom level of the structure. There is currently an alterations business on the first floor. Mr. Henry explained that this property is designated as a Neighborhood Commercial use on the *Future Land Use Map (FLUM)*. Neighborhood commercial uses are intended for office, light retail, personal service and restaurant uses that are scaled and designed to be compatible with and serve their immediate neighborhood.

Mr. Henry pointed out an already existing mature vegetative buffer located to the rear of the property, which provides a very good screen between the commercial uses on Timberlake Road and the low density residential property adjoining it to the rear.

Mr. Henry explained the present structure and parking lot are considered nonconforming because they do not meet various setbacks, buffering and landscaping requirements of the *Zoning Ordinance*. Since there are no planned modifications to the exterior of the structure or parking lot, it is staff's position that allowing this rezoning would be acceptable and does not significantly expand its nonconforming use. That is also the reasoning as to there being no proffers with this rezoning petition.

Approval of this rezoning will allow for small scale businesses such as the bakery or other uses that may be allowed within the B-2 zoning district. Mr. Henry pointed out that the bakery is proposing even more modest hours of operation than the alterations business that is currently located in the building. He also remarked that the bakery conducts its business primarily by appointment and is not intended to be a retail operation. The site is primarily desirable in order for the tenant to have a larger commercial kitchen.

Mr. Henry pointed out that any further expansion of this site would require site reconfiguration and possibly another rezoning. An allowed use in B-2 is a bank, however, in order for a bank to occupy this site, they would likely have to reconfigure the site and build a new building. That would require another rezoning, which is the reason staff felt there were no proffers required for this rezoning petition and it was safe for this petition to move forward. Planning staff feels this rezoning petition is in conformance with its designated use on the *FLUM* and will allow the continued use of the site for commercial business.

Mr. E. W. Adams of Adams Investment Properties came forward to represent the petition. Mr. Adams explained that the lower floor had been previously occupied by a hair salon. There were never any problems with traffic in or out of the site. This proposed use is likely to have even less traffic because most of the proposed tenant's business is delivery based. She has been working out of her home in Campbell County and wished to find a location that is more centrally located.

Chair Swienton asked if there was anyone who wished to speak in favor of the petition. No one came forward. Chair Swienton asked if there was anyone who wished to speak in opposition of the petition. No one came forward. He closed the public hearing portion of the petition.

Commissioner Marion asked if someone on staff could explain the difference between B-1 and B-2 uses. Mr. Henry stated that B-1 uses are meant to be smaller in scale than B-2 uses. He pointed out

that there is a proposal for City Council to consider in the updated *Zoning Ordinance* where B-1 and B-2 districts will be combined into a new district because their uses are so similar. He acknowledged, however, that they cannot consider that as part of the decision today. Mr. Martin pointed out that the B-2 district allows for some very limited retail uses; the B-1 district only allows office uses. Commissioner Marion asked for clarification that the properties across the street are Community Commercial on the *FLUM* and zoned B-3. Mr. Henry said that is correct. Commissioner Perault asked Mr. Adams if they had received any feedback for their neighbors. He indicated that they have received none.

Commissioner Lowe made the following motion, which was seconded by Commissioner Marion:

“That the Planning Commission recommends to City Council approval of the petition of Adams Investment Properties, LLC to rezone approximately ninety-three hundredths (0.93) of an acre located at 7708 Timberlake Road from B-1, Limited Business District to B-2, Local Neighborhood Business District.”

Chair Swienton did not feel that this would have an impact on the surrounding R-1 properties. It is simply changing uses from a hair salon to a bakery. He can certainly support that change.

The motion passed by the following vote:

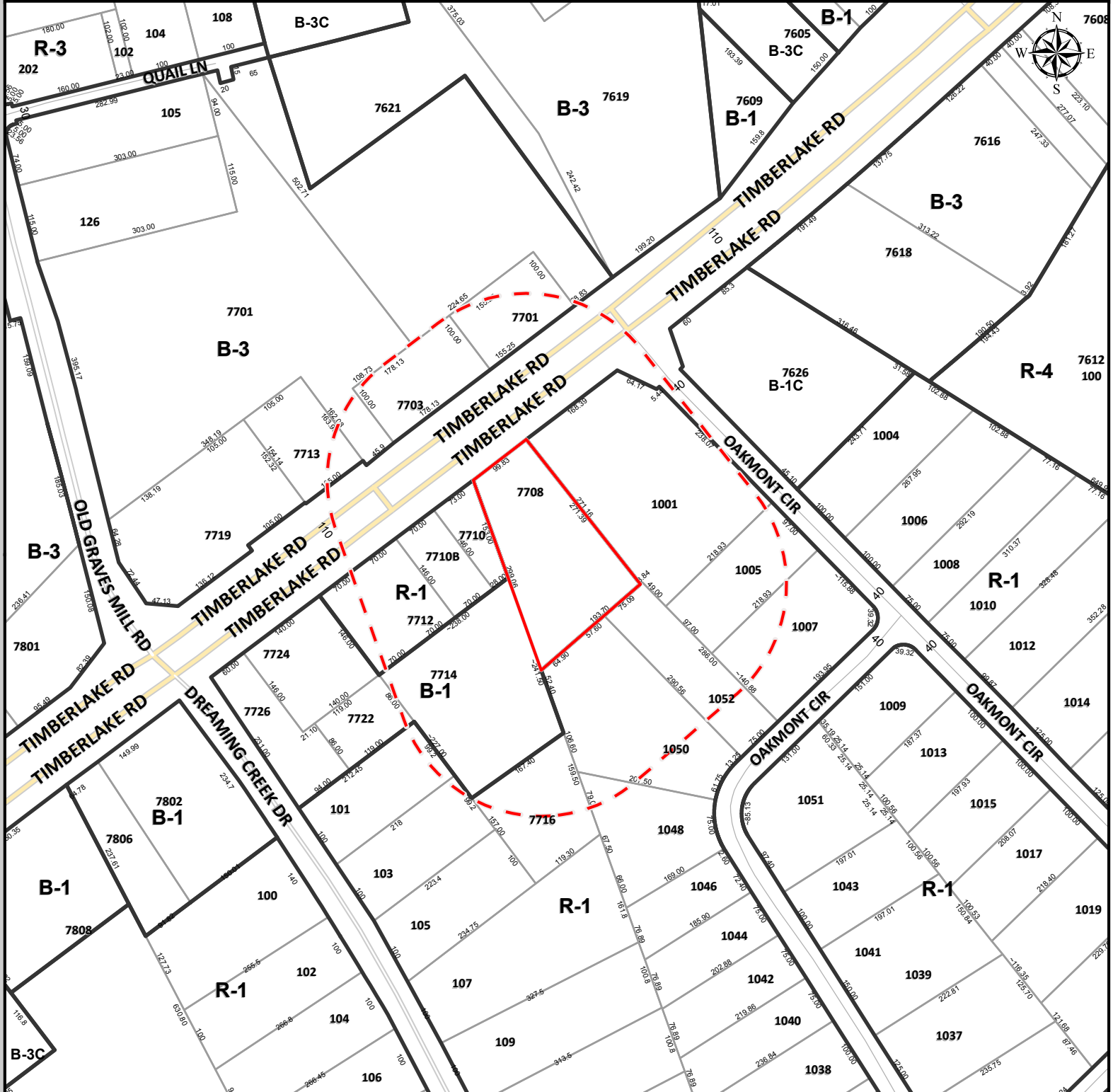
AYES:	Light, Lowe, Marion, Mays, Perault and Swienton	6
NOES:		0
ABSTENTIONS:		0
ABSENT:		0
VACANCIES:		1

Zoning Map

REZONING FROM B-1 TO B-2

Zoning Request

Adams Investment Properties, LLC



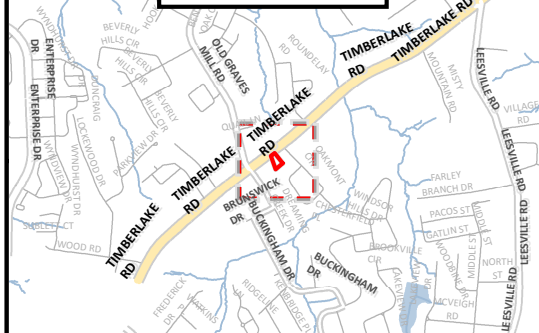
PROPERTY INFORMATION

PARCEL ID	ADDRESS
25405001	7708 TIMBERLAKE RD

LEGEND

- Subject Property
- 215' Buffer
- Zoning Boundary

OVERVIEW MAP



MAP SCALE: 1" to 200' DATE PRINTED: 1/9/2015

DISCLAIMER: THIS MAP IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS SUCH. THE INFORMATION DISPLAYED IS A COMPILATION OF RECORDS, INFORMATION, AND DATA OBTAINED FROM VARIOUS SOURCES. THE CITY OF LYNCHBURG IS NOT RESPONSIBLE FOR ITS ACCURACY OR HOW CURRENT IT MAY BE.

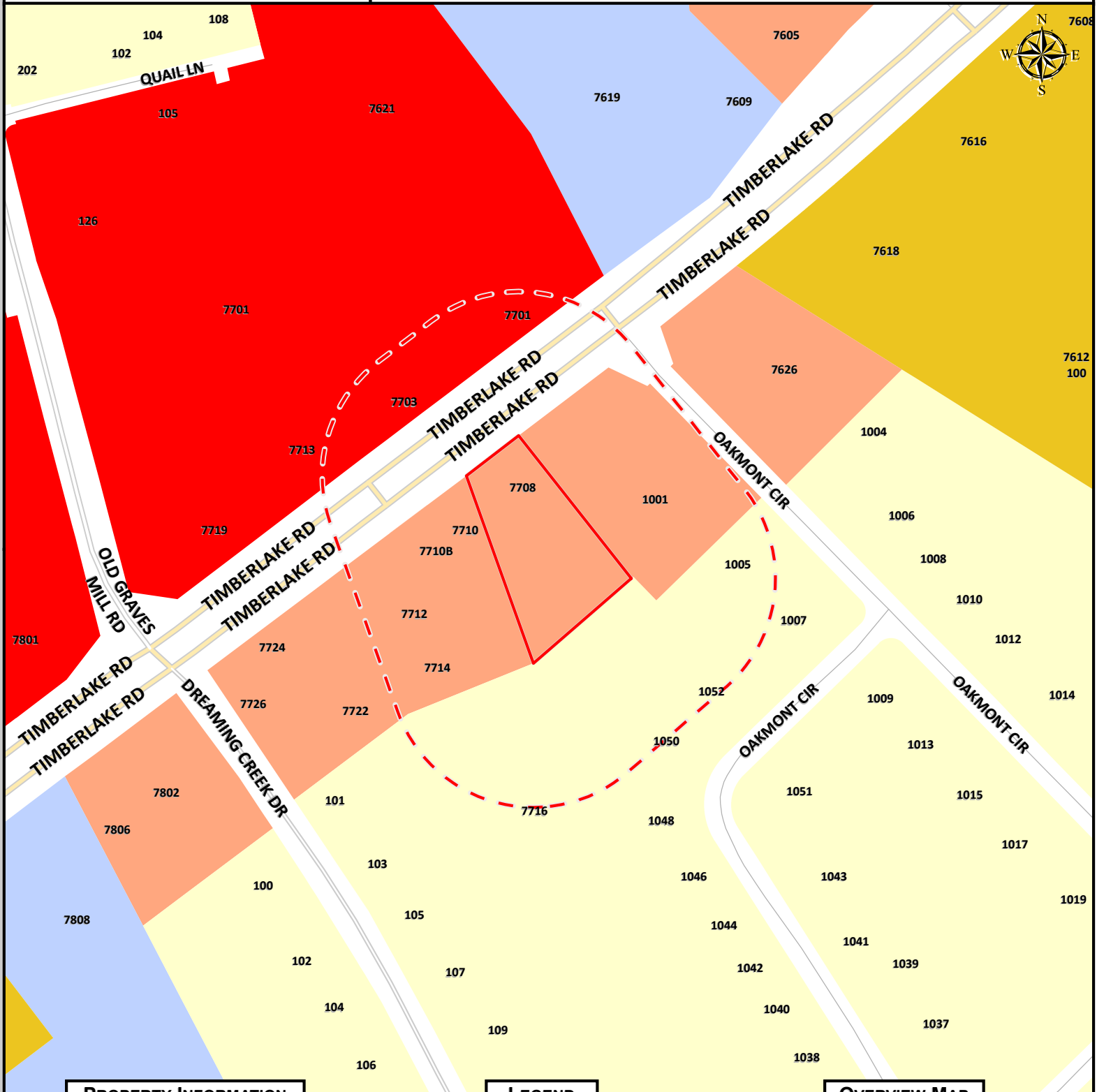
Parcel ID	Address	Owner
25411008	7621 TIMBERLAKE RD	TIMBERLAKE STATION LIMITED
25409002	7710 B TIMBERLAKE RD	MOREY BROTHERS LLC
25409001	7710 TIMBERLAKE RD	MOREY BROTHERS LLC
25411005	7713 TIMBERLAKE RD	BOMAR PROPERTIES LLC
25411009	7703 TIMBERLAKE RD	TIMBERLAKE STATION LIMITED
25411010	7701 TIMBERLAKE RD	TIMBERLAKE STATION LIMITED
25411004	7701 TIMBERLAKE RD	TIMBERLAKE STATION LIMITED
25405007	1048 OAKMONT CIR	TAYLOR, THOMAS A JR & MAUPIN, NICOLE
25405006	1050 OAKMONT CIR	LEWIS, DEFRAUNCE & DONNA D
25405005	1052 OAKMONT CIR	MORRIS, MARK G & ROSE W
25405004	1007 OAKMONT CIR	ALVIS, ROBERT H III & MERLE T
25405003	1005 OAKMONT CIR	CHILDRESS, CLAUDE D & PATRICIA
25405001	7708 TIMBERLAKE RD	ADAMS INVESTMENT PROPERTIES LLC
25405002	1001 OAKMONT CIR	DAVIS, WILLIAM H SR & NANCY E
25409012	103 DREAMING CREEK DR	CLAYBROOK, MURRELL T & JOYCE F
25409010	7716 TIMBERLAKE RD	MOREY BROTHERS LLC
25409011	101 DREAMING CREEK DR	K & D OF LYNCHBURG LLC
25409008	7722 TIMBERLAKE RD	BAUCHOU, EDWARD A JR
25409009	7714 TIMBERLAKE RD	MOREY BROTHERS LLC
25409004	7712 TIMBERLAKE RD	MOREY BROTHERS LLC

FLUM Map

REZONING FROM B-1 TO B-2

Zoning Request

Adams Investment Properties, LLC



PROPERTY INFORMATION

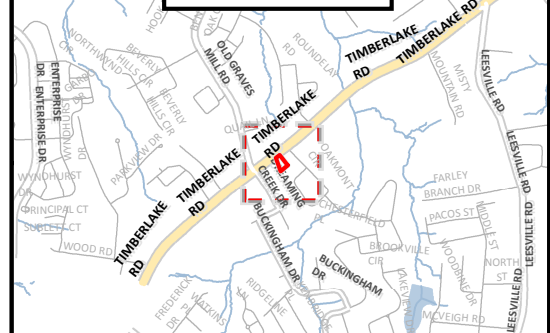
PARCEL ID	ADDRESS
25405001	7708 TIMBERLAKE RD

LEGEND

- | | |
|----------------------------|-----------------------|
| Local Historic District | Employment 1 |
| Traditional Residential | Employment 2 |
| Low Density Residential | Downtown |
| Medium Density Residential | Institution |
| High Density Residential | Public Use |
| Neighborhood Commercial | Public Parks |
| Community Commercial | Resource Conservation |
| | Mixed Use |

MAP SCALE: 1" to 200' DATE PRINTED: 1/9/2015

OVERVIEW MAP



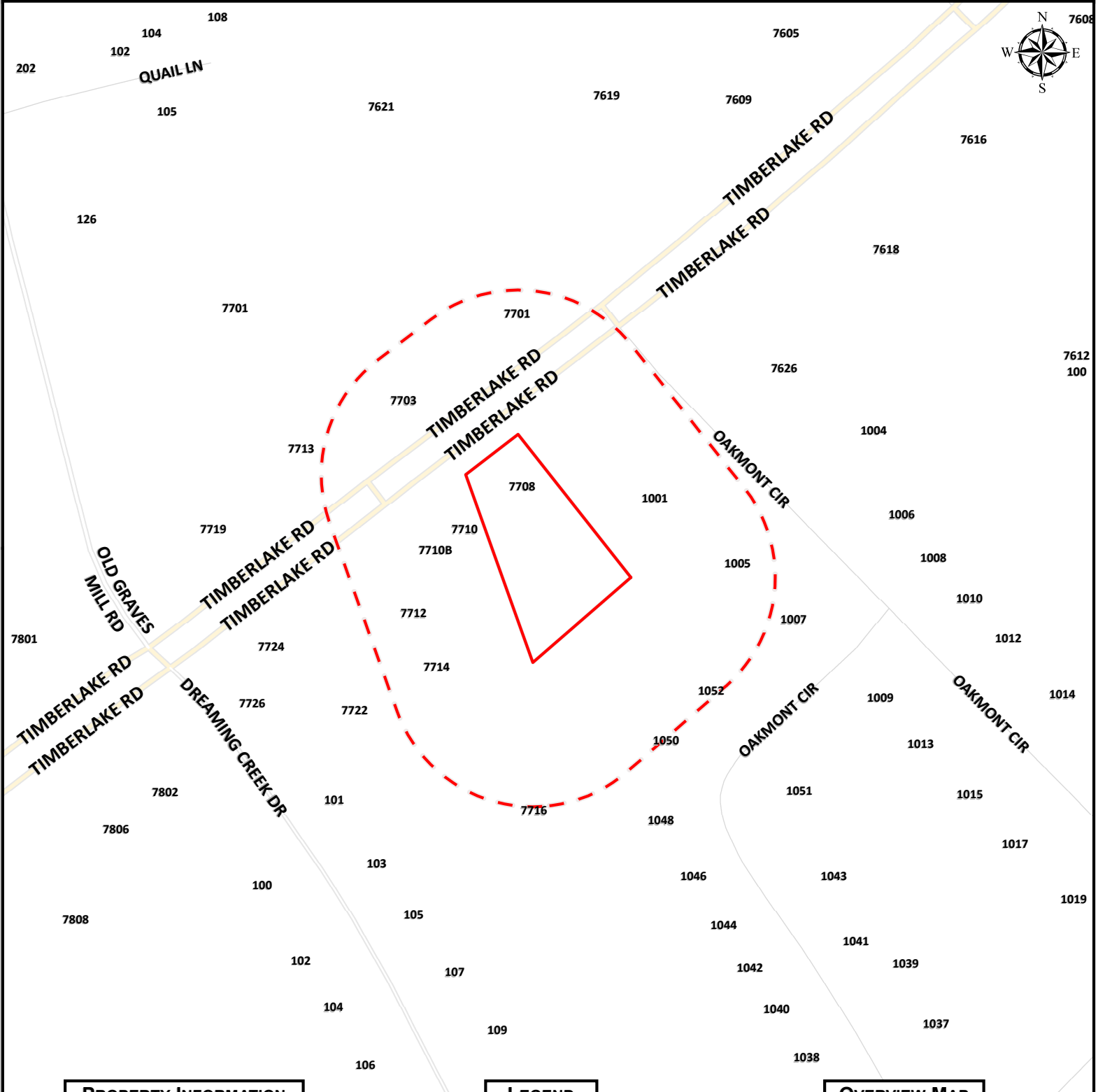
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Watershed Map

REZONING FROM B-1 TO B-2

Zoning Request

Adams Investment Properties, LLC



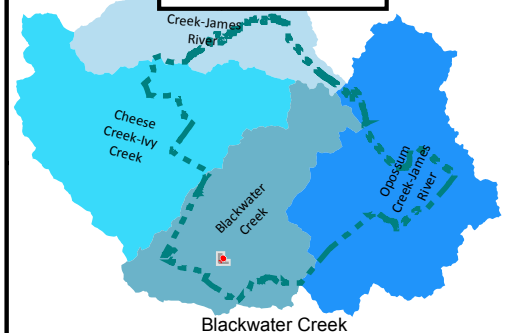
PROPERTY INFORMATION

PARCEL ID	ADDRESS
25405001	7708 TIMBERLAKE RD

LEGEND

- Subject Property**
- Base Flood Elevation**
- Floodway**
- Floodzone**
- River / Lake / Stream**

OVERVIEW MAP



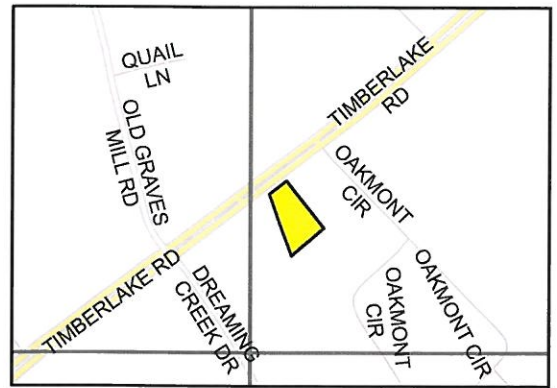
MAP SCALE: 1" to 200' DATE PRINTED: 1/9/2015

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7708 Timberlake Road

Rezoning B-1 to B-2

 Property



Adams Investment Properties, LLC.

2601 Memorial Ave. Lynchburg, VA 24501

Phone: (434) 455-4333

Fax: (434) 455-4303

E-mail: eadams305@gmail.com

--
--
--

December 9, 2014

Dear --,

As the owner of the property located at 7708 Timberlake Rd. Lynchburg, VA 24502, I am writing to you inform you of our proposal for conditional rezoning on this property. This area is currently zoned B1—Limited Business and the proposed conditional zoning is B2C—Local Neighborhood Business District. Since your property located at -- Lynchburg, VA 24502 neighbors our location, we wanted you to be aware of the petition to rezone.

As you may know, Alter Ego & Associates LLC., is currently occupying the first floor of the premises. Alter Ego performs alterations and tailoring services for Lynchburg and surrounding areas and is open Monday through Saturday from 10:00 am until 4:00 pm. Kissed Cupcakes, LLC. wishes to relocate into the lower level of our building. Kissed Cupcakes, LLC. is a locally owned bakery and will be providing baked goods for the Lynchburg and surrounding areas. They would like to be open Tuesday through Friday from 9:00 am until 3:00pm, but may open on Saturdays in the future. Please note, there will be no changes to the exterior of the building, landscaping, parking lot, or signage.

If you should have any questions or concerns regarding the rezoning, please feel free to contact me.

Sincerely,

Ernest W. Adams
Managing Member



**7708 Timberlake Road
Rezoning from B-1 to B-2
January 14, 2015**

PLEASE PRINT

[illegible]

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **February 10, 2015**

AGENDA ITEM NO.: 4

CONSENT: REGULAR: X

WORK SESSION:

CLOSED SESSION:
(Confidential)

ACTION: X

INFORMATION:

ITEM TITLE: **Vacate a portion of Waterton Drive**

RECOMMENDATION: Vacate the right-of-way.

SUMMARY: Irvington Properties, LLC, the owner of 111 Waterton Drive, is petitioning to vacate a portion of right-of-way adjoining the frontage of 109 and 111 Waterton Drive. The total area of the proposed vacation is approximately sixty-nine thousandths (0.069) of an acre.

The owners of 109 Waterton Drive have agreed to the proposed vacation. The driveway at 109 Waterton Drive currently crosses this portion of the right-of-way. If vacated, each property owner will gain land up to the centerline of the right-of-way.

A subdivision plat is pending approval that is associated with these properties. If the vacation is approved, the subdivision plat approval will be required as a condition of the ordinance.

PRIOR ACTION(S):

December 12, 2014: The Technical Review Committee [TRC] reviewed the petition. The TRC comments have been incorporated into the proposed ordinance.

January 13, 2015: The Physical Development Committee [PDC] reviewed the petition and recommended it be considered by City Council.

FISCAL IMPACT: None

CONTACT(S): Kevin Henry, Zoning Administrator - 455-3900
Tom Martin, City Planner - 455-3900
Kent White, Director of Community Development - 455-3900

ATTACHMENT(S):

- Ordinance
- Application
- Maps

REVIEWED BY: lkp

UNCODIFIED ORDINANCE:

AN ORDINANCE VACATING A PORTION OF UNOPENED RIGHT OF WAY KNOWN AS WATERTON DRIVE BETWEEN 109 AND 111 WATERTON DRIVE.

WHEREAS, Irvington Properties, LLC is petitioning to vacate a portion of unopened right of way known as Waterton Drive located between the properties of 109 and 111 Waterton Drive; and

WHEREAS, City Council finds that no public inconvenience will result from vacating the right of way

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Lynchburg, on its own motion, and in accordance with the provisions of Section 15.2-2006 of the Code of Virginia, 1950, as amended, and Sections 35-71 through 35-77 of the City Code, 1981, as amended, the following described right of way be, and the same hereby is, discontinued and vacated, namely:

The portion of right of way known as Waterton Drive located between 109 and 111 Waterton Drive, beginning at an iron pin found (IPF) which IPF is located on said northerly right-of-way line of Waterton Drive, being a corner of Lot 5, Section I, Waterton Subdivision, thence, with said Lot 5 and said line of Waterton Drive, along a curve to the left having a radius of 50.00 feet and an arc length of 70.30 feet, being subtended by a chord of north 87 degrees 35 minutes 49 seconds east for a distance of 64.65 feet to a point, which point is a common corner with said Lot 5 and with the property of Irvington Properties, LLC; thence, with said Irvington Properties and said line of Waterton Drive, south 42 degrees 40 minutes 45 seconds east for a distance of 50.00 feet to a point; thence along a curve to the left having a radius of 50.00 feet and an arc length of 70.30 feet, being subtended by a chord of south 07 degrees 02 minutes 41 seconds west for a distance of 64.65 feet to a point, which point is a common corner with said Irvington Properties and with Lot 6, Section II, Waterton Subdivision, and which point is located on said northerly line of Waterton Drive; thence, along a new northerly line of said Waterton Drive, along a curve to the left having a radius of 406.90 feet and an arc length of 134.19 feet, being subtended by a chord of north 42 degrees 40 minutes 45 seconds west for a distance of 133.59 feet to the point of beginning; together with and subject to covenants, easements, and restrictions of record.

Said property contains 0.069 acres more or less.

Said vacation is contingent upon the following: (1) that the petitioner must record a plat in the Office of the Clerk of the Lynchburg Circuit Court altering the boundary lines of 111 Waterton Drive and 201 Waterton Drive to create the required street frontage on a public street required by Chapter 24.1, Subdivision Ordinance, and Chapter 35.1, Zoning Ordinance, of the City Code for 111 Waterton Drive; and (2) that an easement to locate, relocate, repair, replace, maintain and perpetually operate all utilities currently located therein or needed by the City in the future is hereby reserved unto the City of Lynchburg, and the construction of any building or structure or the use of the vacated property in any manner that could interfere with the City's right to locate, relocate, repair, replace, maintain and perpetually operate utilities is prohibited without the prior written approval of the City Manager's Office, City Utilities Division and the City Engineering Division; and (3) the plat required herein must comply with the requirements of Chapters 24.1 and 35.1 of the City Code and the failure to prepare, approve and record such plat within six months of the adoption of this resolution shall render the vacation of the above-described portion of Waterton Drive null and void.

BE IT FURTHER ORDAINED that the Clerk of the Council is hereby authorized and directed to deliver a duly-certified copy of this ordinance to the Clerk of the Circuit Court for the City of Lynchburg so that said certified copy of this ordinance may be recorded as deeds are recorded and indexed in the name of the City of Lynchburg.

Adopted:

Certified:

Clerk of Council

APPLICATION FOR THE VACATION OF A
PORTION OF WATERTON DRIVE
LOCATED AT ITS INTERSECTION
WITH WHITLEY WAY

The undersigned applicant, Irvington Properties, LLC, pursuant to the provisions of Section 15.2-2006 of the Code of Virginia, 1950, as amended, and Section 35-71 through Section 35-77 of the City Code, 1981, as amended, respectfully makes application to the Lynchburg City Council for the vacation of that certain parcel described as follows:

ALL THAT CERTAIN PARCEL OF LAND, BEING A PORTION OF THE RIGHT-OF-WAY OF WATERTON DRIVE LOCATED AT ITS INTERSECTION WITH WHITLEY WAY IN THE CITY OF LYNCHBURG, VIRGINIA AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT, WHICH POINT IS LOCATED ON THE EASTERLY RIGHT-OF-WAY LINE OF SAID WATERTON DRIVE, AND WHICH POINT IS A COMMON CORNER WITH LOT 5, WATERTON SUBDIVISION;

THENCE, WITH SAID LOT 5, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN ARC LENGTH OF 70.30 FEET, BEING SUBTENDED BY A CHORD OF NORTH 87 DEGREES 35 MINUTES 49 SECONDS EAST FOR A DISTANCE OF 64.65 FEET TO A POINT, WHICH POINT IS A COMMON CORNER WITH IRVINGTON PROPERTIES, LLC;

THENCE, WITH SAID IRVINGTON PROPERTIES, SOUTH 42 DEGREES 40 MINUTES 45 SECONDS EAST FOR A DISTANCE OF 50.00 FEET TO A POINT;

THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 50.00 FEET AND AN ARC LENGTH OF 70.30 FEET, BEING SUBTENDED BY A CHORD OF SOUTH 07 DEGREES 02 MINUTES 41 SECONDS WEST FOR A DISTANCE OF 64.65 FEET TO A POINT, WHICH POINT IS A COMMON CORNER WITH SAID IRVINGTON PROPERTIES AND WITH LOT 6, WATERTON SUBDIVISION, AND WHICH POINT IS LOCATED ON SAID EASTERLY LINE OF WATERTON DRIVE;

THENCE, WITH SAID LINE OF WATERTON DRIVE, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 406.90 FEET AND AN ARC LENGTH OF 134.19 FEET, BEING SUBTENDED BY A CHORD OF NORTH 42 DEGREES 40 MINUTES 45 SECONDS WEST FOR A DISTANCE OF 133.59 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH AND SUBJECT TO COVENANTS, EASEMENTS, AND RESTRICTIONS OF RECORD.

SAID PROPERTY CONTAINS 0.069 ACRES MORE OR LESS.

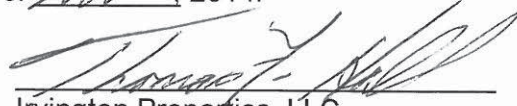
RECEIVED

NOV 16 2014

COMMUNITY
DEVELOPMENT

The applicant further requests the Lynchburg City Council to hold a public hearing on this application at its meeting to be held in the Council Chambers, City Hall, 900 Church Street, Lynchburg, Virginia, on January 15, 2015, at 7:30 p.m., or as soon thereafter as the matter may be heard, and at the conclusion of which hearing to consider whether or not to vacate the above described parcel.

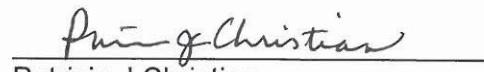
Given under my hand this 18 day of Nov., 2014.


Irvington Properties, LLC
Applicant

PO Box 1256
Amherst, Va 24521
Telephone Number: 1-434-946-5455

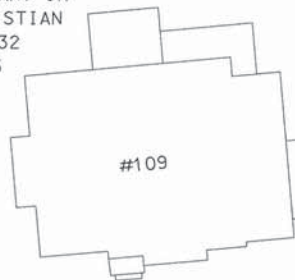
WE, THE ADJOINING PROPERTY OWNERS, ARE IN AGREEMENT WITH THE VACATION OF THE ABOVE DESCRIBED PROPERTY; AND, FURTHER, ARE IN AGREEMENT WITH THE APPORTIONMENT OF THE VACATED PARCEL BETWEEN THE TWO AFFECTED PROPERTY OWNERS.


William T Christian, Jr
Adjoining Owner


Patricia J Christian
Adjoining Owner

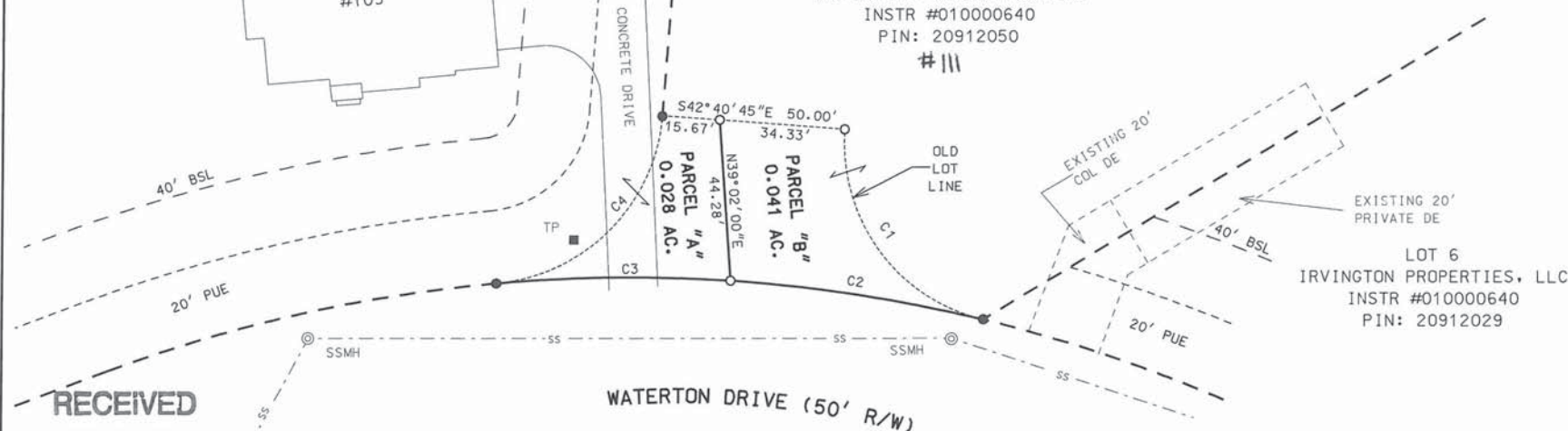
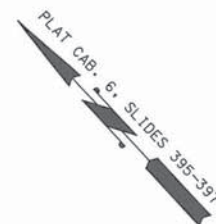
109 Waterton Drive
Lynchburg, VA 24503
Telephone Number: 434-384-2949

LOT 5
WILLIAM T. CHRISTIAN, JR
& PATRICIA J. CHRISTIAN
INSTR #050013232
PIN: 20912005



CURVE DATA CHART					
CURVE	DELTA	RADIUS	LENGTH	CHORD	CHD BEARING
C1	080°33'08"	50.00'	70.30'	64.65'	S07°02'41"W
C2	009°51'44"	406.90'	70.04'	69.95'	N38°09'45"W
C3	009°01'59"	406.90'	64.15'	64.09'	N47°36'37"W
C4	080°33'08"	50.00'	70.30'	64.65'	N87°35'49"E

IRVINGTON PROPERTIES, LLC
INSTR #010000640
PIN: 20912050
#III



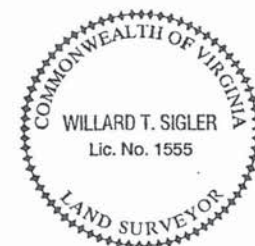
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COMMUNITY
DEVELOPMENT

WATERTON DRIVE (50' R/W)

WHITLEY
WAY



LEGEND	
○	IRON PIN SET
●	IRON PIN FOUND
R/W	RIGHT-OF-WAY
PUE	PUBLIC UTILITY EASEMENT
BSL	BUILDING SETBACK LINE
COL	CITY OF LYNCHBURG
DE	DRAINAGE EASEMENT
TP	TELEPHONE PEDESTAL
SSMH	SANITARY SEWER MANHOLE
SS	SANITARY SEWER



- NOTES:
1. THIS PLAT HAS BEEN PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT AND DOES NOT NECESSARILY INDICATE ALL ENCUMBRANCES UPON THE TITLE.
 2. BY GRAPHIC SCALING ONLY, THIS PROPERTY IS LOCATED IN ZONE "X" (NOT IN A DESIGNATED FLOOD HAZARD AREA) ACCORDING TO THE F.E.M.A. FLOOD INSURANCE RATE MAPS FOR THE CITY OF LYNCHBURG, VIRGINIA (#5100930028D & #5100930036D). NO FIELD SURVEYING WAS PERFORMED TO MAKE THIS DETERMINATION.
 3. THIS PLAT DOES NOT PURPORT TO ADDRESS THE EXISTENCE, DETECTION OR DELINEATION OF ANY ENVIRONMENTALLY SENSITIVE AREAS OR ANY ENVIRONMENTAL PROBLEMS LOCATED WITHIN THE PERIMETER OF THE PROPERTY SHOWN.
 4. THIS PLAT HAS BEEN PREPARED FROM AN ACTUAL FIELD SURVEY DONE AS PER DATE OF THIS PLAT ONLY OF PARCELS "A" & "B".
 5. TOTAL ACREAGE TO BE VACATED - 0.069 ACRES.

BERKLEY-HOWELL & ASSOC., P.C.
ENGINEERS - SURVEYORS - PLANNERS
306 ENTERPRISE DRIVE, SUITE C
FOREST, VIRGINIA 24551
PHONE: (434)385-7548 FAX: (434)385-6178

PLAT OF PORTION OF R/W OF
WATERTON DRIVE
PROPOSED TO BE VACATED
CITY OF LYNCHBURG, VIRGINIA

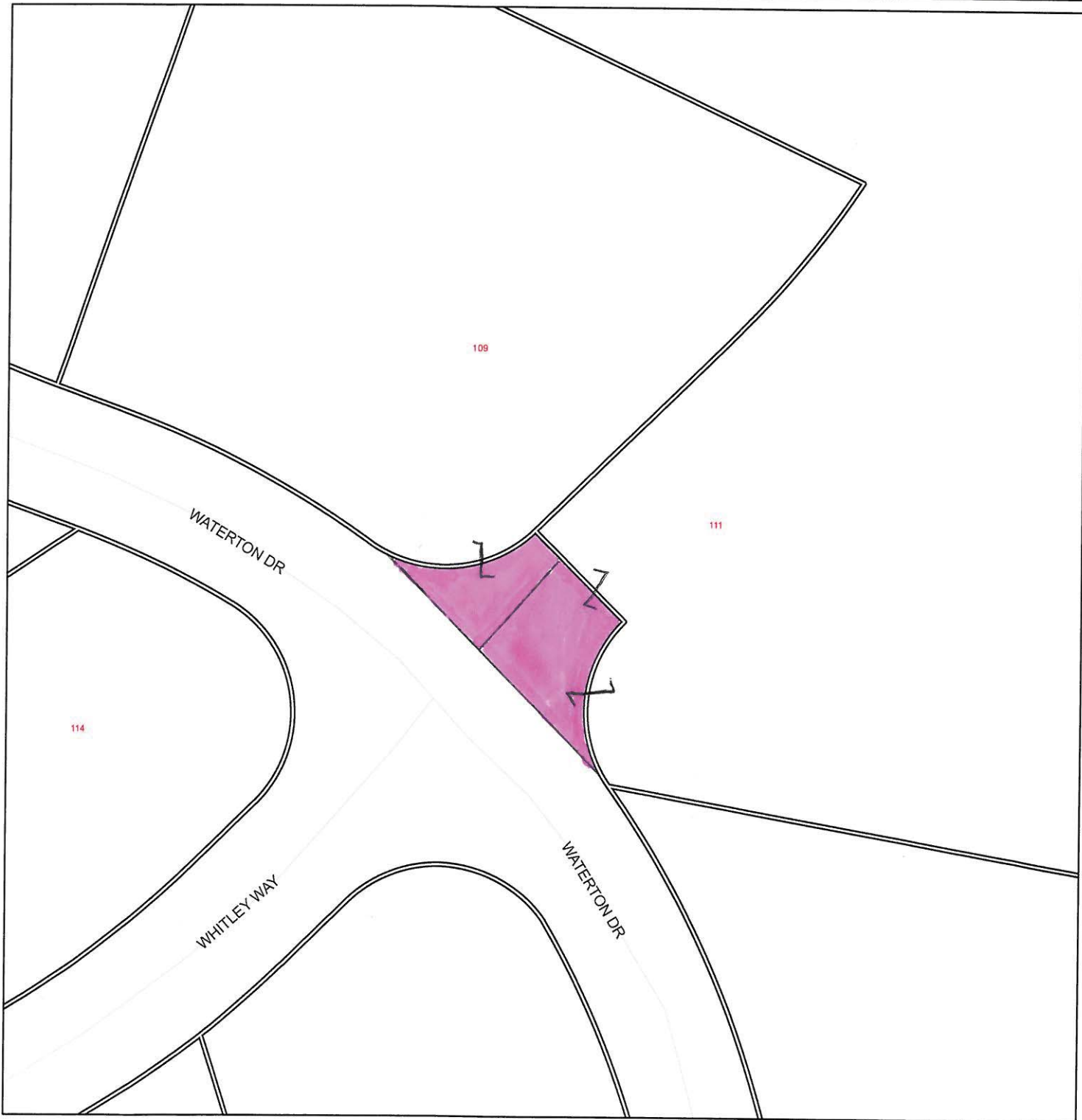
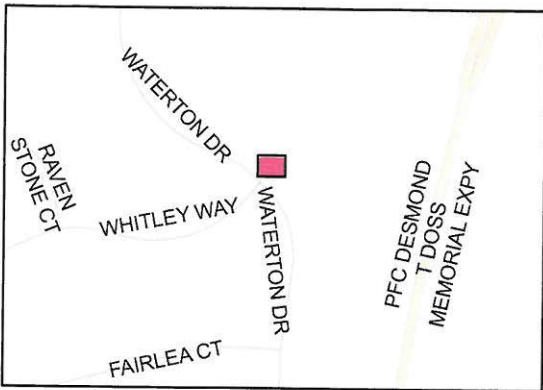
SCALE: 1" = 30'	DATE: NOVEMBER 12, 2014	COMM. NO. 010015	F.B. REF.
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109-111 Waterton Drive

Right-of-Way Vacation



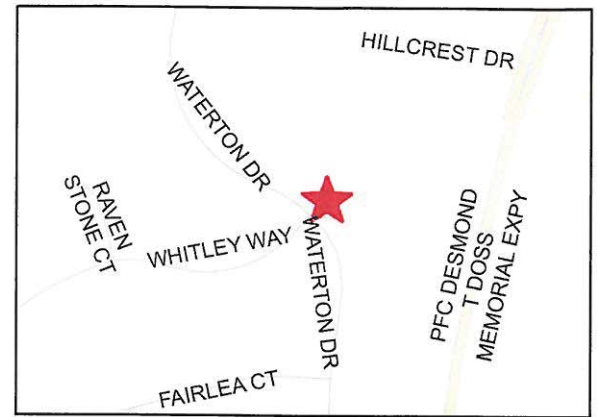
Area to be vacated



109-111 Waterton Drive

Right-of-Way Vacation

★ Location



LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **February 10, 2015**

AGENDA ITEM NO.: 5

CONSENT:

REGULAR:

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: 2014 State Homeland Security Program (SHSP) grant: \$52,542 for Lynchburg Fire Department's CBRNE Equipment project

RECOMMENDATION: Adopt a resolution to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate \$52,542 with resources from the 2014 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) for the Lynchburg Fire Department's CBRNE (Chemical, Biological, Radiological, Nuclear, Explosive) Equipment project.

SUMMARY: The Virginia Department of Emergency Management is administering this grant from the Department of Homeland Security (DHS) through the State Homeland Security Program (SHSP) grant. The Fire Department was awarded \$52,542 to be utilized by the Hazardous Materials and Technical Rescue Teams. The funds will be used for replacement CBRNE equipment and additional equipment to enhance operations during CBRNE incidents while protecting the responders and the community.

This grant is 100% reimbursable; no local match is required.

PRIOR ACTION(S): Finance Committee October 28, 2014—approval to submit application

FISCAL IMPACT: No local match is required. Future funds may be needed for periodic maintenance of the equipment purchased.

CONTACT(S):

Fire Chief S. Brad Ferguson, 455-6340

Battalion Chief Keith Johnson, 455-6340

Battalion Chief Greg Wormser, 455-6345

Ellen Davidson-Martin, Fire Administrative Manager, 455-6368

ATTACHMENT(S): Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED That the FY 2015 City/Federal/State Aid Fund budget is amended and \$52,542 is appropriated with resources from the 2014 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) for the Lynchburg Fire Department's CBRNE (Chemical, Biological, Radiological, Nuclear, Explosive) Equipment project.

Introduced:

Adopted:

Certified:

Clerk of Council

009K

// In the matter of Fire – General, City Council Report #5 was considered. Council Member Helgeson, Chair of the Finance Committee (FC) stated that this item came before FC and recommended approval and made a motion to approve the request. The motion did not require a second. Council by the following recorded vote introduced and laid over to a later meeting for final action Resolution #R-15-008, as presented, to amend the FY 2015 City/Federal/State Aid Fund budget and appropriate \$52,542 with resources from the 2014 State Homeland Security Program (SHSP) grant from U.S. Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA) for the Lynchburg Fire Department's CBRNE (Chemical, Biological, Radiological, Nuclear, Explosive) Equipment project:

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

7

Noes:

0

// In the matter of Economic Development – General, City Council Report #6 regarding the proposal to restore the Historic Virginian Hotel was considered. City Manager Kimball Payne provided an outline of the proposed agreement. Mr. Payne stated the developers, Blair Godsey and George Stanley, propose to purchase the historic Virginian Hotel, at 712 Church Street, and restore it for operation as a branded hotel. The hotel would have 115 rooms and a conference center with restaurant space and would be planned to open in 2017. The \$25 million project has a funding gap of \$5 million. Mr. Payne went on to say that the proposed gap financing would come through a \$2 million loan from the Lynchburg Economic Development Authority (LEDA) and a \$3 million conduit loan, through the LEDA, from a commercial bank. Payments on both loans would be through a grant from the LEDA, over a 17.5 year amortization period, funded by annual tax revenues from the project and its tenants, less \$100,000 that would remain with the City. The developers would guarantee both loans and the LEDA would have a lien on the property as security. Mr. Payne further stated if Council approves the proposal in concept the matter will be taken to the Lynchburg Economic Development Authority for its approval, and a formal performance agreement will be drafted and presented to Council for approval at a future meeting. The estimated revenues from all taxes, real property, personal property, lodging, meals, sales and business license, are projected to be \$300,000 to \$700,000 annually. The proposed financing agreement guarantees a minimum of \$100,000 a year to the City. During Council discussion several Council Members were in favor of the concept to restore the Historic Virginian Hotel. Council discussion included return on investment, increased tax base, increase in income from the property once the project is complete, and this would be a win-win in terms of economic dollars for the City.

Council Member Helgeson opposed approving the proposal for developers to pursue "gap financing" of \$5 million from the LEDA in hopes of opening the renovated hotel at 712 Church Street in 2017. He also stated that he appreciated the developers' vision but could not support the City financially backing the plan. A motion was made by Council Member Perrow, seconded by Vice Mayor Johnson to accept the conceptual agreement proposal to restore the Historic Virginian Hotel. Council by the following recorded vote agreed to approve the proposal to restore the Historic Virginian Hotel:

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

6

Noes: Helgeson

1

// The meeting was adjourned at 9:23 P.M.

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **February 10, 2015**

AGENDA ITEM NO.: 6

CONSENT:

REGULAR: **X**

WORK SESSION:

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Proposal to Restore the Historic Virginian Hotel**

RECOMMENDATION: Approve, in concept, a proposal to provide gap financing for the restoration of the Virginian Hotel, through the Lynchburg Economic Development Authority.

SUMMARY: Blair Godsey and George Stanley propose to purchase the historic Virginian Hotel, at 712 Church Street, and restore it for operation as a branded hotel. The hotel would have 115 rooms and a conference center with restaurant space and would be planned to open in 2017. The \$25 million project has a funding gap of \$5 million.

Proposed gap financing would come through a \$2 million loan from the Lynchburg Economic Development Authority (LEDA) and a \$3 million conduit loan, through the LEDA, from a commercial bank. Payments on both loans would be through a grant from the LEDA, over a 17.5 year amortization period, funded by annual tax revenues from the project and its tenants, less \$100,000 that would remain with the City. The developers would guarantee both loans and the LEDA would have a lien on the property as security. City Council would have to budget the annual tax revenues as funding for the LEDA in order for the LEDA to have the resources to provide the grants.

An outline of the proposed agreement is attached. It provides further details with respect to the financing and other issues such as two-way traffic and streetscape improvements important to the project's success.

The developers will attend Council's meeting and make a presentation on the project. They have completed two projects downtown, Cliff's Edge and Midpoint lofts, and have a third under construction.

If Council approves the proposal in concept the matter will be taken to the Lynchburg Economic Development Authority for its approval, and a formal performance agreement will be drafted and presented to Council for approval at a future meeting.

PRIOR ACTION(S): None

FISCAL IMPACT: The property is assessed at approximately \$2.2 million and was generating about \$25,000 a year in real property tax. Development as residential space would produce no additional revenue until the 15 year tax abatement period expired. The developers' pro-forma assumes a taxable value of \$16 million after the five (5) year abatement period expires. Estimated revenues from all taxes, real property, personal property, lodging, meals, sales and business license, are projected to be \$300,000 to \$700,000 annually. The proposed financing agreement guarantees a minimum of \$100,000 a year to the City.

CONTACT(S): Kimball Payne, City Manager, 455-3990; Marjette Upshur, Director of Economic Development, 455-4492.

ATTACHMENT(S): Virginian Hotel Gap Financing Term Sheet

REVIEWED BY: lkp

010K

VIRGINIAN HOTEL
Gap Financing
February 3, 2015

1. Project is the former Virginian Hotel.
2. Owner is Virginian Hotel, LLC.
3. Closing mid-March and construction commencing summer 2015.
4. Project cost \$25,000,000. Funding gap \$5,000,000.
5. Projected annual tax revenue from Project is between \$300,000 and \$700,000.
6. City of Lynchburg (City), LEDA and Owner will enter into Performance Agreement that (a) City to make annual appropriations of the amount of all tax revenues benefiting City from Project and Project tenants in excess of \$100,000 per year to LEDA; (b) LEDA to make grants to Owner in the amount of the City appropriations; and (c) appropriations and grants to continue for 17.5 years after July 1, 2017 or until LEDA Loan, Conduit Loan and Shortfalls are paid. City will make the first annual payment to LEDA by 7/31/17, for the 2017/2018 fiscal year for City based on projected tax revenues for the 2017/2018 fiscal year. There will be a year-end adjustment each year for actual revenue accruals. In the event that Project generates tax revenues after opening and prior to 7/1/2017, the amount of those revenues will be added to the first payment.
7. LEDA will loan Owner \$2,000,000 by 7/1/15 at the same rate and repayment terms as Conduit Loan (LEDA Loan). LEDA loan will be secured by Owner, an assignment of the payments from Performance Agreement and a lien against Project. Liens in favor of LEDA will be subordinate to liens to secure Conduit Loan. Payment of LEDA loan will be conditioned on City making the appropriations anticipated in Performance Agreement.
8. LEDA will borrow \$3,000,000 from a bank (nonrecourse except as to Owner, Project and assignment of Performance Agreement). This loan will be arranged by Owner with LEDA cooperation. LEDA will concurrently loan \$3,000,000 to Owner at the same rate and repayment terms as the LEDA bank loan (Conduit Loan). Conduit Loan will be secured by Owner, an assignment of the payments from Performance Agreement and lien against Project subordinate only to the first lien project financing.
9. To the extent the payments from City are not sufficient to make required loan payments, Owner will pay any Shortfall. If at the end of each fiscal year tax revenues are in excess of what was needed to service the debt, then excess revenues shall be applied first to pay any Shortfall plus interest equal to the interest rate charged on LEDA Loan, second to principal on LEDA Loan and third to principal on Conduit Loan.
10. After Project has been operational for 3 years then 25% of the annual net positive cash flow from the Project for that year (less the developer fee allowed in the Historic Tax Credit, Shortfalls, a preferred return of 4% of project costs, all payments required to tax credit partners, lender required replacement reserves, all tax liabilities associated with the Project and/or the syndication of any tax credits have been

paid or funded in full for a given year) shall be deposited into a Developer controlled escrow account and used to fund Shortfalls, for a public benefit in the area of the Project (to be agreed upon by City) and to accelerate loan payments (if mutually agreed upon between City and Developer).

11. Proceeds of LEDA Loan and Conduit Loan will be used only for Project construction (not acquisition).
12. Owner and tenants will allow inspection of their books to the extent necessary to verify tax revenue generated by Project.
13. City will seek any available grant funding to offset the capital costs of the Project and reduce the loan amounts dollar for dollar to the extent the grant proceeds reduce Owners costs. Grant funding, for the purposes of this section, does not include tax credits.
14. Owner may refinance Project only in an amount equal to the amount secured by the first lien on Project.
15. City and LEDA will cause 7th Street between Main and Church to become a two-way street to accommodate access to Project and facilitate construction.
16. Owner, City and LEDA support 2-way traffic for Main and Church Streets and believe that it will be helpful for the long term success of Project and revitalization in Downtown Lynchburg. City will explore efforts to cause Main and Church Streets to be two-way before opening of Project.
17. There are planned utility infrastructure improvements (Planned Infrastructure Improvements) that will impact Project. City and LEDA acknowledge that construction of these improvements after Project opens would have a negative impact on the operations and agree to make all reasonable efforts to complete the improvements before March 1, 2017.
18. City and LEDA are aware that Owner is attempting to acquire the Genworth parking lot behind Project and they acknowledge that it is an essential piece of Project. City agrees to reasonably assist Owner in its efforts to acquire the Genworth lot.
19. City and LEDA acknowledge that Project needs designated loading zones in front of Project on both 8th Street and Church Street. City and LEDA agree to assist with a plan to accommodate 150 feet of loading area in front of Project on Church Street and 120 feet of loading area in front of Project on 8th Street ; will allow a canopy to be constructed over a portion of 8th Street to provide shelter for loading in inclement weather; and construct streetscape improvements for the entire block around Project to include sidewalks, curbs, streets, crosswalks at intersections, architectural street lighting and landscaping (Note: from asphalt overlay of Church Street over the years, the curb at Project is reduced in height significantly, milling of Church Street to original grade will be required).